

2021-2022

ANNUAL REPORT

Year Ended June 2022



SQUARE
Textiles Ltd.

At a Glance


Performance 2021-2022
Consolidated

EXPORT SALES 31.13% 


2021-2022 BDT 17,432.25 million
2020-2021 BDT 13,293.57 million

GROSS PROFIT 103.25% 

2021-2022 BDT 2,916.13 million
2020-2021 BDT 1,434.74 million

NET PROFIT (AT) 191.51% 

2021-2022 BDT 1,958.56 million
2020-2021 BDT 671.86 million

NAV 20.50% 

Net Assets Value

2021-2022 BDT 46.62 per share
2020-2021 BDT 38.69 per share

EPS 191.20% 

Earnings Per Share

2021-2022 BDT 9.93 per share
2020-2021 BDT 3.41 per share

DIVIDEND PAYOUT 75.00% 

In Cash

2021-2022 BDT 690.38 million
2020-2021 BDT 394.50 million

CONTRIBUTION 184.95% 

to the National Exchequer

2021-2022 BDT 389.87 million
2020-2021 BDT 136.82 million



SQUARE
Textiles Ltd.

ANNUAL REPORT

Year Ended June 2022

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THE FOUNDER

1925-2012



Never stand still, Never slow down and Never stop thinking.


Samson H Chowdhury



Square Textiles Limited

About Us

Square Textiles Ltd., a yarn manufacturer, was incorporated on October 15, 1994, as a public company limited by shares under the veteran leadership of the Founder Chairman late Samson H Chowdhury with the mission to maximize the production of quality products and services strictly on ethical and moral standards at minimum costs to the society ensuring optimum benefits to the consumers, the shareholders and other stakeholders.

The commercial operations commenced in 1997 with an installed capacity of 30,000 spindles and extended to 60,000 spindles in the following year 1998 to cater to the need of the knit yarn market of the export-oriented RMG industry. The project has been installed with world-reputed state-of-the-art technology from Europe at the back process and ring unit of Chinese origin with SKF Germany drafting zone which is capable to produce excellent quality yarns. In 2000, the turnover stood at BDT 210 crore with a net profit of BDT 40 crore.

Square Tex was listed with the Dhaka and Chittagong Stock Exchange of Bangladesh in 2002 under the Direct Listing Regulation 2001 and has never missed a dividend payment to its shareholders.

At present, the total installed production capacity is 1,29,262 spindles, 5,192 rotor heads, and 3,168 vortex heads.

The Export Sales and Net Profit during the year 2021-2022 stood at BDT 15,624 million and 1,806 million respectively and has around 4,551 employees across the country and abroad.



www.textile@squaregroup.com

শ্রদ্ধা ও ভালোবাসায়
বিদায় স্কয়ার মাতা



অনিতা চৌধুরী
(১৯৩২ - ২০২২)



শোকাহত স্কয়ার পরিবার



SQUARE
Textiles Limited

*Transmittal
Letter*

To

The Members
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange PLC.

Annual Report for the year ended June 30, 2022

Dear Madam/Sir(s)

We are pleased to enclose a copy of the Annual Report containing the Directors' Report, and Auditors' Report along with the Audited Financial Statements comprising Statement of Financial Position as at June 30, 2022, Statement of Profit or Loss and other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2022 along with notes thereon, all related Consolidated and Subsidiary Financial Statements, Corporate Governance Compliances and others for your information and records.

Yours sincerely.

A handwritten signature in black ink, appearing to read 'S. Baran Roy', with a horizontal line underneath.

Sanjib Baran Roy
Company Secretary

Dated: 01 December, 2022



WE STRIVE FOR

SQUARE TEXTILES LIMITED

We in SQUARE, strive, above all, for top quality products at the least cost reaching the lowest rungs of the economic class of people in the country. We value our social obligations.

We owe our shareholders and strive for protection of their capital as well as ensure highest return and growth of their assets.

We strive for best compensation to all the employees who constitute the backbone of the management and operational strength of the company through a pay - package composing salary/wages, allowances, bonuses, profit participation, leave/ salary and superannuation & retirement benefits and other emergency grants & gratis.

We strive for the best co-operation of the creditors & debtors the banks & financial institutions who provide financial support when we need them, the suppliers of raw materials & supplies who offer them at the best prices at the opportune moments, the providers of utilities - power, gas & water etc. and the customers who buy our products & services by redeeming their claim in time by making prompt payment and by distributing proper product on due dates.

We strive for fulfillment of our responsibility to the Government through payment of entire range of due taxes, duties and claims to various public agencies like municipalities etc.

We strive as responsible citizen, for a social order devoid of malpractices, anti-environmental behaviors, unethical and immoral activities and corruptive dealings.

We keep away from any discriminatory practices between sexes, races, religions, colors or political beliefs.

We strive for practicing good governance in every sphere of activities covering inter alia, not being limited to, disclosure & reporting to shareholders holding AGM in time, distribution of dividends and other benefits to shareholders, reporting /dissemination of price sensitive information, acquisition of shares by insiders, recruitment & promotion of staff, procurement & supplies, sale of assets etc. All that directly and indirectly affect the interest of concerned groups- the shareholders, the creditors, suppliers, employees, government and the society in general.

WE STRIVE FOR



SQUARE
Textiles Limited

Notice 27th AGM

Notice is hereby given that the 27th Annual General Meeting of the Members of Square Textiles Ltd. will be held on Saturday the 24th December, 2022 at 11:00 a.m. under virtual platform through the link <https://agmbd.live/squaretextiles2022> to transact the following business:

Ordinary Business

- Agenda-1: To receive, consider and adopt the Audited Financial Statement for the year ended 30th June, 2022 together with the reports of the Directors' and the Auditors' thereon.
- Agenda-2: To declare a dividend for the year ended 30th June, 2022.
- Agenda-3: To elect Directors in terms of the relevant provision of Articles of Association.
- Agenda-4: To approve the reappointment of the Independent Director.
- Agenda-5: To appoint Statutory Auditors for the year 2022-2023 and fix their remuneration.
- Agenda-6: To appoint Compliance Auditor for the year 2022-2023 and fix their remuneration.
- Agenda-7: To approve the sale of goods to the sister concern of Square Textiles Ltd.

Special Business

- Agenda-8: To pass a special resolution in regard to changing the name of the Company from "Square Textiles Ltd." to "Square Textiles PLC." as per provision of the Companies Act, 1994 (2nd amendment 2020) and to amend Clause -I and Article-2 (para 3), 51, 108, 111, 112 and 123 of the Memorandum and Articles of Association of the Company.

By order of the Board.

Sanjib Baran Roy
Company Secretary

Dated: 01 December, 2022

Notes:

- i) Details of Special Business are contained on Page No. 26 of this Annual Report 2021 - 2022.
- ii) The proxy form must be affixed with requisite revenue stamp and be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- iii) Members are requested to submit to the Company's Share Office on or before 21st December 2022, their written option to receive dividend. In case of non-submission of such option with the stipulated time, the dividend will be paid off as deemed appropriate by the Company.
- iv) The Annual Report is available in the Company's web site at www.textile@squaregroup.com



VISION

Our conception of business germinated from our vision which sees it as a means to the well-being of the investors, stakeholders, employees and members of the society at large by creating new wealth in the form of goods and services that go to satisfy the wants of all of them without disturbing or damaging the socio-ecological-economic balance of the Mother Earth and the process of human civilization leading to peaceful co-existence of all the living beings.

MISSION

Our mission is the polestar of our vision for maximization of production of quality products and services strictly on ethical and moral standards at minimum costs to the society ensuring optimum benefits to the consumers, the shareholders and other stakeholders.

CORPORATE FOCUS

Our vision is the 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 abroad.

OBJECTIVES

- To strive hard to optimize profit through conduction of transparent business operations within the legal & Social framework with malice to none and justice for all in respective of gender disparity, caste, creed or religion or region.
- To increase productivity.
- To create more jobs with minimum investments.
- To be competitive in the internal as well as external markets.
- To maximize export earning with minimum imported in-puts.
- To reduce the income gap between top & bottom categories of employees.
- To promote corporate social responsibilities (CSR) amongst all.

