

**Third Quarter  
Financial Statement 2022-2023  
(Unaudited)**



**SQUARE Textiles Ltd.**  
(Consolidated and Standalone)



# SQUARE Textiles Ltd.

And its subsidiary

## Consolidated Statement of Financial Position (Unaudited) As at March 31, 2023

Particulars	Notes	31/Mar/23 Taka	30/Jun/22 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>		<b>8,916,149,342</b>	<b>8,099,886,485</b>
Property, Plant & Equipment- Carrying Value	2	6,583,920,569	6,709,043,427
Capital Work In Progress	3	2,275,945,013	1,334,559,298
Goodwill		56,283,760	56,283,760
<b>Current Assets</b>		<b>9,631,816,587</b>	<b>8,180,523,588</b>
Inventories	4	3,191,056,708	2,471,466,477
Trade Receivable	5	4,242,547,411	4,593,515,616
Advances, Deposits & Prepayments	6	823,974,480	474,565,334
Cash & Cash Equivalents	7	1,374,237,988	640,976,161
<b>TOTAL ASSETS</b>		<b>18,547,965,929</b>	<b>16,280,410,073</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES:</b>			
<b>Shareholders' Equity</b>		<b>9,320,548,121</b>	<b>9,196,250,437</b>
Share Capital		1,972,520,000	1,972,520,000
Retained Earnings		7,348,028,121	7,223,730,437
<b>Non controlling Interest</b>	8	<b>15,233,297</b>	<b>15,174,768</b>
<b>Non-Current Liabilities</b>		<b>412,233,149</b>	<b>623,866,770</b>
Long Term Borrowings	9	85,000,000	303,333,332
Deferred Tax Liability	10	327,233,149	320,533,438
<b>Current Liabilities &amp; Provisions</b>		<b>8,799,951,362</b>	<b>6,445,118,098</b>
Short Term Bank Loan (Secured)	11	7,934,351,290	5,826,639,696
Creditors & Other Payables	12	173,159,553	84,900,098
Liabilities for Others Finance	13	149,551,493	153,411,550
Unclaimed Dividend Account		12,864,814	8,651,750
Provision for Income Tax	14	530,024,212	371,515,004
<b>TOTAL LIABILITIES</b>		<b>9,212,184,511</b>	<b>7,068,984,868</b>
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>18,547,965,929</b>	<b>16,280,410,073</b>
<b>Net Asset Value Per Share</b>	22	<b>47.25</b>	<b>46.62</b>

Attached notes form parts of these Financial Statements.

Sd/-  
Tapan Chowdhury  
Chairman

Sd/-  
Ratna Patra  
Vice Chairman

Sd/-  
Samuel S Chowdhury  
Managing Director

Sd/-  
Md. Aminur Rahman  
Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

And its subsidiary

## Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the 3rd Quarter ended March 31, 2023

Particulars	Notes	9 Months (Amount in Tk)		3rd Quarter Results (Tk)	
		July to March 2022-23	July to March 2021-22	January to March 2022-23	January to March 2021-22
Sales Revenue	15	11,130,486,921	12,949,236,628	3,115,535,869	4,998,306,849
Cost of Goods Sold	16	9,698,909,826	10,813,129,967	2,648,434,096	4,262,234,967
<b>Gross Profit</b>		<b>1,431,577,095</b>	<b>2,136,106,661</b>	<b>467,101,773</b>	<b>736,071,882</b>
Administrative Overhead	17	216,415,232	206,311,880	75,500,917	68,477,998
Selling and Distribution Overhead	18	25,527,966	19,389,664	8,323,349	6,762,060
<b>Profit from Operations</b>		<b>1,189,633,897</b>	<b>1,910,405,117</b>	<b>383,277,507</b>	<b>660,831,824</b>
Finance Cost	19	210,967,935	208,077,828	88,974,335	68,323,360
Non-Operating Income	20	50,278,526	44,506,275	40,924,056	11,157,543
<b>Profit Before W.P.P.F &amp; W.F</b>		<b>1,028,944,488</b>	<b>1,746,833,564</b>	<b>335,227,228</b>	<b>603,666,007</b>
Allocation for W.P.P.F & W.F		48,997,356	83,182,551	15,963,201	28,746,001
<b>Profit Before Tax</b>		<b>979,947,132</b>	<b>1,663,651,013</b>	<b>319,264,027</b>	<b>574,920,006</b>
Provision for Tax (Current)	14	158,509,208	238,759,855	59,111,824	80,492,488
Deferred Tax Expenses (Income)	10	6,699,711	14,293,517	2,437,162	6,664,166
<b>Profit After Tax for The Period</b>		<b>814,738,213</b>	<b>1,410,597,641</b>	<b>257,715,041</b>	<b>487,763,352</b>
Non-Controlling Interest		58,529	99,817	19,957	40,963
<b>Net Income for the Period</b>		<b>814,679,684</b>	<b>1,410,497,824</b>	<b>257,695,084</b>	<b>487,722,389</b>

(Transferred to the Statement of Changes in Equity)

<b>Earnings Per Share (EPS)</b>	<b>21</b>	<b>4.13</b>	<b>7.15</b>	<b>1.31</b>	<b>2.47</b>
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Attached notes form parts of these Financial Statements.

Sd/-  
Tapan Chowdhury  
Chairman

Sd/-  
Ratna Patra  
Vice Chairman

Sd/-  
Samuel S Chowdhury  
Managing Director

Sd/-  
Md. Aminur Rahman  
Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

And its subsidiary

## Consolidated Statement of Changes in Equity (Unaudited) For the 3rd Quarter ended March 31, 2023

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2022	1,972,520,000	7,223,730,437	9,196,250,437
Net Profit For the 3rd Quarter Ended March 31, 2023	-	814,679,684	814,679,684
Cash Dividend for 2021-22	-	(690,382,000)	(690,382,000)
<b>Balance As at March 31, 2023</b>	<b>1,972,520,000</b>	<b>7,348,028,121</b>	<b>9,320,548,121</b>

## Consolidated Statement of Changes in Equity (Unaudited) For the 3rd Quarter ended March 31, 2022

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2021	1,972,520,000	5,659,670,882	7,632,190,882
Net Profit For the 3rd Quarter Ended March 31, 2022	-	1,410,497,824	1,410,497,824
Cash Dividend for 2020-21	-	(394,504,000)	(394,504,000)
<b>Balance As at March 31, 2022</b>	<b>1,972,520,000</b>	<b>6,675,664,706</b>	<b>8,648,184,706</b>