The DIRECTORS

Chairman

Mr. Tapan Chowdhury
Non-Executive Director



Mr. Tapan Chowdhury

Vice Chairman

Mrs. Ratna Patra
Non-Executive Director



Mrs. Ratna Patra



Mr. Samuel S Chowdhury

Managing Director

Mr. Samuel S Chowdhury
Executive Director

Director

Mrs. Anita Chowdhury
Non-Executive Director



Mrs. Anita Chowdhury



Mr. Anjan Chowdhury

Director

Mr. Anjan Chowdhury
Non-Executive Director

Independent Director

Mrs. Nihad Kabir
Non-shareholding independent
Director



Mrs. Nihad Kabir



Mr. S M Rezaur Rahman

Independent Director

Mr. S M Rezaur Rahman
Non-shareholding independent
Director



MANAGEMENT APPARATUS

Management Committee

Mr. Samuel S Chowdhury Managing Director	Chairman
Mr. Anjan Chowdhury Director	Member
Mr. Md. Kabir Reza Head of Accounts & Finance	Member
Mr. Md. Alamgir Hossain Head of Operations	Member

Audit Committee

Mrs. Nihad Kabir Independent Director	Chairman
Mrs. Ratna Patra Director	Member
Mr. Anjan Chowdhury Director	Member
Mr. Sanjib Baran Roy Company Secretary	Secretary

Nomination and Remuneration Committee

Mrs. Nihad Kabir Independent Director	Chairman
Mrs. Ratna Patra Director	Member
Mr. Anjan Chowdhury Director	Member
Mr. Sanjib Baran Roy Company Secretary	Secretary

CFO, Company Secretary and HIAC

Mr. M Habibur Rahman, FCMA
Mr. Sanjib Baran Roy, ACS
Mr. Md. Mozibur Rahman, FCA

Statutory Auditors

M/s. K. M. Hasan & Co.
Chartered Accountants
Hometown Apartment
8th & 9th Floor
87 Eskaton Road
Dhaka



CORPORATE INFORMATION

Operational Head

Mr. Md. Alamgir Hossain	Head of Operations
Mr. Anjan Kumar Paul	Head of HR & Admin
Mr. Md. Shahid Raihan	Head of Production
Mr. Shah Didarul Islam	Head of Engineering
Mr. Towhid Hasan	Head of Quality Assurance
Mr. Avijit Kumar Biswas	Head of Procurement
Mr. Shah Mohammad Faisal	Head of Sales & Marketing
Mr. Md. Mozibur Rahman	Head of Internal Audit and Compliance

Compliance Auditors

M/s Chowdhury Bhattacharjee & Co.
Chartered Accountants
47/8 Indira Road
Ground Floor
Dhaka

Legal Advisor

Mr. Rokanuddin Mahmud, Bar-at-Law
Ms. Nazia Kabir, Bar-at-Law

Bankers

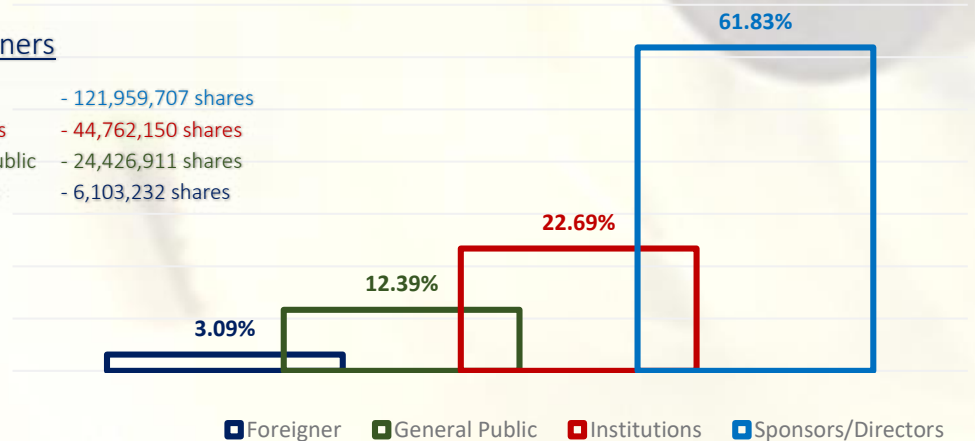
Standard Chartered Bank, HSBC Ltd., Prime Bank Ltd.
Bank Alfalah Ltd., The City Bank Ltd.
Commercial Bank of Ceylon

Insurers

Pioneer Insurance Co. Ltd., Pragati Insurance Co. Ltd.
Eastland Insurance Co. Ltd.

The Owners

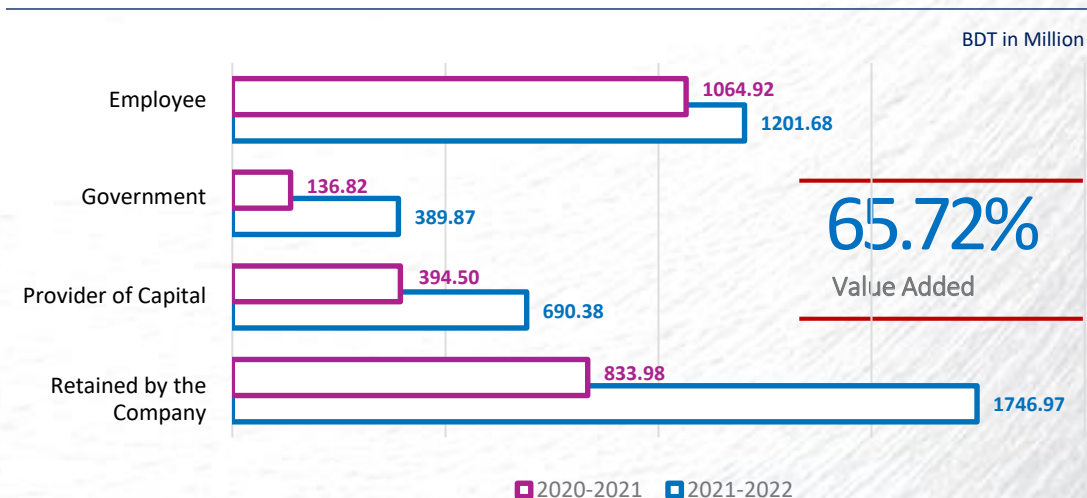
Sponsor	- 121,959,707 shares
Institutions	- 44,762,150 shares
General Public	- 24,426,911 shares
Foreigners	- 6,103,232 shares



STATEMENT OF VALUE ADDITION

Year ended 30 June, 2022

	2021-2022	2020-2021
Source of Fund:		
Net Turnover	15,624,302,486	11,924,704,664
Less: Bought in Materials & Services	(11,648,739,633)	(9,513,956,213)
Add: Other Income	53,343,676	19,475,519
Value Added	4,028,906,529	2,430,223,970
Applied in the following Ways:		
Employees:	1,201,681,161	1,064,918,941
Salaries Wages Gratuity and Other benefits	1,095,192,610	1,028,264,033
Contribution to workers profit participation & welfare fund	106,488,551	36,654,908
Government:	389,870,436	136,820,376
Corporate Tax	323,466,429	111,464,098
Other Government Dues	66,404,007	25,356,278
Provider of Capital:	690,382,000	394,504,000
Dividend	690,382,000	394,504,000
Retained by the Company:	1,746,972,932	833,980,653
Depreciation	631,050,336	606,850,599
Retain Earning	1,115,922,596	227,130,054
	4,028,906,529	2,430,223,970



SQUARE TEXTILES LIMITED

MESSAGE FROM THE CHAIRMAN

Dear Shareholders, Ladies and Gentleman

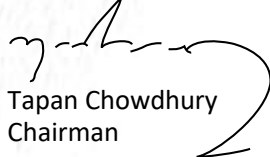
As the Company holds its 27th Annual General Meeting for the FY 2021-22 ending 30th June, 2022 with remarkable growth in Investments, Turnover, Net profit, EPS and Corporate Safe Level liquidity position, as evident from the Financial Statements, both Standalone and Consolidated, the Shareholders are likely to be awed by the phenomenal up-trend of the results for the year concerned. There is, therefore, grounds to reveal factors that had contributed to the results. I would like to throw a few highlights for your study and assimilation.