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Company Secretary



# SQUARE Textiles Ltd.

And its subsidiary

## Consolidated Statement of Cash flows (Unaudited) For the 3rd Quarter ended March 31, 2023

Particulars	Amount (Tk)	
	July to March 2022-23	July to March 2021-22
<b>Cash Flows from Operating Activities:</b>		
Receipts from Sales Revenue	11,481,455,126	12,713,159,797
Exchange Fluctuation Gain (Realization from Transaction)	64,746,045	9,444,413
Receipts/ (Payment) from Other Income/ Expenses	10,995,107	25,413,318
<b>Total Receipts</b>	<b>11,557,196,278</b>	<b>12,748,017,528</b>
Payment for Supplies and Other Services	(7,540,525,241)	(8,793,614,938)
Paid for Operating & Non-operating Expenses	(2,727,342,662)	(1,990,368,076)
Interest Expenses Paid	(149,764,522)	(209,894,269)
Income Tax Paid	(256,723,966)	(72,766,766)
<b>Total Payments</b>	<b>(10,674,356,391)</b>	<b>(11,066,644,049)</b>
<b>Net Cash Generated (Used in) from Operating Activities</b>	<b>882,839,887</b>	<b>1,681,373,479</b>
<b>Cash Flows from Investing Activities:</b>		
Purchase of Property, Plant & Equipment	(1,330,948,295)	(484,144,287)
Sales of Property, Plant & Equipment	3,820,011	2,260,000
<b>Net Cash Generated (Used in) from Investing Activities</b>	<b>(1,327,128,284)</b>	<b>(481,884,287)</b>
<b>Cash Flows from Financing Activities:</b>		
Long Term Loan Received/ (Repaid)	(385,000,000)	(750,959,956)
Short Term Bank Loan Received/ (Repaid)	2,274,378,262	(233,770,681)
Payment of Dividend	(686,168,936)	(440,311,726)
<b>Net Cash Generated (Used in) from Financing Activities</b>	<b>1,203,209,326</b>	<b>(1,425,042,363)</b>
<b>Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>758,920,929</b>	<b>(225,553,171)</b>
<b>Net effect of foreign currency translation</b>	<b>(25,659,102)</b>	<b>8,158,544</b>
<b>Opening Cash &amp; Cash Equivalents</b>	<b>640,976,161</b>	<b>1,439,307,061</b>
<b>Closing Cash &amp; Cash Equivalents</b>	<b>1,374,237,988</b>	<b>1,221,912,434</b>
<b>Net Operating Cash Flows Per Share</b>	<b>4.48</b>	<b>8.52</b>

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Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

And its subsidiary

## Notes to the Consolidated Interim Financial Statements (Unaudited) For the 3rd Quarter Ended March 31, 2023

### 01. Basis of preparation of the Consolidated Interim Financial Statements:

These Financial Statements (They) are the unaudited consolidated interim financial statements (hereafter "The Consolidated Interim Financial Statements") of Square Textiles Limited and Square Texcom Limited, Companies incorporated in Bangladesh under Companies Act 1913 & 1994, for the 3rd Quarter Ended on March 31, 2023 (hereafter "The Interim Period"). They are prepared in accordance with the International Accounting Standard (IAS 34) "Interim Financial Reporting". These financial statements should read in conjunction with the Annual Financial Statements as on June 30, 2022, as they provide an update of previously reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements, except where noted below. Where necessary, the comparatives have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

We understand that our business is growing every year that means our assets are performing according to intention of procurement and in sum up the discounted future cash flow from the operation of the assets would be positive if we dispose those assets at the date of financial reporting. But presently we have on intension to dispose these assets, so it is not required to record the impairment gain as provisions of IAS-36.

The company operates in industries where significant seasonal or cyclical variations in total sales are not experienced during the reporting period.

The Company has no reportable operating segments as per requirement of IFRS-8, "Operating Segments".

There is no significant even after the end of the interim period that has to be reflected in the Consolidated Financial Statements for the interim period except.

Figures have been rounded off to the nearest Taka.

31-Mar-23

30-Jun-22

### 02. Consolidated Property, Plant & Equipment:

Details of Property, Plant & Equipment and Depreciation as at March 31, 2023 are as below:

#### Fixed Assets at Cost

Opening Balance	13,155,210,134	12,792,433,005
Addition during the Year	389,562,580	441,444,238
Sale/ Obsolete during the Year	(147,231,570)	(78,667,109)
<b>Closing Balance(Cost)</b>	<b>13,397,541,144</b>	<b>13,155,210,134</b>

#### Accumulated Depreciation

Opening Balance	6,446,166,707	5,832,982,726
Charged during the Year	511,061,902	688,632,854
Adjustment for sale/Obsolete	(143,608,034)	(75,448,873)
	<b>6,813,620,575</b>	<b>6,446,166,707</b>

#### Carrying Value

Tk.	<b>6,583,920,569</b>	<b>6,709,043,427</b>
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	31-Mar-23	30-Jun-22
<b>03. Capital Work In Progress:</b>		
Capital Work In Progress	2,275,945,013	1,334,559,298
<b>Tk.</b>	<b>2,275,945,013</b>	<b>1,334,559,298</b>

The amount of Capital Work In Progress includes investment of SQUARE Textiles Ltd. Unit-04 Extension project and some of BMRE activities of existing units.

#### 04. Consolidated Inventories:

<b>Stocks of Materials</b>	<b>2,942,276,173</b>	<b>2,259,852,806</b>
Raw Materials	2,345,661,492	1,891,092,606
Raw Materials In Transit	107,869,308	48,373,070
Packing Materials	28,033,479	25,642,217
Work - in - process	265,759,583	142,626,650
Finished Goods	194,952,311	152,118,263
<b>Stocks of Spares</b>	<b>248,780,535</b>	<b>211,613,671</b>
Spares at Store	244,594,976	206,394,084
Spares in Transit	4,185,559	5,219,587
<b>Tk.</b>	<b>3,191,056,708</b>	<b>2,471,466,477</b>

#### 05. Consolidated Trade Receivable:

Aging of the above balance is as follows:

Below 60 days	1,893,586,518	1,988,299,156
Within 61-120 days	1,640,473,140	1,722,775,117
Above 120 days	708,487,753	882,441,343
<b>Tk.</b>	<b>4,242,547,411</b>	<b>4,593,515,616</b>

a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.

b) The carrying amount of Trade Debtors pledged as security.

c) Trade Receivable is secured, considered as good and is falling due within one year.