You may recall that the RMG Sub-sector of the Textile Sector stands today with high heads in the economy as the leading productive Sub-sector in terms of job creation, export earnings, internal revenue collection and in creating investment opportunities in several allied sectors. This visionary industrialization process, however, got the spurt initially due to the initiative and support by the Public Sector owned Development Financing Institutions (like ICB, BSRS, BSB etc.) and Public Sector Government owned Banks. The role of the private Sector Financial Institutions & Banks, which came later on, had, however, pushed up and bolstered very heavily and successfully elevating the sector to an Everest height as we find it to-day. To this end, the entrepreneurs of the Country have had an awful role not very known in the industrialization in many parts of the World. The walkway, however, was never very smooth. The growth path was, however neither known to the entrepreneurs nor to the Government policy-makers and Financiers. Despite various oddities, all hands, public or private, had shown great resilience in raising the position of the Textiles/RMG sector to the global economy and their markets.

Square Textiles Limited came into being at a time when the RMG sub-sector was suffering from a shortage of quality yarn and other supplies most of which were being imported. The situation led the Sponsors of Square Group to step in and initially set up a modern spinning mill with the best machinery and technology for the production of top-quality yarn for both woven and knit RMG sector. Subsequently, the Sponsors promoted several units of industrial ventures for different kinds of RMG products for export. Today, Square Textiles stands on a sound footing as a composite/complex form of Conglomerate.

The Management Team, worked hard and the outcome is obvious. This situation, seems to be being threatened by the effects of rising prices of fuel/gas, food products and allied materials, job losses. Experts apprehend the black shadow of a Recession/Depression with global crises emanating from wars and skirmishes everywhere. We hope the leaders of the world and the people, in general, will realize the consequences of war and disorder in business today.

Wish best Wishes to all of you.


Tapan Chowdhury
Chairman

191%

EPS increased

Won

National Export
Trophy (Gold)

BUSINESS OPERATIONAL RESULTS



Standalone

Figures in '000

Particulars	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Turnover (Net)	15,624,302	11,924,705	9,505,326	8,896,244	6,367,125
Gross Profit	2,693,792	1,335,718	682,944	951,351	671,530
Net Profit (Before Tax)	2,129,771	733,098	90,140	435,911	348,045
Net Profit (After Tax)	1,806,305	621,634	51,362	346,462	290,914
Shareholders' Equity	8,717,463	7,305,662	6,881,280	7,224,422	5,386,034
Total Assets	15,029,581	15,418,898	14,190,038	12,954,548	9,425,480
Total Current Assets	7,435,018	8,523,673	7,272,823	6,396,837	4,430,793
Total Current Liabilities	5,732,488	5,207,496	7,094,063	5,494,425	3,910,867
Current Ratio	1.30	1.64	1.03	1.16	1.13
Shares Outstanding	197,252,000	197,252,000	197,252,000	197,252,000	187,859,048
Face Value per Share	10.00	10.00	10.00	10.00	10.00
Dividend (Cash)	35%	20%	10%	20%	20%
Dividend (Stock)	-	-	-	-	5%
Net Asset Value Per Share (NAV)	44.19	37.04	34.89	36.63	27.31
Net Operating Cash Flow per Share	15.24	5.64	-0.42	-3.48	-1.48
EPS-Earning per Share (Standalone)	9.16	3.15	0.26	1.76	1.47
EPS-Earning per Share (Consolidated)	9.93	3.41	0.27	2.18	2.32
EPS on Share Issued for Cash	71.71	24.68	2.04	13.75	11.55
Quoted Price per Share - DSE	66.40	47.50	29.00	45.70	50.70
Quoted Price per Share - CSE	68.80	46.00	29.70	45.80	51.20
Price Earnings Ratio-DSE (Time)	7.25	15.08	111.54	25.97	32.71
Price Earnings Ratio-CSE (Time)	7.51	14.60	114.23	26.02	33.03
Market Capitalization-DSE (in billion)	13.10	9.37	5.72	9.01	9.52
Market Capitalization-CSE (in billion)	13.57	9.07	5.86	9.03	9.62
Shareholders :	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Sponsors/Directors	7	7	7	7	7
Financial & other Institution	218	249	240	238	219
Foreign Investors	3	3	5	5	7
General Public	14,644	14,759	16,558	17,194	17,708
Total -	14,872	15,018	16,810	17,444	17,941
Employees :	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Executives	206	198	187	178	162
Non Executives	189	173	142	130	117
Workers	4,156	4,105	3,894	3,657	2,152
Total -	4,551	4,476	4,223	3,965	2,431

REPORT FROM THE MANAGING DIRECTOR

Dear Shareholders, Ladies
and Gentleman


After passing through a horrific period of over two years of Covid-19, though still existing on a soft scale, we are pleased to hold the 27th AGM of the Company with nevertheless, a better performance in all respects.

The Annual Report containing the Statutory Financial Statements for the year 2021-2022 along with the Directors' Report outlines in detail the quantitative and qualitative achievements attained. An examination would reveal that the operating assets/capacity of output/revenue earnings have increased leading to the significant augmentation in Turnover, Gross profits, Profit from Operations, Net Profit (After Tax), Earning Per Share (EPS), Net Asset Value (NAV) etc, both on standalone and consolidated positions.

The Shareholders will also be happy to find that while the production output and export quantity increased during 2021-2022 by 4.42% and 3.07% respectively, the export revenue, with no local sales increased by 31.02% over the previous year.

This outstanding increase could be achieved primarily due to higher selling prices which stood at 27.12% over the earlier year. This increased level of export prices earned was possible due to strategic change in the product mix with increased production of higher valued items with a lower rate of increase in cost of goods sold which rose only by 22.11% against the Sales Revenue of 31.02%. As a result Gross Profit, Operating Profit and Net Profit (AT) increased by 101.67%, 121.53% and 190.57%, respectively.

With best wishes,


Samuel S Chowdhury
Managing Director

31%

Rise in
Revenue

191%

Increased in
Profit (AT)



CORPORATE SUSTAINABILITY

At Square Textiles Ltd. “Corporate Sustainability” is embedded within the principles and values of the company. Through successful “triple bottom line” performance, focusing on social, environmental and financial factors, the company is able to generate increased earnings, reduce material usage, energy expenditures and wastes, and increase social contribution. The focus on Sustainability has contributed to long-term success for the company over the years.

State of the art Facility

We focus on continuous efforts to introduce innovative means of production that allows for optimum utilization of materials and energy. Our state of the art production facility is equipped with upgraded technologies and machineries that are energy efficient as well environmental friendly. In 2018, we have introduced PCW plant (fabric crushing). We are the pioneer in introducing this technology in Bangladesh.

Ready Recycling Facility

The manufacturing facility is fitted to contain dust and waste discharge to the environment. On a daily basis, 4 (four) out of 6 (six) tons of waste materials, on average, are recycled. Hard wastes are crushed and reused as raw materials in production. Our PCW plant processes garment wastages into fibers. There are no chemical applications in our manufacturing process and hence there are no environmental damage as a result of any spillovers or emissions of harmful gas.

Minimizing Occupational Hazards

We follow stringent safety measures and regularly monitor and review occupational health and safety procedures. We ensure that our factory workers always follow the safety protocols necessary to ensure a hazard free working environment and uninterrupted operations. In regards to such health and safety issue, proper training and awareness are provided to all production employees.

Creating Product Diversity

We believe in “Product Diversity” as a means of economic sustainability. The company has about 40 percent product diversification within our total product port-folio.

This Product Diversity has led to enhancement of the company’s brand image, increased profitability, and risk mitigation.

Overall, our emphasis on Corporate Sustain-ability has led us to create a blend of strategies where financial & non-financial aspects are perfectly integrated within the good governance and management practices of the company, as well as engage all stakeholders in an open platform where financial, social and environmental issues are shared and communicated. All these have translated to positive outcomes that is beneficial to all parties within the value chain.

Sustainable Energy Program

Bangladesh is an active partner with UNDP in implementing Sustainable Development Goals (SDGs) also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

SQUARE Textiles Ltd. as a Spinner, it requires 19.50 MWh electricity to run operations. Out of total requirement, 16.50 MWh electricity generated from Natural Gas & HFO and 3.00 MWh outsourced from REB and other Merchant Power Plants. Considering Environment (Our Mother Planet’s Health), Cost of Energy, SQUARE Textiles Ltd. has implemented its 1st phase for Solar Power Project. The Environmental and Fiscal benefits of this Solar Project is as follows;

- Installation Capacity : 2,646 Kwh
- Service period : 25 Years
- Energy Generating (Yearly) : 4,683,420 Kwh (Daily average 6 hours @ 2,205 Kwh)
- Carbon Emission (Yearly) : 3,138,818 Kg (Equivalent 1.43 Lac Matured Tree Plantation)
- Water Savings (Yearly) : 43.46 Lac Liters
- Energy Cost Savings (Yearly) : BDT 2.58 Crore



Corporate Achievement

SQUARE TEXTILES LIMITED

1994

Year of Establishment
(Incorporated as a Public Limited Company)

2021

Won Export Trophy Gold

1997

Year of Operation

2020

Awarded "AA" rating in the long term and "ST-1" in short term by CRISL

2000

- ☞ Awarded Oeko-Tex Standard 100 Certificate
- ☞ Awarded ISO-9001:2008 Certificate

2018

Won Export Trophy Gold

2002

- ☞ Listing with Dhaka Stock Exchange Ltd. Chittagong Stock Exchange Ltd.
- ☞ Awarded CottonUSA Certificate

2017

- ☞ Awarded as Best Taxpayer Textiles Sector
- ☞ Awarded "AA" rating in the long term and "ST-1" in short term by CRISL

2003

Awarded SUPIMA license

2015

Won ICSB National Award Gold for Corporate Governance Excellence.

2007

Awarded Global Organic Textiles Standard (GOTS) Certificate

2011

Authorized Capital BDT 3,000 million

2008

Awarded Cotton made in Africa (CmiA) Certificate

2010

Received HSBC Export Excellence Award.

2009

Awarded USTERIZED Certificate



DIRECTORS' REPORT

Year Ended June, 2022

To the Members
of Square Textiles
Limited

The Board of Directors of the Company is delighted to present its Report for the financial year ended 30 June, 2022 before the honorable Shareholders.

The Directors' Report is presented in accordance with the provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Rules 2020, Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission and International Accounting Standard-1 as adopted by The Financial Reporting Council, Bangladesh.

OPERATIONAL OVERVIEW:

Textiles Sector

Bangladesh's textile industry, which includes ready-made garments (RMG) and knitwear along with specialized textile products, is the nation's number one export earner, which accounts for more than 80.6% of total exports contributing to \$19.90 billion. Bangladesh is 2nd in world textile exports, behind China. According to the Export Promotion Bureau (EPB), Bangladesh's export of garments increased by 30.30% to \$23.99 billion between July 2021 and January 2022. The country exports a large variety of clothing items to nations in many different geographical areas, including North America, Europe, Asia, and others. Woven and knitwear are the two main categories into which export goods may often be divided. Exports of knitwear increased by 32.89 % to \$13.27 billion. And the export of woven clothing increased by 27.23% to \$10.71 billion.

There are a number of issues that Bangladesh has to conquer in order to maintain its presence and advance in this sector. We are all aware that plentiful natural gas, low-cost

labour, and affordable energy are the pillars around which this industry is built. In recent years, this topic has grown contentious, despite the fact that policymakers are actively devising the required reforms in order to safeguard this vital industry.

However, Bangladesh still continues to maintain its second position in RMG exports.

Operational Performance

Bangladesh's spinning sector witnessed a major investment step up in the year 2021 and onward as entrepreneurs set up 26 new spinning mills to meet high demand despite uncertainty in the global apparel supply chain back to the pandemic. 80% of the yarn produced at the spinning mill is purely cotton yarn, while the remaining 20% is mixed yarn from cotton and artificial fiber. The demand for man-made fiber garments item is getting popular worldwide. The demand for cotton yarn and other fabrics in the garment sector is increasing on the back of an increased volume of work orders from international brands.

Bangladesh has a huge chance to make this sector a big part of its economy by coming up with new ideas and techniques and by getting young entrepreneurs to focus on the spinning industry and make a plan for the future.

And Square Textiles attained a higher growth in revenue by 31.02% and 31.13% during the year 2021-2022 at Standalone and Consolidated levels.

Standalone

The Revenue from operations and Operating Profit stood at BDT 15,624.30 and 2,424.55 million, compared to BDT 11,924.70 and 1,094.44 million respectively in the previous year, an increase of 31.02% and 121.53%.

The Net Profit After Tax grew by 190.57% to BDT 1,806.30 million, compared to BDT 621.63 million in the previous year.

Consolidated

The Revenue from operations and Operating Profit stood at BDT 17,432.25 and 2,618.85 million, compared to BDT 13,293.57 and 1,166.76 million respectively in the previous year, an increase of 31.13% and 124.45%.

The Net Profit for the year was also registered an upward trend that reached BDT 1,958.56 million, against BDT 671.86 million in the previous year, an increase of 191.51%.

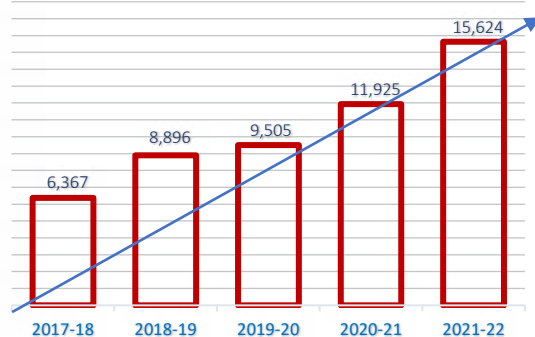
COMPANY'S OPERATIONS

Square Textiles is one of the leading manufacturers in Bangladesh that makes yarns for knitting and weaving. The company has been in the business for more than 25 years.

Square Textiles focuses on more sustainable and eco-friendly products, namely Organic, BCI, Tencel, Re-cycle (Cotton and Polyester) etc. They are also developing more value-added products, i.e., Galaxy, Flutter, Lurex, Mozaik, Neppy, Snow, Siro etc., which are more fashion trendy and have higher export value.

Square Textiles' products are widely known by their loyal customers for their superior quality and dedicated services.

■ Sales Revenue



CAPACITY/PRODUCTION

In recent years, both the domestic and international markets have seen intense rivalry. We have implemented/added multiple product mixes as an alternate manufacturing approach to achieve high-margin advantages in order to deal with the circumstance.

Hence, we have restated the production capacity installation criterion and actual production quantity to make them (The production data) equivalent and comparable. Therefore, the production efficiency decreased in 2021-22 to 97.34% from 98.14%, which is 0.80% less than that of 2020-21.

The total installed production capacity (at an average of 30s Ring and 14s O/E counts) as on June 30, 2022 was as follows:

Spindles/Rotors	In Nos.	
Particulars	2021-22	2020-21
Installation:		
Spindle Installed	129,262	125,878
Rotor head Installed	5,192	4,792
Vortex head Installed	3,168	2,784
Operation:		
Spindle Operated	129,262	125,878
Rotor head Operated	5,192	4,792
Vortex head Operated	3,168	2,784

Product Capacity Installed	in Kg	
Particulars	2021-22	2020-21
Equivalent to-		
30s Count (Ring Yarn)	19,470,638	19,343,617
14s Count (O/E Yarn)	10,984,367	10,741,362
30s Count (Vortex Yarn)	10,533,644	10,426,317
Total -	40,988,649	40,511,296

Actual Production	in Kg	
Particulars	2021-22	2020-21
Actual Production	44,723,006	42,831,924
Equivalent to-		
30s Count (Ring Yarn)	19,043,265	19,008,553
14s Count (O/E Yarn)	10,644,031	10,521,594
30s Count (Vortex Yarn)	10,210,973	10,228,368
Total -	39,898,269	39,758,515

Production Efficiency	in %	
Particulars	2021-22	2020-21
Equivalent to-		
30s Count (Ring Yarn)	97.81%	98.27%
14s Count (O/E Yarn)	96.90%	97.95%
30s Count (Vortex Yarn)	96.94%	98.10%
Total (Average) -	97.34%	98.14%

COST OF PRODUCTION

The cost of production has varied during the past years primarily due to wide fluctuations in the price of raw cotton, packing materials, fuel & power and spare parts which were beyond the control of the Management.