#### 06. Consolidated Advances, Deposits & Prepayments:

This is made up of the followings:

<b>Advance</b>	<b>676,643,062</b>	<b>350,549,258</b>
Income Tax	460,314,454	203,590,488
Salary & PF Current account	92,043	86,000
Other Expenses	74,143,373	65,939,658
Suppliers & Contractor	142,093,192	80,933,112
<b>Deposits</b>	<b>147,331,418</b>	<b>124,016,076</b>
Security Deposit	133,855,015	111,346,762
Margin on Bank Guarantee	13,476,403	12,669,314
<b>Tk.</b>	<b>823,974,480</b>	<b>474,565,334</b>

	31-Mar-23	30-Jun-22
<b>07. Consolidated Cash &amp; Cash Equivalents:</b>		
This is made up of the followings:		
Cash in hand	9,963,739	12,434,533
Cash at Bank	1,364,274,249	628,541,628
<b>Tk.</b>	<b>1,374,237,988</b>	<b>640,976,161</b>

**08. Non Controlling Interest: Tk.**

5,000 shares of Tk 100 at par of Square Texcom Ltd.	500,000	500,000
Shares of Accumulated Profit	14,733,297	14,674,768
	<b>15,233,297</b>	<b>15,174,768</b>

**09. Long Term Borrowings (Secured):**

Standard Chartered Bank	265,000,000	400,000,000
HSBC Bank	-	250,000,000
Less: Current Portion of Long Term Borrowings	(180,000,000)	(346,666,668)
<b>Tk.</b>	<b>85,000,000</b>	<b>303,333,332</b>

**10. Consolidated Deferred Tax Liability:**

Opening Balance	320,533,438	310,064,400
Deferred Tax Expenses/ (Income)	6,699,711	10,469,038
<b>Closing Balance</b>	<b>327,233,149</b>	<b>320,533,438</b>

This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance creates only from difference between accounting basis depreciation and tax basis depreciation on fixed assets). We don't have any other assets or liabilities except fixed assets for provision of Deferred Tax liabilities to present in details form for unused tax losses and unused tax credits.

**a) Deferred Tax Liability is arrived at as follows:**

Carrying Value of Depreciable Fixed Assets	5,863,036,398	5,993,119,746
Less: Tax Base Carrying Value	(3,681,482,072)	(3,856,230,166)
<b>Taxable Temporary Difference</b>	<b>2,181,554,326</b>	<b>2,136,889,580</b>
Tax Rate	15.00%	15.00%
<b>Closing Deferred Tax Liability</b>	<b>327,233,149</b>	<b>320,533,438</b>
Less: Opening Deferred Tax Liability	(320,533,438)	(310,064,400)
<b>Deferred Tax (Income) / Expense</b>	<b>6,699,711</b>	<b>10,469,038</b>

**11. Consolidated Short Term Bank Loan (Secured):**

Revolving Loan	700,000,000	-
EDF & UPAS	7,054,351,290	5,479,973,028
Current Portion of Long Term Borrowings	180,000,000	346,666,668
<b>Tk.</b>	<b>7,934,351,290</b>	<b>5,826,639,696</b>

- a) These short term loans are secured against hypothecation of Stock and Trade Receivable.  
b) The Short Term Bank Loan consist of the UPAS & EDF loan against Import of Raw Materials and Capital Machineries of expansion project at Habiganj.

**12. Consolidated Creditors & Others Payable:**

Provision for Audit Fees	-	632,500
Provision for Utility Bill	152,141,858	64,010,809
Provision for Salary & Allowances	7,339,697	7,798,549
Others	13,677,998	12,458,240
	<b>173,159,553</b>	<b>84,900,098</b>

This represents amount payable to regular suppliers of packing materials, utilities, and other services rendered to the company. All suppliers were paid on a regular basis.



	31-Mar-23	30-Jun-22
<b>13. Consolidated Liabilities for Other Finance:</b>		
PF, WPPF & Other Fund	51,716,315	116,779,785
Others	97,835,178	36,631,765
<b>Tk.</b>	<b>149,551,493</b>	<b>153,411,550</b>
<b>14. Consolidated Provision for Income Tax:</b>		
Opening Balance	371,515,004	101,269,364
Adjustment with Advance Tax	-	(70,250,366)
Current Year Provision	158,509,208	340,496,006
<b>Closing Balance</b>	<b>530,024,212</b>	<b>371,515,004</b>
<b>Calculation of Effective Tax Rate:</b>		
Current Income Tax Expenses	158,509,208	340,496,006
Deferred Tax Expenses / (Income)	6,699,711	10,469,038
<b>Total Tax Expenses</b>	<b>165,208,919</b>	<b>350,965,044</b>
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	16.86%	15.20%

	July-22 to Mar'-23	July-21 to Mar'-22
<b>15. Consolidated Sales Revenue:</b>		
Export Sale of Yarns	11,130,486,921	12,949,236,628
<b>Tk.</b>	<b>11,130,486,921</b>	<b>12,949,236,628</b>

During the period sales decreased by BDT 181.87 (-14.04%) crore due to decrease of yarn production for energy crisis as well as decrease of yarn price.

<b>16. Consolidated Cost of Goods Sold:</b>		
Raw Materials Consumed	6,946,361,332	8,487,770,244
Factory Overhead (Note: 16.01)	2,752,548,494	2,325,359,723
<b>Cost of Goods Sold</b>	<b>9,698,909,826</b>	<b>10,813,129,967</b>

During the period Raw Material cost decreased by BDT 154.14 (-18.16%) crore due to decrease of yarn production for energy crisis as well as decrease of cotton price in international market.

**16.01. Factory Overhead:**

Factory Wages, Salary & Allowances	772,292,648	792,382,316
Production Workers' Free Lunch	4,280,709	3,644,480
Fuel, Petrol, Light, Diesel etc.	291,481,325	68,855,434
Electricity, Gas & Water	814,409,641	642,311,293
Factory Consumable Expense	41,900,536	37,318,639
Repairs & Maintenance of Vehicles	22,825,658	13,771,600
Industrial All Risk Insurance Premium	25,239,888	17,068,713
Govt. Tax, VAT & License Fees	7,390,166	1,777,857
Security Services	18,780,325	17,951,873
Spare Parts - Machinery	233,382,190	199,835,639
Depreciation	511,061,902	521,872,813
Other Overhead	9,503,506	8,569,066
<b>Total</b>	<b>2,752,548,494</b>	<b>2,325,359,723</b>

Fuel, Gas and Electricity cost increased significantly due to Gas & Electricity crisis as well as increase of fuel and GAS price.