The level of costs and their incidence are given below:

	in Ton	
Particulars	2021-22	2020-21
Output of Yarn	44,723	42,832
Cost of Major Items	in Tk. '000	
Particulars	2021-22	2020-21
Raw Material Consumed	9,944,420	7,660,971
Packing Materials	143,436	119,096
Fuel/Power etc.	940,183	850,559
Spare Parts	243,822	224,258
Other Overhead	1,680,539	1,572,883
Total Cost -	12,952,400	1,0427,767

Unit Cost/Kg.	in Tk.	
Particulars	2021-22	2020-21
Raw Material	222.36	178.86
Packing Materials	3.21	2.78
Fuel/Power etc.	21.02	19.86
Spare Parts	5.45	5.24
Other Overhead	37.58	36.72
Total Unit Cost-	289.62	243.46
Raw Material Cost % of Total Cost-	76.78%	73.47%

The above figure reveals that though the raw material cost per unit increased by 24.32%, packing materials cost increased by 15.47%, Fuel/ Power cost increased by 5.84%, Spare Parts cost increased by 4.01% and other overheads increased by 2.34%, which lead to increase total unit cost by 18.96% in 2021-22 over 2020-21. During the year under review the price of raw cotton in the international market had significantly unstable.

MARKETING OPERATIONS:

Market Exposure

Over the years, the company's marketing operations maintained an emphasis on export sales, as depicted below:

Quantity Sold (Kg)	in '000	
Particulars	2021-22	2020-21
Export Sales	44,819	43,485
Total -	44,819	43,485

Sales Revenue (Tk.)	in '000	
Particulars	2021-22	2020-21
Export Sales	15,624,302	11,924,705
Total -	15,624,302	11,924,705

The above figures show that sales quantity increased by 3.07% and sales revenue increased by 31.02% in 2021-22 over 2020-21.

Unit Selling Prices Attained

The selling prices (Taka/Kg) have changed over the years, as shown below:

Particulars	2021-22	2020-21
Export Sales	348.61	274.23
Total -	348.61	274.23

The above indicate that selling price increased by 27.12% in 2021-22 over 2020-21 due to incline the export demand & the price of cotton yarn in the international market.

CAPITAL EXPENDITURES

In order to continuously upgrade and increase the productive facilities, Square Textiles made an additional net capital expenditure of Tk. 1,333.61 million during the year 2021-2022, which is depicted below:

Particulars	2021-22	2020-21
Land/Civil Construction	322,504	13,251
Plan & Machinery	956,132	573,771
Other Fixed Assets	54,971	6,329
Total -	1,333,607	593,351

The above investments have enabled the company to sustain the rate of production efficiency at a reasonable level over the years. The entire amount has been invested out of its internal generation of funds and bank borrowings.

INDUSTRY OUTLOOK

In the wake of changing world demand structure of Bangladesh is on the right track to progressive higher demand for garments of mid to higher quality brands due to fiscal war between large economies such as the USA, China, EU etc.

The sector offers great scope of expansion and doubles the foreign exchange earnings provided Government rationalizes fiscal/monetary policies and provides necessary monetary/non-monetary support/incentives to local as well as strategic investors.

LOANS AND GUARANTEES

Details of loans granted and guarantees given during the year under review are depicted in Note No. 13, 15 and 36 of the standalone financial statement.

RELATED PARTY TRANSACTION

Square Textiles has engaged in a number of related party transactions, the details of which are detailed in Note No. 40 of the standalone Accounts.

FOREIGN EXCHANGE EARNED/SAVED

Square Textiles contributed substantially to the Foreign Exchange Reserve of the country during the year under review through its export marketing operation. This amounted to Tk. 5,018.77 million, which is 56.17% higher than that of the previous year. Details are depicted below:

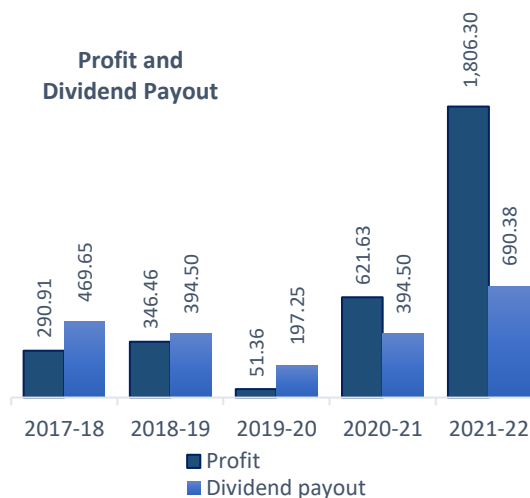
Particulars	2021-22	2020-21
Total Export	15,874,023	11,130,595
Less Import		
Raw Materials	9,590,887	7,103,639
Spare Parts	258,681	270,282
Misc. (with BMRE)	1,005,681	543,047
Net Export	5,018,774	3,213,627

FINANCIAL RESULTS

The Company's (standalone) operating financial results, as compared to the previous year are summarized hereunder:

Particulars	2021-2022	2020-2021	↑↓ in %
Export Sales Revenue	15,624,302,486	11,924,704,664	31.02↗
Cost of Goods Sold	12,930,510,466	10,588,987,142	22.11↗
Gross Profit	2,693,792,020	1,335,717,522	101.67↗
Administrative Expenses	247,735,861	224,235,269	10.48↗
Selling & Dist. Expenses	21,510,989	17,039,457	26.24↗
Operating Income	2,424,545,170	1,094,442,796	121.53↗
Finance Cost	241,629,270	344,165,255	29.79↘
Non-Operating Income	53,343,676	19,475,519	173.90↗
Net profit before WPPF	2,236,259,576	769,753,060	190.52↗
Contribution to WPPF	106,488,551	36,654,908	190.52↗
Net profit (Before Tax)	2,129,771,025	733,098,152	190.52↗
Provision for Income Tax	309,854,073	63,473,385	388.16↗
Provision for Deferred Tax	13,612,356	47,990,713	71.64↘
Net Profit (After Tax)	1,806,304,596	621,634,054	190.57↗
Gross Profit Margin	17.24%	11.20%	53.93↗
Net Profit Margin (AT)	11.56%	5.21%	121.88↗
EPS (Earning Per Share) in Taka	9.16	3.15	190.79↗

The Export Sales Revenue increased by 31.02% along with Gross profit and Net profit (After Tax) by 101.67% and 190.57% respectively during the year 2021-22 in comparison to previous year. Gross Profit Margin as well as Net Profit Margin increased by 6.04% and 6.35% respectively. The Financial Result of the Company for the year 2021-22 depicts a significant higher due to increase in yarn price and production by 1,900 Tons (approx.) through BMRE in capital machineries with modern technologies, increasing of manpower efficiencies. During the period the selling price of yarn also jumped for increased demand in RMG sector in both local and international market. These situations influenced to minimize unit cost of production and finally led to augment the profitability during the reporting year than that of previous year.



191%

Net Profit (AT)
Increased

75%

Dividend Payout
Increased

Awarded GOTS Certificate



RISK & CONCERN

Unstable sustainable long-range planning, inadequate strategic investment policies, variable/ uncertain fiscal & monetary policies, disorderly employment crises, Buyers' dominance, international trade barriers, internal law and order situation especially in the transport sector and lack of appropriate infrastructure, etc. offer the risk of business and investment.

It is, however, heartening to note that the Government recognizing the above-mentioned factors is now taking various measures as a result of which Bangladesh has begun to step up its position in the "Doing Business" Index of the World Bank Ranking Hall of Progress.

INVESTMENT IN SUBSIDIARIES

Square Textiles has invested Tk. 489,333,960 as equity holder (99.88%) in the capital of Square Texcom Limited.

As per provision of the Company Act 1994, Square Texcom Limited is a subsidiary of Square Textiles Limited and, as such, the Directors Report, along with the Auditors' Report and Audited Financial Statement, have been included as part of this report.

APPROPRIATION OF PROFIT

The Board of Directors recommended the appropriation of the net profit earned for the year ended June 30, 2022 in the following manner:

	in Taka
❖ Net profit (after tax) for the year ended June 2022.	1,806,304,596
❖ Recommended for Cash Dividend @35%.	690,382,000
❖ Net Un-appropriated Profit (for ploughing back)	1,115,922,596

CONTRIBUTION TO NATIONAL EXCHEQUER

Square Textiles contributed an amount of Tk. 389.87 million during the year to the National Exchequer as against Tk. 136.82 million in the previous year.