	July-22 to Mar'-23	July-21 to Mar'-22
<b>17. Consolidated Administrative Overhead:</b>		
Salary and Allowances	95,513,141	106,123,420
Directors' Remuneration	47,694,375	41,439,375
Overseas Travelling	15,871,072	12,066,100
Vehicles Running & Maintenance	9,701,522	7,148,714
Fees & Subscription	15,460,759	5,426,421
Rental Expenses	10,728,786	10,934,187
Office Consumable Expense	1,262,948	1,132,090
Electricity, Gas & Water	2,069,026	2,340,473
Software & Hardware Support Expenses	2,426,974	2,021,426
Head Office Employees' Free Lunch	2,477,468	2,771,025
Annual General Meeting Expenses	446,384	1,083,647
Other Expenses	12,762,777	13,825,002
<b>Total</b>	<b>Tk. 216,415,232</b>	<b>206,311,880</b>

Directors' Remuneration is not included the Member Director of "Audit Committee" and "Nomination & Remuneration Committee"

**18. Consolidated Selling & Distribution Overhead:**

Export Sale Expenses	20,486,831	15,277,492
Loading & unloading	5,041,135	4,112,172
<b>Total</b>	<b>Tk. 25,527,966</b>	<b>19,389,664</b>

**19. Finance Cost:**

Interest on Deferred LC Loan	146,918,503	52,487,119
Interest on Loan ag. Export Bill Discount	-	10,518
Interest on OD	4,292	111,332
Interest on Short Term Loan	31,330,375	14,605,555
Interest on Long Term Loan	32,714,765	140,863,304
Interest on Sister Concerns	-	-
<b>Total</b>	<b>Tk. 210,967,935</b>	<b>208,077,828</b>

During the period Finance cost increased by BDT 0.29 (1.39%) crore due to additional financing for the expansion project and some BMRE activities.

**20. Non-Operating Income:**

Interest Income	10,929,108	23,068,664
Cash Incentive	66,000	-
Forfeited Provident Fund	-	2,344,654
Gain/ (Loss) on Disposal of Assets	196,475	1,490,000
Forex Exchange Rate Fluctuation Gain/ (Loss)	39,086,943	17,602,957
<b>Total</b>	<b>Tk. 50,278,526</b>	<b>44,506,275</b>

**21. Earnings Per Share (EPS):**

The Computation is given below:

Earning attributable to Ordinary Shares	814,679,684	1,410,497,824
Number of Ordinary shares	197,252,000	197,252,000
<b>Earnings Per Share</b>	<b>Tk. 4.13</b>	<b>7.15</b>

During the period EPS decreased by BDT 3.02 (-42.24%) due to decline of yarn production for energy crisis, significantly increase of energy cost for GAS & diesel price hike as well as decrease of yarn price in international market.

	July-22 to Mar'-23	July-21 to Mar'-22
<b>22. Net Asset Value (NAV) Per Share:</b>		
The Computation is given below:		
Equity Attributable to the Owners of the Company	Tk. 9,320,548,121	9,196,250,437
Number of Ordinary shares	197,252,000	197,252,000
<b>Net Asset Value (NAV) Per Share</b>	<b>Tk. 47.25</b>	<b>46.62</b>

### 23. Net Operating Cash flows per Share (NOCFPS):

The Computation is given below:

Net Cash Generated (Used in) from Operating	Tk. 882,839,887	1,681,373,479
Number of Ordinary shares	197,252,000	197,252,000
<b>Net Operating Cash flows per Share (NOCFPS)</b>	<b>Tk. 4.48</b>	<b>8.52</b>

### 24. Reconciliation of Net Profit with Cash Flows from Operating Activities:

The Computation is given below:

<b>Profit After Tax</b>	<b>814,738,213</b>	<b>1,410,597,641</b>
<b>Adjustment to reconcile net profit to net cash</b>		
<b>Non-cash Expenses:</b>	<b>543,420,715</b>	<b>528,007,786</b>
Depreciation	511,061,902	521,872,813
Deferred Tax	6,699,711	14,293,517
Net effect of foreign currency translation	25,659,102	(8,158,544)
<b>Non-Operating Items:</b>	<b>(196,475)</b>	<b>(1,490,000)</b>
Gain/ (Loss) on Disposal of Assets	(196,475)	(1,490,000)
<b>Changes in working Capital:</b>	<b>(475,122,566)</b>	<b>(255,741,948)</b>
(Increase)/Decrease in Inventories	(719,590,231)	(330,083,397)
(Increase)/Decrease in Trade Receivable	350,968,205	(236,076,831)
(Increase)/Decrease in Advances, Deposits & Prepayments	(349,409,146)	(80,054,736)
Increase/(Decrease) in Creditors & Other Payables	88,259,455	21,115,172
Increase/(Decrease) in Liabilities for Others Finance	(3,860,057)	130,597,989
Increase/(Decrease) in Income Tax Payable	158,509,208	238,759,855
<b>Net Cash Generated (Used in) from Operating Activities</b>	<b>882,839,887</b>	<b>1,681,373,479</b>

### 25. Regarding Consolidated Net Operating Cash Flows per Share:

The business (100% export oriented spinning industry) operation is volatile and realization from debtors (100% confirmed back to back LC) also very positively co-related with this, but all import payments should be made as per provision of UCPDC-600, resultant, the per share operating cash flows fluctuates from quarter to quarter, which is very common for the spinning business trend. During the period under review cash flows from operating activities declined due to increase of inventory by TK.71.96 crore for seasonal inventory procurement.



# SQUARE Textiles Ltd.

## Statement of Financial Position (Unaudited) As at March 31, 2023

Particulars	Notes	31/Mar/23 Taka	30/Jun/22 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>		<b>8,353,793,947</b>	<b>7,594,562,921</b>
Property, Plant & Equipment- Carrying Value	02	6,079,372,848	6,161,387,415
Capital Work In Progress	03	1,785,087,139	943,841,546
Investment - Long Term (At Cost)		489,333,960	489,333,960
<b>Current Assets</b>		<b>8,819,545,194</b>	<b>7,435,018,277</b>
Inventories	04	2,884,709,941	2,243,342,297
Trade Receivable	05	3,960,366,092	4,238,253,857
Advances, Deposits & Prepayments	06	750,311,794	438,615,626
Cash & Cash Equivalents	07	1,224,157,367	514,806,497
<b>TOTAL ASSETS</b>		<b>17,173,339,141</b>	<b>15,029,581,198</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES:</b>			
<b>Shareholders' Equity</b>		<b>8,791,068,013</b>	<b>8,717,462,512</b>
Share Capital		1,972,520,000	1,972,520,000
Retained Earnings		6,818,548,013	6,744,942,512
<b>Non-Current Liabilities</b>		<b>370,374,779</b>	<b>579,630,811</b>
Long Term Borrowings	08	85,000,000	303,333,332
Deferred Tax Liability	09	285,374,779	276,297,479
<b>Current Liabilities &amp; Provisions</b>		<b>8,011,896,349</b>	<b>5,732,487,875</b>
Short Term Bank Loan (Secured)	10	7,222,779,183	5,168,669,589
Creditors & Other Payables	11	158,433,257	75,674,946
Liabilities for Others Finance	12	136,872,353	140,661,736
Unclaimed Dividend Account		12,864,814	8,651,750
Provision for Income Tax	13	480,946,742	338,829,854
<b>TOTAL LIABILITIES</b>		<b>8,382,271,128</b>	<b>6,312,118,686</b>
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>17,173,339,141</b>	<b>15,029,581,198</b>
<b>Net Asset Value Per Share</b>	<b>25</b>	<b>44.57</b>	<b>44.19</b>

Attached notes form parts of these Financial Statements.

Sd/-  
Tapan Chowdhury  
Chairman

Sd/-  
Ratna Patra  
Vice Chairman

Sd/-  
Samuel S Chowdhury  
Managing Director

Sd/-  
Md. Aminur Rahman  
Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

## Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the 3rd Quarter ended March 31, 2023

Particulars	Notes	9 Months (Amount in Tk)		3rd Quarter Results (Tk)	
		July to March 2022-23	July to March 2021-22	January to March 2022-23	January to March 2021-22
Sales Revenue	14	10,162,847,132	11,766,648,310	2,810,277,249	4,563,926,626
Cost of Goods Sold	15	8,830,922,870	9,759,990,185	2,378,482,801	3,878,178,200
<b>Gross Profit</b>		<b>1,331,924,262</b>	<b>2,006,658,125</b>	<b>431,794,448</b>	<b>685,748,426</b>
Administrative Overhead	16	202,473,717	189,286,094	71,312,661	63,196,077
Selling and Distribution Overhead	17	22,431,374	16,957,641	6,885,845	6,014,810
<b>Profit from Operations</b>		<b>1,107,019,171</b>	<b>1,800,414,390</b>	<b>353,595,942</b>	<b>616,537,539</b>
Finance Cost	18	189,918,968	203,181,406	78,471,501	67,017,099
Non-Operating Income	19	43,840,570	42,269,623	36,500,531	10,066,389
<b>Profit Before W.P.P.F &amp; W.F</b>		<b>960,940,773</b>	<b>1,639,502,607</b>	<b>311,624,972</b>	<b>559,586,829</b>
Allocation for W.P.P.F & W.F		45,759,084	78,071,553	14,839,284	26,646,992
<b>Profit Before Tax</b>		<b>915,181,689</b>	<b>1,561,431,054</b>	<b>296,785,688</b>	<b>532,939,837</b>
Provision for Tax (Current)	13	142,116,888	222,119,001	53,167,613	73,707,565
Deferred Tax Expenses (Income)	09	9,077,300	15,265,879	3,207,945	6,988,390
<b>Profit After Tax for The Period</b>		<b>763,987,501</b>	<b>1,324,046,174</b>	<b>240,410,130</b>	<b>452,243,882</b>

(Transferred to the Statement of Changes in Equity)

<b>Earnings Per Share (EPS)</b>	24	3.87	6.71	1.22	2.29
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Attached notes form parts of these Financial Statements.

Sd/-  
Tapan Chowdhury  
Chairman

Sd/-  
Ratna Patra  
Vice Chairman

Sd/-  
Samuel S Chowdhury  
Managing Director

Sd/-  
Md. Aminur Rahman  
Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

## Statement of Changes in Equity (Unaudited) For the 3rd Quarter ended March 31, 2023

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2022	1,972,520,000	6,744,942,512	8,717,462,512
Net Profit For the 3rd Quarter Ended March 31, 2023	-	763,987,501	763,987,501
Cash Dividend for 2021-22	-	(690,382,000)	(690,382,000)
<b>Balance As at March 31, 2023</b>	<b>1,972,520,000</b>	<b>6,818,548,013</b>	<b>8,791,068,013</b>

## Statement of Changes in Equity (Unaudited) For the 3rd Quarter ended March 31, 2022

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2021	1,972,520,000	5,333,141,916	7,305,661,916
Net Profit For the 3rd Quarter Ended March 31, 2022	-	1,324,046,174	1,324,046,174
Cash Dividend for 2020-21	-	(394,504,000)	(394,504,000)
<b>Balance As at March 31, 2022</b>	<b>1,972,520,000</b>	<b>6,262,684,090</b>	<b>8,235,204,090</b>

Sd/-  
Tapan Chowdhury  
Chairman

Sd/-  
Ratna Patra  
Vice Chairman

Sd/-  
Samuel S Chowdhury  
Managing Director

Sd/-  
Md. Aminur Rahman  
Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

## Statement of Cash flows (Unaudited) For the 3rd Quarter ended March 31, 2023

Particulars	Notes	Amount (Tk)	
		July to March 2022-23	July to March 2021-22
<b>Cash Flows from Operating Activities:</b>			
Receipts from Sales Revenue		10,440,734,897	11,560,881,263
Exchange Fluctuation Gain (Realization from Transection)		55,614,692	8,007,905
Receipts/ (Payment) from Other Income/ Expenses		10,967,369	25,279,766
<b>Total Receipts</b>		<b>10,507,316,958</b>	<b>11,594,168,934</b>
Payment for Supplies and Other Services		(6,861,339,770)	(7,926,235,029)
Paid for Operating & Non-operating Expenses		(2,476,398,815)	(1,816,919,990)
Interest Expenses Paid		(134,442,985)	(205,020,322)
Income Tax Paid		(225,732,035)	(65,217,219)
<b>Total Payments</b>		<b>(9,697,913,605)</b>	<b>(10,013,392,560)</b>
<b>Net Cash Generated (Used in) from Operating Activities</b>		<b>809,403,353</b>	<b>1,580,776,374</b>
<b>Cash Flows from Investing Activities:</b>			
Purchase of Property, Plant & Equipment		(1,230,108,173)	(432,609,688)
Sales of Property, Plant & Equipment		2,800,001	2,260,000
<b>Net Cash Generated (Used in) from Investing Activities</b>		<b>(1,227,308,172)</b>	<b>(430,349,688)</b>
<b>Cash Flows from Financing Activities:</b>			
Long Term Loan Received/ (Repaid)		(385,000,000)	(750,959,956)
Short Term Bank Loan Received/ (Repaid)		2,220,776,262	(263,731,952)
Payment of Dividend		(686,168,936)	(440,311,726)
<b>Net Cash Generated (Used in) from Financing Activities</b>		<b>1,149,607,326</b>	<b>(1,455,003,634)</b>
<b>Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>		<b>731,702,507</b>	<b>(304,576,948)</b>
<b>Net effect of foreign currency translation</b>		<b>(22,351,637)</b>	<b>7,491,952</b>
<b>Opening Cash &amp; Cash Equivalents</b>		<b>514,806,497</b>	<b>1,352,844,574</b>
<b>Closing Cash &amp; Cash Equivalents</b>		<b>1,224,157,367</b>	<b>1,055,759,578</b>
<b>Net Operating Cash flows per Share</b>		<b>4.10</b>	<b>8.01</b>