CREDIT RATING REPORT

The Credit Rating Information and Services Ltd. (CRISL) has reaffirmed the highest credit rating to Square Textiles on the basis of financial and other relevant quantitative and qualitative information on 21 December, 2021.

The reaffirmed ratings are:

Long Term Rating = "AA", which indicates Higher Safety and Higher Credit Quality.

Short Term Rating = "ST-1", which indicates the Highest Certainty of Timely Repayment.

MINORITY INTERESTS

In compliance with Condition No. 1(5) (xvi) of the Corporate Governance Code 2018 of BSEC, the Board hereby confirms that the interests of the minority shareholders have been duly protected in the Company.

EXTRA-ORDINARY ACTIVITIES

The Company did not engage in or continue any extraordinary activities, and as a result, it did not suffer or gain any loss or gain as a result of such activities.

MANAGEMENT'S DISCUSSION & ANALYSIS

A Management's Discussion and Analysis signed by the Managing Director and presenting a detailed analysis of the company's position and operations, along with a brief discussion of changes in the financial statements and other requirements of the Corporate Governance Code, is disclosed in Annexure- iii of this report.

UNCLAIMED/UNSETTLED DIVIDENDS

Unclaimed/unsettled dividends are taken care of according to directives of the Bangladesh Securities and Exchange Commission and other regulatory authorities from time to time.

Details of unclaimed/unsettled dividends for the years from 2002 to 2021 are presented on page 122 of this report.

CONSOLIDATION OF ACCOUNTS

In terms of BSEC Regulations, the company has consolidated the Accounts following the codes of International Accounting Standard - 28 & IFRS-10 reflecting shareholders' gross benefits/value of investments.

The consolidated financial statements are included in this Annual Report.

ELECTION OF DIRECTORS

Mrs. Ratna Patra and Mr. Anjan Chowdhury, Directors of the Company, retire as per articles 125 & 126 of the Articles of Association and being eligible, offer themselves for re-election.

A brief resume and other information about the above-mentioned directors are depicted in Annexure-ii.

RE-APPOINTMENT OF INDEPENDENT DIRECTOR

The Board of Directors has re-appointed Mr. S. M. Rezaur Rahman as Independent Director.

A brief resume and other information of the above-mentioned directors is depicted in Annexure-II.

APPOINTMENT OF STATUTORY AUDITORS

M/s K. M. Hasan & Co., Chartered Accountant retires at this Annual General Meeting on completion of consecutive 3 (three) years. They are not eligible for reappointment as auditors of the company as per BSEC order.

M/s Ahmed Zaker & Co., Chartered Accountants expressed their interest to be appointed as auditors of the Company for the year 2022-2023.

The Board of Directors, in its meeting held on October 20, 2022, recommended their appointment.

APPOINTMENT OF COMPLIANCE AUDITORS

M/s Chowdhury Bhattacharjee & Co., Chartered Accountants, retired at this Annual General Meeting and being eligible, offered themselves for re-appointment as Compliance Auditor of the Company for the year 2022-2023.

The Board of Directors, in its meeting held on October 20, 2022, recommended their appointment.

TO APPROVE THE SALE OF GOODS TO THE SISTER CONCERN OF SQUARE TEXTILES LTD.

Square Textiles Ltd. is required to obtain approval of the shareholders with regard to the sale of goods to the sister concern amounting to 10% or above of the total revenue or turnover as shown on the statement of profit or loss and comprehensive income for the immediate preceding financial year as per clause 1 of the Notification No. BSEC/CMRRCD/ 2009-193/10/Admin/118 dated March 22, 2021 by the Bangladesh Securities and Exchange Commission.

SPECIAL BUSINESS

To pass a special resolution in regard to change the name of the Company from "Square Textiles Ltd." to "Square Textiles PLC." as per provision of the Companies Act, 1994 (2nd amendment 2020) and to amend clause -I and Article-2(para 3), 51, 108, 111, 112 and 123 of the Memorandum and Articles of Association of the Company.

The Board of Directors in its meeting held on 20th October, 2022 has adopted the following resolution in order to comply with the provisions of the Companies Act, 1994 (2nd amendment 2020).

Therefore, if thought fit, the shareholders are requested to pass the following resolutions adopted by the Board of Directors as special resolutions:

Resolved that

- a) **the name of the Company "Square Textiles Ltd." be and is hereby changed to "Square Textiles PLC." as per provision of the Companies Act, 1994 (2nd amendment 2020) and accordingly the Clause -I and Article-2 para 3 of the**

Memorandum and Articles of Association respectively shall be amended.

- b) **the word "Limited" appearing in Article-51 and 108 shall be replaced by "PLC".**

- c) **the existing Article-111 and 112 of the Articles of Association of the Company be and is substituted as follows:**

"111. The following are the present shareholding directors of the Company:

- 1. Mr. Tapan Chowdhury as Chairman**
- 2. Mrs. Ratna Patra as Vice Chairman**
- 3. Mr. Samuel S Chowdhury as Managing Director**
- 4. Mr. Anjan Chowdhury as Director**

"112. The Managing Director of the Company shall be appointed as per the Companies Act. "

- d) **the sentence in Article-123 "Mr. Samson H Chowdhury shall be Managing Director of the Company" shall be deleted.**
- e) **a new printed copy of the Memorandum and Articles of Association of the Company incorporating the amendments made up to this date in substitution of the existing Memorandum and Articles of Association of the Company be and hereby adopted as Memorandum and Articles of Association of the Company and the same be filed with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh.**

DIRECTORS' DECLARATION ON THE FINANCIAL STATEMENTS

As a part of corporate good governance, the Board is accountable for providing a true and fair view of the company's financial performance and status. To that end, the Directors affirm to the best of their knowledge that:

- ☑ The Financial Statements of the Company present a true and fair view of the Company's state of affairs, a result of its operation, cash flows and changes in equity.
- ☑ Proper books of accounts as required by the prevailing laws have been maintained.
- ☑ Appropriate accounting policies have been constantly applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent.
- ☑ The financial statements were prepared in accordance with IAS/IFRS as applicable in Bangladesh.
- ☑ The internal control system is sound in design and is effectively implemented and monitored.
- ☑ There is no significant doubt about the company's ability to continue as a going concern.
- ☑ There is no significant deviation from the operating result of the last year.
- ☑ Remuneration paid to Mr. Samuel S Chowdhury, Managing Director has been shown in Note # 22 in the notes of accounts.
- ☑ Key operating and financial data of last 5 (five) years have been presented in summarized form in Page No. 14.

CORPORATE GOVERNANCE COMPLIANCE REPORT

In accordance with the requirements of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission, an additional statement in pursuance of Clause 1 (5), resume of the directors who shall be reappointed,

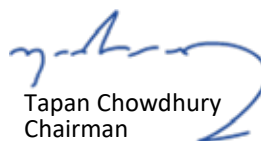
Management Discussion Analysis, Certificate from the CEO and CFO to the Board, Certificate on Compliance of the Conditions of the Corporate Governance Code 2018 by the Compliance Auditors and Status of Compliance are depicted in the Annexure - i, ii, iii, iv, v, and vi respectively.

The Audit Committee Report, the Nomination and Remuneration Policy, and the Dividend Distribution Policy are also presented in the Annual Report.

MANAGEMENT APPRECIATION

The Board of Directors records with deep appreciation the performance of the management, the officers, staff and workers whose relentless efforts helped to increase productivity as well as the turnover despite the natural and unnatural adverse factors of production and marketing throughout the country and the world. It is expected the employees and management will continue to improve the results in the interest of shareholders, whose unswerving trust in management has always been an inspiration to the Board of Directors.

The Directors humbly express their gratitude and acknowledge with keen interest the cooperation and unflinching support they have received from various agencies, including the Bangladesh Securities and Exchange Commission, the Stock Exchanges, the National Board of Revenue and other agencies of the public and private sector. We look forward to a brighter future for all of us.



Tapan Chowdhury
Chairman

- In the event of conflict between English text and Bangla text of this report, English text shall prevail.