Sd/-  
Tapan Chowdhury  
Chairman

Sd/-  
Ratna Patra  
Vice Chairman

Sd/-  
Samuel S Chowdhury  
Managing Director

Sd/-  
Md. Aminur Rahman  
Chief Financial Officer

Sd/-  
Sanjib Baran Roy  
Company Secretary



# SQUARE Textiles Ltd.

## Notes to the Interim Financial Statements (Unaudited) For the 3rd Quarter Ended March 31, 2023

### 01. Basis of preparation of the Interim Financial Statements:

These Financial Statements (They) are the unaudited interim Financial statement (here after 'the Interim Financial Statements') of Square Textiles Ltd. , for the 3rd Quarter Ended on March 31, 2023 (here after the interim period). They are prepared in accordance with the Bangladesh Accounting Standard (IAS-34) 'Interim Financial Reporting'. These financial statement should read in conjunction with the Annual Financial Statements as of June 30, 2022, as they provide an update of previous reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements, except where noted below. Where necessary, the comparatives have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

We understand that our business is growing every year that means our assets are performing according to intention of procurement and in sum up the discounted future cash flow from the operation of the assets would be positive if we dispose those assets at the date of financial reporting. But presently we have on intension to dispose these assets, so it is not required to record the impairment gain as provisions of IAS-36.

The company operates in industries where significant seasonal or cyclical variations in total sales are not experienced during the reporting period.

The Company has no reportable operating segments as per requirement of IFRS-8, "Operating Segments".

Figures have been rounded off to the nearest Taka.

31-Mar-23

30-Jun-22

### 02. Property, Plant & Equipment:

Details of Property, Plant & Equipment and Depreciation as at March 31, 2023 are as below:

#### Fixed Assets at Cost

Opening Balance	12,087,504,492	11,723,998,907
Addition during the Year	388,862,580	437,299,499
Sale/ Obsolete during the Year	(126,532,122)	(73,793,914)
<b>Closing Balance(Cost)</b>	<b>12,349,834,950</b>	<b>12,087,504,492</b>

#### Accumulated Depreciation

Opening Balance	5,926,117,077	5,365,642,419
Charged during the Year	467,687,291	631,050,336
Adjustment for sale/Obsolete	(123,342,266)	(70,575,678)
	<b>6,270,462,102</b>	<b>5,926,117,077</b>

#### Carrying Value

Tk.	<b>6,079,372,848</b>	<b>6,161,387,415</b>
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	31-Mar-23	30-Jun-22
<b>03. Capital Work In Progress:</b>		
Capital Work In Progress	1,785,087,139	943,841,546
<b>Tk.</b>	<b>1,785,087,139</b>	<b>943,841,546</b>

The amount of Capital Work In Progress includes investment of SQUARE Textiles Ltd. Unit-04 Extension project and some of BMRE activities of existing units.

#### 04. Inventories:

<b>Stocks of Materials</b>	<b>2,649,302,307</b>	<b>2,043,361,617</b>
Raw Materials	2,134,588,876	1,712,022,186
Raw Materials In Transit	84,503,942	35,902,690
Packing Materials	25,076,849	23,320,421
Work - in - process	226,777,317	131,982,572
Finished Goods	178,355,323	140,133,748
<b>Stocks of Spares</b>	<b>235,407,634</b>	<b>199,980,680</b>
Spares at Store	231,910,313	195,047,766
Spares in Transit	3,497,321	4,932,914
<b>Tk.</b>	<b>2,884,709,941</b>	<b>2,243,342,297</b>

#### 05. Trade Receivable:

Aging of the above balance is as follows:

Below 60 days	1,748,523,254	1,808,414,323
Within 61-120 days	1,546,823,024	1,602,007,214
Above 120 days	665,019,814	827,832,320
<b>Tk.</b>	<b>3,960,366,092</b>	<b>4,238,253,857</b>

a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.

b) The carrying amount of Trade Debtors pledged as security.

c) Trade Receivable is secured, considered as good and is falling due within one year.

#### 06. Advances, Deposits & Prepayments:

This is made up of the followings:

<b>Advance</b>	<b>616,260,770</b>	<b>326,554,979</b>
Income Tax	415,033,265	189,301,230
Salary & PF Current account	78,043	75,000
Other Expenses	68,094,706	56,965,105
Suppliers & Contractor	133,054,756	80,213,644
<b>Deposits</b>	<b>134,051,024</b>	<b>112,060,647</b>
Security Deposit	121,523,215	100,314,962
Margin on Bank Guarantee	12,527,809	11,745,685
<b>Tk.</b>	<b>750,311,794</b>	<b>438,615,626</b>

	31-Mar-23	30-Jun-22
<b>07. Cash &amp; Cash Equivalents:</b>		
This is made up of the followings:		
Cash in hand	8,630,837	10,390,880
Cash at Bank	1,215,526,530	504,415,617
<b>Tk.</b>	<b>1,224,157,367</b>	<b>514,806,497</b>

**08. Long Term Borrowings (Secured):**

Standard Chartered Bank	265,000,000	400,000,000
HSBC Bank	-	250,000,000
Less: Current Portion of Long Term Borrowings	(180,000,000)	(346,666,668)
<b>Tk.</b>	<b>85,000,000</b>	<b>303,333,332</b>

**09. Deferred Tax Liability:**

Opening Balance	276,297,479	262,685,123
Deferred Tax Expenses (Income)	9,077,300	13,612,356
<b>Closing Balance</b>	<b>285,374,779</b>	<b>276,297,479</b>

This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance creates only from difference between accounting basis depreciation and tax basis depreciation on fixed assets). We don't have any other assets or liabilities except fixed assets for provision of Deferred Tax liabilities to present in details form for unused tax losses and unused tax credits.

**a) Deferred Tax Liability is arrived at as follows:**

Carrying Value of Depreciable Fixed Assets	5,398,417,541	5,485,392,598
Less: Tax Base Carrying Value	(3,495,919,012)	(3,643,409,408)
<b>Taxable Temporary Difference</b>	<b>1,902,498,529</b>	<b>1,841,983,190</b>
Tax Rate	15.00%	15.00%
<b>Closing Deferred Tax Liability</b>	<b>285,374,779</b>	<b>276,297,479</b>
Less: Opening Deferred Tax Liability	(276,297,479)	(262,685,123)
<b>Deferred Tax (Income) / Expense</b>	<b>9,077,300</b>	<b>13,612,356</b>

**10. Short Term Bank Loan (Secured):**

Revolving Loan	700,000,000	-
EDF & UPAS	6,342,779,183	4,822,002,921
Current Portion of Long Term Borrowings	180,000,000	346,666,668
<b>Tk.</b>	<b>7,222,779,183</b>	<b>5,168,669,589</b>

a) These short term loans are secured against hypothecation of Stock and Trade Receivable.

b) The Short Term Bank Loan consist of the UPAS & EDF loan against Import of Raw Materials and Capital Machineries of expansion project at Habiganj.