THE DIRECTORS ALSO REPORT THAT:

- The number of Board Meeting and the Attendance of Directors during the year 2021-2022 were as follows:

Name of the Directors	Position	Meeting Held	Attended
Mr. Tapan Chowdhury	Chairman	6	6
Mrs. Ratna Patra	Vice Chairman	6	6
Mr. Samuel S Chowdhury	Managing Director	6	6
Mrs. Anita Chowdhury	Director	6	5
Mr. Anjan Chowdhury	Director	6	6
Mrs. Nihad Kabir	Independent Director	6	6
Mr. S M Rezaur Rahman	Independent Director	6	6

- The pattern of shareholding as on 30 June 2022 are as follows:

Name of the Shareholders	Status	Shares held	%
i. Parent/Subsidiary/Associated Companies and other related parties.	-	-	-
ii. Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Children's:			
Mr. Tapan Chowdhury	Chairman	6,588,167	3.34
Mrs. Ratna Patra	Vice Chairman	4,474,493	2.27
Mr. Samuel S Chowdhury	Managing Director	6,181,939	3.13
Mrs. Anita Chowdhury	Director	5,843,083	2.96
Mr. Anjan Chowdhury	Director	5,401,909	2.74
Mrs. Nihad Kabir	Independent Director	-	-
Mr. S M Rezaur Rahman	Independent Director	-	-
Mr. M Habibur Rahman	Chief Financial Officer	-	-
Mr. Sanjib Baran Roy	Company Secretary	-	-
Mr. Mozibur Rahman	Head of Internal Audit & Compliance	-	-
iii. Executives:			
Mr. Md. Alamgir Hossain	Head of Operations	-	-
Mr. Taslimul Hoque	Deputy Head of Operations	848	0.0008
Mr. Shah Didarul Islam	Head of Engineering	-	-
Mr. Md. Shahid Raihan	Head of Production	-	-
Mr. Shah Mohammad Faisal	Head of Marketing	-	-
iv. Shareholders Holding 10% or more voting interest in the company:			
Square Pharmaceuticals Ltd.	Sponsor Shareholder	91,436,679	46.36

RE-APPOINTMENT OF DIRECTOR

Mrs. Ratna Patra



Mrs. Ratna Patra is a Director of Square Textiles Ltd. since its inception in 1994 and has been appointed as Vice Chairman in this year of 2012. She is the daughter of the late Samson H Chowdhury, Founder Chairman of the Company. She graduated from Dhaka University and has a business experience of more than 17 years in the textiles and pharmaceuticals sector.

Mrs. Ratna Patra is a Director of Square Pharmaceuticals Ltd., a Listed Company, designated also as Vice Chairman.

Mrs. Patra is also Sponsor Director in 20 other private limited companies namely Square Pharmaceuticals Kenya EPZ Ltd., Square Hospitals Ltd., Square Lifesciences Ltd., Square Textiles Ltd., Square Toiletries Ltd., Square Food & Beverages Ltd., Square Fashions Ltd., Square Denims Ltd., Square Informatics Ltd., Square Securities Management Ltd., Square Agro Development and Processing Ltd., Square Air Ltd., ASTRAS Ltd., Sabazpur Tea Company Ltd. and Maasranga Communications Ltd (Maasranga Television) under the Square Group.

Mr. Anjan Chowdhury



Mr. Anjan Chowdhury is a Director of Square Textiles Ltd. since its inception in 1994, son of the late Samson H Chowdhury, Founder Chairman of the Company. He obtained a Bachelor's degree in Business Administration from the University of South Florida, USA, and has a rich experience of more than 26 years in Pharmaceuticals, Hospitals, Textiles, RMG, IT, Healthcare, Toiletries, Food & Consumer Products, Organic Tea Plantation, Capital Market Operation & Satellite TV Broadcasting

Mr. Anjan Chowdhury is also Sponsor Director in 25 other private limited companies namely Square Pharmaceuticals Kenya EPZ Ltd., Square Hospitals Ltd., Square Lifesciences Ltd., Square Textiles Ltd., Square Toiletries Ltd., Square Food & Beverages Ltd., Square Fashions Ltd., Square Denims Ltd., Square Informatics Ltd., Square Securities Management Ltd., Square Agro Development and Processing Ltd., Square Air Ltd., ASTRAS Ltd., Sabazpur Tea Company Ltd. and Maasranga Communications Ltd (Maasranga Television) under the Square Group.

Besides holding directorship of 25 companies under Square Group, Mr. Anjan Chowdhury is the Chairman of Micro Industries Development Assistance and Services MIDAS, Trustee Member of the Independent University of Bangladesh, Vice President of Bangladesh Olympic Association (BOA), Bangladesh Agro Processors Association (BAPA), AOAB (Airline Operators Association of Bangladesh), Councilor of Bangladesh Football Federation (BFF), Vice President of ATCO (Association of TV Company Owners), Executive Committee Member of Bangladesh Golf Federation and Director of Abahani Limited.

Mr. Chowdhury has been awarded several times as the highest individual Taxpayer in the Country.

He has participated in a good number of professional training and workshops held in USA, Canada, Europe, Australia, and Asia.

Mr. Anjan Chowdhury is a member of the Audit Committee of Square Pharmaceuticals Ltd. Company and Square Textiles Limited.

RE-APPOINTMENT OF INDEPENDENT DIRECTOR

Mr. S. M. Rezaur Rahman



Mr. S. M. Rezaur Rahman, Economics Graduate, Dhaka University is a capital market consultant and Director of United Corporate Advisory Services Ltd., a firm of financial & investment advisory and post issue management of initial public offer of securities & other related jobs in Bangladesh. Mr. Reza has a rich experience of more than 35 years in capital market, issue and post issue management of initial public offering of securities and in the corporate arena.

Mr. Reza was a partner in AAA Consultant & Financial Advisors from 1994 to 2004, served as Managing Director of SofSys Computing & Data Processing Ltd. from 1994 to 2011.

He was inducted as Nominated Director in the Board of Aramit Cement Limited and Aramit Limited for three years. Mr. Reza was also the Independent Director of CVO Petrochemical Refinery Ltd., Aramit Cement Limited & Aramit Limited and Chairman of the Audit Committee of Aramit Cement Limited and Aramit Limited.

MANAGEMENT'S DISCUSSION & ANALYSIS

Pursuant to Condition No. 1 (5) (xxv) of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis for the year ended 30 June, 2022 are presented hereunder:

ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS:

Square Textiles Ltd. follows International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) along with prevailing local rules and regulations applicable for preparation of financial statements. Detail description of accounting policies and estimation used for preparation of the financial statements of the Company are disclosed in the Notes No. 2 and 3 to the standalone financial statements.

CHANGES IN ACCOUNTING POLICIES AND ESTIMATION:

Square Tex has been following consistent policies and estimation and there is no such changes in accounting policies or estimation which has material impact on financial statements.

COMPARATIVE ANALYSIS OF FINANCIAL AND OPERATIONAL PERFORMANCE:

The Directors' Report provides the analysis of financial performance and position during the year under review and also a detail comparison of financial performance and position as well as cash flows are presented as part of the financial statements including notes.

However, major areas of financial performance, financial position as well as cash flows with immediate preceding five years including effects of inflation are depicted here in below:

Figures Tk. in '000

Particulars	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Financial Performance						
Revenue	15,624,302	11,924,705	9,505,326	8,896,244	6,367,125	5,020,425
Gross Profit	2,693,792	1,335,718	682,944	951,351	671,530	525,634
Net Profit (Before Tax)	2,129,771	733,098	90,140	435,911	348,045	297,592
Net Profit (After Tax)	1,806,305	621,634	51,362	346,462	290,914	252,494
Financial Performance (Inflation Adjusted)						
						Base Year
Revenue	11,628,359	9,538,786	8,032,318	7,970,184	6,019,214	5,020,425
Gross Profit	2,004,850	1,068,465	577,110	852,320	634,836	525,634
Net Profit (Before Tax)	1,585,078	586,418	76,171	390,535	329,027	297,592
Net Profit (After Tax)	1,344,339	497,256	43,403	310,397	275,018	252,494
Financial Position						
Shares Outstanding	197,252,000	197,252,000	197,252,000	197,252,000	187,859,048	178,913,379
Shareholders' Equity	8,717,463	7,305,662	6,881,280	7,224,422	5,386,034	5,452,946
Total Assets	15,029,581	15,418,898	14,190,038	12,954,548	9,425,480	7,511,325
Total Liability	6,312,119	8,113,236	7,308,758	5,730,126	4,039,447	2,058,379
Current Assets	7,435,018	8,523,673	7,272,823	6,396,837	4,430,793	3,618,295
Current Liabilities	5,732,488	5,207,496	7,094,063	5,494,425	3,910,867	1,948,729