**11. Creditors & Others Payable:**

Provision for Audit Fees	-	575,000
Provision for Utility Bill	141,559,099	60,025,469
Provision for Salary & Allowances	7,301,997	7,798,549
Others	9,572,161	7,275,928
	<b>158,433,257</b>	<b>75,674,946</b>

This represents amount payable to regular suppliers of packing materials, utilities, and other services rendered to the company. All suppliers were paid on a regular basis.

	31-Mar-23	30-Jun-22
<b>12. Liabilities for Other Finance:</b>		
PF, WPPF & Other Fund	48,138,561	107,403,927
Others	88,733,792	33,257,809
<b>Tk.</b>	<b>136,872,353</b>	<b>140,661,736</b>

<b>13. Provision for Income Tax:</b>		
Opening Balance	338,829,854	90,489,894
Adjustment with Advance Tax	-	(61,514,113)
Provision made for the period (Note: 13.01)	142,116,888	309,854,073
<b>Closing Balance</b>	<b>480,946,742</b>	<b>338,829,854</b>

**Note: 13.01: Provision made for the period**

A) Net Current Tax Liability on Profit Basis	131,487,996	309,854,073
B) Tax Liability on Sales Revenue Basis	40,651,389	62,497,210
C) Advance Income Tax (Source Tax) Paid Under ITO-1984	142,116,888	89,301,229
Higher Amount of Tax Under Above Calculation (A:B:C)	142,116,888	309,854,073
Add/ Less: Short/ (Excess) provision for Prior period	-	-
<b>Income Tax Provision for the period</b>	<b>142,116,888</b>	<b>309,854,073</b>

**A) Net Current Tax Liability on Profit Basis:**

Profit Before Tax	915,181,689	2,129,771,025
Less: Non-Operating Income	43,840,570	53,343,676
<b>Net Operating Income Before Tax</b>	<b>871,341,119</b>	<b>2,076,427,349</b>
Tax Rate on Net Operating Income Before Tax (as per NBR)	15.00%	15.00%
Tax Rate on Non-Operating Income (as per NBR)	22.50%	22.50%
Income Tax Liability on Operating Profit	130,701,168	311,464,102
Add: Tax Liability on Non-Operating Income	9,864,128	12,002,327
<b>Total Tax Liability on Profit</b>	<b>140,565,296</b>	<b>323,466,429</b>
Less: Deferred Tax Expenses (Income)	9,077,300	13,612,356
<b>Net Current Tax Liability on Profit Basis</b>	<b>131,487,996</b>	<b>309,854,073</b>

**B) Tax Liability on Sales Revenue Basis:**

i) Minimum Tax Rate on Sales Revenue Under ITO-1984	0.60%	0.60%
ii) Applicable For Textiles Business as Per NBR (0.60%/22.50%*15%)	0.400%	0.40%
Sales Revenue	10,162,847,132	15,624,302,486
<b>Minimum Tax Amount on Sales Revenue</b>	<b>40,651,389</b>	<b>62,497,210</b>

<b>C) Advance Income Tax (Source Tax) Paid Under ITO-1984:</b>	<b>142,116,888</b>	<b>89,301,229</b>
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Since the source tax deducted under Income Tax Ordinance 1984 (Tk. 142,116,888) is higher than minimum Tax on Revenue under ITO-1984 (Tk. 40,651,389) and the applicable tax on Profit before tax (Tk. 131,487,996), so the higher is provided as Tax Expense for the period ended March 31, 2022.

**Calculation of Effective Tax Rate:**

Current Income Tax Expenses	142,116,888	309,854,073
Deferred Tax Expenses/ (Income)	9,077,300	13,612,356
<b>Total Tax Expenses</b>	<b>151,194,188</b>	<b>323,466,429</b>
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	16.52%	15.19%

July-22 to Mar'-23

July-21 to Mar'-22

**14. Sales Revenue:**

Export Sale of Yarns	10,162,847,132	11,766,648,310
<b>Tk.</b>	<b>10,162,847,132</b>	<b>11,766,648,310</b>

During the period sales decreased by BDT 160.38 (-13.63%) crore due to decrease of yarn production for energy crisis as well as decrease of yarn price.

**15. Cost of Goods Sold:**

This is arrived as follows:

Raw Materials Consumed	6,338,157,394	7,635,734,255
Factory Overhead (Note:15.01)	2,492,765,476	2,124,255,930
<b>Cost of Goods Sold</b>	<b>Tk. 8,830,922,870</b>	<b>9,759,990,185</b>

During the period Raw Material cost decreased by BDT 129.76 (-16.99%) crore due to decrease of yarn production for energy crisis as well as decrease of cotton price in international market.

**15.01. Factory Overhead:**

Factory Wages, Salary & Allowances	676,048,147	706,773,614
Production Workers' Free Lunch	3,796,070	3,383,275
Fuel, Petrol, Light, Diesel etc.	272,740,039	65,499,890
Electricity, Gas & Water	748,795,120	603,484,443
Factory Consumable Expense	38,465,427	33,104,700
Repairs & Maintenance of Vehicles	20,816,271	12,258,864
Industrial All Risk Insurance Premium	20,277,372	12,743,411
Govt.Tax, VAT & License Fees	6,759,850	1,154,973
Security Services	15,538,614	15,104,477
Spare Parts - Machinery	213,824,793	184,855,825
Depreciation	467,687,291	478,713,877
Other Overhead	8,016,482	7,178,581
<b>Total</b>	<b>Tk. 2,492,765,476</b>	<b>2,124,255,930</b>

Fuel, Gas and Electricity cost increased significantly due to Gas & Electricity crisis as well as increase of fuel and GAS price.

**16. Administrative Overhead:**

Salary and Allowances	87,946,775	97,018,339
Directors' Remuneration	47,694,375	41,439,375
Overseas Travelling	11,497,089	6,498,787
Vehicles Running & Maintenance	9,263,867	6,862,252
Fees & Subscription	15,183,205	4,452,815
Rental Expenses	10,728,786	10,934,187
Office Consumable Expense	1,236,018	1,083,800
Electricity, Gas & Water	2,069,026	2,340,473
Software & Hardware Support Expenses	2,060,405	1,626,478
Head Office Employees' Free Lunch	2,425,428	2,713,635
Annual General Meeting Expenses	446,384	1,083,647
Other Expenses	11,922,359	13,232,306
<b>Total</b>	<b>Tk. 202,473,717</b>	<b>189,286,094</b>

Directors' Remuneration is not included the Member Director of "Audit Committee" and "Nomination & Remuneration Committee"

July-22 to Mar'-23	July-21 to Mar'-22
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#### 17. Selling & Distribution Overhead:

This is arrived as follows:

Export Sale Expenses	18,092,008	13,591,402
Loading & unloading	4,339,366	3,366,239
<b>Total</b>	<b>Tk. 22,431,374</b>	<b>16,957,641</b>

#### 18. Finance Cost:

Interest on Deferred LC Loan	125,869,580	47,590,697
Interest on Loan ag. Export Bill Discount	-	10,518
Interest on OD	4,248	111,332
Interest on Short Term Loan	31,330,375	14,605,555
Interest on Long Term Loan	32,714,765	140,863,304
<b>Total</b>	<b>Tk. 189,918,968</b>	<b>203,181,406</b>

During the period Finance cost decreased by BDT 1.33 (-6.55%) crore due to efficient fund management and the company has premature reimbursement loan from business earnings.

#### 19. Non-Operating Income:

Interest Income	10,901,370	23,030,396
Cash Incentive	66,000	-
Forfeited Provident Fund	-	2,249,370
Gain/ (Loss) on Disposal of Assets	(389,855)	1,490,000
Forex Exchange Rate Fluctuation Gain/ (Loss)	33,263,055	15,499,857
<b>Total</b>	<b>Tk. 43,840,570</b>	<b>42,269,623</b>

#### 20. 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):

Short Term Employee Benefits	96,757,310	95,434,197
Post Employment Benefits	17,136,033	25,582,361
Other Long Term Benefits	-	-
Termination Benefits	-	-
Share Based Payment	-	-

31-Mar-23	30-Jun-22
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#### 21. Related Party Transaction:

During the year, the Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of related parties, nature of relationship and their total value have been set out in accordance with the provisions of IAS 24: Related Party Disclosure.

##### 01. Transaction with Aegis Services Ltd. (ASL):

Opening Balance	-	-
Total Service Received	(15,442,047)	(20,788,466)
Total Paid	15,442,047	20,788,466
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. -</b>	<b>-</b>

##### 02. Transaction with Square Informatix Ltd. (SIL):

Opening Balance	(76,188)	(76,188)
Total Service Received	(2,908,855)	(10,435,577)
Total Paid	2,828,537	10,435,577
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. (156,506)</b>	<b>(76,188)</b>

	31-Mar-23	30-Jun-22
<b>03. Transaction with Square Hospitals Ltd. (SHL):</b>		
Opening Balance	-	-
Total Service Received	(1,481,844)	2,478,491
Total Paid	1,481,844	(2,478,491)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. -</b>	<b>-</b>
<b>04. Transaction with Square Fashions Ltd. (SFL):</b>		
Opening Balance	206,863,139	421,918,019
Total Goods Delivered	598,426,317	987,532,883
Total Received	(628,410,362)	(1,202,587,763)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. 176,879,094</b>	<b>206,863,139</b>
<b>05. Transaction with Square Denims Ltd. (SDL):</b>		
Opening Balance	180,748,131	375,470,516
Total Goods Delivered	541,039,264	1,011,286,841
Total Received	(576,251,297)	(1,206,009,226)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. 145,536,098</b>	<b>180,748,131</b>
<b>06. Transaction with Square Apparels Ltd. (SAPL):</b>		
Opening Balance	85,409,363	149,736,737
Total Goods Delivered	168,901,341	404,390,036
Total Received	(178,936,416)	(468,717,410)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. 75,374,288</b>	<b>85,409,363</b>

## 22. Contingent Liability:

Contingent Liability of the Company was 73.83 Crore as on March 31, 2023 for opening LCs by the banks in favour of foreign suppliers for raw materials and spares.

## 23. Event after Balance sheet date:

There is no significant event that qualify for reporting between the end of financial year closing date and financial statement issue date other than normal business activities.

	July-22 to Mar'-23	July-21 to Mar'-22
<b>24. Earnings Per Share (EPS):</b>		
The Computation is given below:		
Earning attributable to Ordinary Shares		
including other income	Tk. 763,987,501	1,324,046,174
Number of Ordinary shares	197,252,000	197,252,000
<b>Earnings Per Share</b>	<b>Tk. 3.87</b>	<b>6.71</b>

During the period EPS decreased by BDT 2.84 (-42.32%) due to decline of yarn production for energy crisis, significantly increase of energy cost for GAS & diesel price hike as well as decrease of yarn price in international market.

## 25. Net Asset Value (NAV) Per Share:

The Computation is given below:

Equity Attributable to the Owners of the Company	Tk. 8,791,068,013	8,717,462,512
Number of Ordinary shares	197,252,000	197,252,000
<b>Net Asset Value (NAV) Per Share</b>	<b>Tk. 44.57</b>	<b>44.19</b>

**26. Net Operating Cash flows per Share (NOCFPS):****July-22 to Mar'-23****July-21 to Mar'-22**

The Computation is given below:

Net Cash Generated (Used in) from Operating Activities	Tk.	809,403,353	1,580,776,374
Number of Ordinary shares		197,252,000	197,252,000
<b>Net Operating Cash flows per Share (NOCFPS)</b>	<b>Tk.</b>	<b>4.10</b>	<b>8.01</b>

**27. Reconciliation of Net Profit with Cash Flows from Operating Activities:**

The Computation is given below:

<b>Profit After Tax</b>	<b>763,987,501</b>	<b>1,324,046,174</b>
<b>Adjustment to reconcile net profit to net cash provided by operating activities :</b>		
<b>Non-cash Expenses:</b>	<b>499,116,228</b>	<b>486,487,804</b>
Depreciation	467,687,291	478,713,877
Deferred Tax	9,077,300	15,265,879
Net effect of foreign currency translation	22,351,637	(7,491,952)
<b>Non-Operating Items:</b>	<b>389,855</b>	<b>(1,490,000)</b>
Gain/ (Loss) on Disposal of Assets	389,855	(1,490,000)
<b>Changes in working Capital:</b>	<b>(454,090,231)</b>	<b>(228,267,604)</b>
(Increase)/Decrease in Inventories	(641,367,644)	(316,584,231)
(Increase)/Decrease in Trade Receivable	277,887,765	(205,767,047)
(Increase)/Decrease in Advances, Deposits & Prepayments	(311,696,168)	(74,937,359)
Increase/(Decrease) in Creditors & Other Payables	82,758,311	21,533,241
Increase/(Decrease) in Liabilities for Others Finance	(3,789,383)	125,368,791
Increase/(Decrease) in Income Tax Payable	142,116,888	222,119,001
<b>Net Cash Generated (Used in) from Operating Activities</b>	<b>809,403,353</b>	<b>1,580,776,374</b>

**28. Regarding Net Operating Cash Flows per Share:**

The business (100% export oriented spinning industry) operation is volatile and realization from debtors (100% confirmed back to back LC) also very positively co-related with this, but all import payments should be made as per provision of UCPDC-600, resultant, the per share operating cash flows fluctuates from quarter to quarter, which is very common for the spinning business trend. During the period under review cash flows from operating activities declined due to increase of inventory by TK.64.14 crore for seasonal inventory procurement.