Annexure III

Particulars	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Financial Position (Inflation Adjusted)						Base Year
Shares Outstanding	146,804,450	157,785,423	166,684,521	176,718,929	177,594,109	178,913,379
Shareholders' Equity	6,487,956	5,843,930	5,814,911	6,472,391	5,091,732	5,452,946
Total Assets	11,185,739	12,333,854	11,991,056	11,606,036	8,910,456	7,511,325
Total Liability	4,697,783	6,489,923	6,176,144	5,133,645	3,818,725	2,058,379
Current Assets	5,533,499	6,818,239	6,145,778	5,730,954	4,188,687	3,618,295
Current Liabilities	4,266,394	4,165,570	5,994,720	4,922,479	3,697,171	1,948,729
Cash Flow						
Net Cash Generated from Operating Activities	3,006,352	1,112,290	(83,287)	(686,379)	(290,861)	138,081
Net Cash Used in Investing Activities	(1,326,347)	(584,615)	(874,167)	(1,432,871)	(1,341,726)	(913,875)
Net Cash Used in Financing Activities	(2,522,099)	591,164	1,042,556	1,771,675	1,696,880	498,970
Cash Flow (Inflation Adjusted)						Base Year
Net Cash Generated from Operating Activities	2,237,472	889,741	(70,380)	(614,930)	(274,968)	138,081
Net Cash Used in Investing Activities	(987,131)	(467,644)	(738,700)	(1,283,715)	(1,268,412)	(913,875)
Net Cash Used in Financing Activities	(1,877,068)	472,883	880,995	1,587,251	1,604,160	498,970
Financial Ratio						
Current Ratio	1.30	1.64	1.03	1.16	1.13	1.86
Debt to Equity	1.38	1.11	1.06	0.79	0.75	0.38
Gross Profit Margin (In %)	17.24%	11.20%	7.18%	10.69%	10.55%	10.47%
Net Profit Margin (In %)	11.56%	5.21%	0.54%	3.89%	4.57%	5.03%
Return on Equity (In %)	20.72%	8.51%	0.75%	4.80%	5.40%	4.63%
Return on Assets (In %)	12.02%	4.03%	0.36%	2.67%	3.09%	3.36%
Ordinary Shares Information						
Shares Outstanding	197,252,000	197,252,000	197,252,000	197,252,000	187,859,048	178,913,379
Face Value per Share	10.00	10.00	10.00	10.00	10.00	10.00
Dividend-Cash (In %)	35	20	10	20	20	20
Dividend-Stock (In %)	0	0	0	0	5	5
Dividend Payout (Cash+Stock) in '000	690,382	394,504	197,252	394,504	469,648	447,283
Net Assets Value per Share	44.19	37.04	34.89	36.63	27.31	27.64
Net Operating Cash Flow per Share	15.24	5.64	-0.42	-3.48	-1.48	0.70
EPS-Earnings per Share (Standalone)	9.16	3.15	0.26	1.76	1.47	1.28
EPS-Earnings per Share (Consolidated)	9.93	3.41	0.27	2.18	2.32	2.09
EPS on Share Issued for Cash	71.71	24.68	2.04	13.75	11.55	10.02
Inflation Rate (In %)	7.48	5.64	6.02	5.52	5.78	5.44

Inflation Rate Source: Bangladesh Bureau of Statistics

Annexure III

COMPARISON OF FINANCIAL PERFORMANCES WITH PEER INDUSTRY SCENARIO:

A comparison of financial performances, financial position as well as cash flows for the year ended 30 June, 2021 of 5 (five) spinning companies are presented below in order of market capitalization:

Figures Tk. in '000

Particulars	Square Tex	Paramount Tex	Envoy Textiles	Alhaj Textile	Saiham Textile
Financial Performance					
Revenue	11,924,705	5,020,707	8,665,305	152,453	2,570,415
Gross Profit	1,335,718	773,740	1,287,445	(8,582)	284,483
Net Profit (Before Tax)	733,098	754,079	289,969	13,908	140,685
Net Profit (After Tax)	621,634	661,887	94,768	5,755	100,724
Financial Position					
Shares Outstanding (in Million)	1,973	1,550.80	1,677.35	222.99	905.63
Shareholders' Equity	7,305,662	4,224,794	6,338,511	192,092	3,885,887
Total Assets	15,418,898	10,967,047	18,649,604	872,227	5,836,126
Total Liabilities	8,113,236	6,723,876	12,311,092	680,136	1,950,240
Current Assets	8,523,673	4,807,221	8,141,719	797,554	2,343,685
Current Liabilities	5,207,496	4,205,632	7,333,401	535,012	1,502,036
Cash Flow					
Net Cash Generated from Operating Activities	1,112,290	7,97,197	(376,979)	82,557	61,692
Net Cash Used in Investing Activities	(584,615)	(1,096,287)	(432,312)	(75,765)	(18,731)
Net Cash Used in Financing Activities	591,164	318,599	807,806	(2,255)	(123,488)
Market Capitalization (in million)	13,098	12,329	7,414	2,662	2,128

FINANCIAL AND ECONOMIC SCENARIO OF BANGLADESH AND THE GLOBAL (IN BRIEF):

Bangladesh:

Over the previous two decades, the Bangladeshi economy has shown its resiliency in the face of several financial and political crises, and it was anticipated that its excellent trend growth performance would stay largely intact.

Bangladesh is a developing market economy and the 41st largest in the world in nominal terms, and the 30th largest by purchasing power parity, it is classified among the Next Eleven emerging market middle-income economic and a frontier market.

Over the last 10 years, Bangladesh's GDP has grown steadily, surpassing milestones of 7.0 percent in FY 2015–16 and 8.0 percent in FY

2018–19. In contrast, the COVID-19 pandemic slowed growth to 3.45 percent in the fiscal year 2019-20. The economy grew by 6.94 percent in FY 2020-21. However, in FY 2021-22, GDP growth stood at 7.25%, 0.05 percentage points higher than the target rate and 0.31 percentage points higher than the previous fiscal year, and per capita GDP and per capita GNI stood respectively at US\$ 2,723 and US\$ 2,824 in FY 2021-22 compared to US\$ 2,462 and US\$ 2,591 respectively in FY 2020-21.

Bangladesh's GDP grew in fiscal 2022, and its momentum is steady. Normalization of the global economy continues to boost Bangladesh's garment industry, leading to a 12.3% growth in manufacturing activity in fiscal 2022. The sector's resurgence has improved Bangladesh's labor market and domestic demand.

Annexure III

Economic activity in Bangladesh is no longer significantly hindered by pandemic-related limitations, and this is expected to continue in the absence of a coronavirus variation that evades natural and vaccine-based immunity or produces more severe symptoms. Nonetheless, new issues have surfaced, such as unusually high internal demand circumstances, which are putting pressure on Bangladesh's external settings.

However, in order to improve things in the future, we must increase private investment, remove infrastructure bottlenecks, address insufficient electricity and gas supplies, eliminate bureaucratic corruption, stabilize the political climate, and address a skilled labor shortage in addition to creating more job opportunities.

The Global:

While the world economy was recovering well from the COVID-19 epidemic, the Ukraine conflict offered a setback to the continuing recovery. War-caused disruptions in the supply chain are causing a spike in global commodity prices and a slowdown in economic activity.

International organizations have updated their predictions for inflation and economic development prospects. The world economy expanded by 5.5 percent in 2021, the highest growth rate since 1976, according to the United Nations (UN) report "World Economic Situation and Prospect 2022," after a contraction of 3.4 percent in 2020. In 2022 and 2023, respectively, the world economy is projected to increase by 4.0 percent and 3.5 percent. According to the Global Economic Prospect, published by the World Bank in early 2022, the global economy would expand by 4.1% in 2022 and 3.2% in 2023. The projected global economic growth for 2021 was 5.5%.

Slow growth rates between advanced economies and emerging and developing economies will be a difference. Growth in advanced economies is expected to slow from 5% in 2021 to 3.80 % in 2022 and 2.30% in 2023. This growth rate will be enough to get these countries' production and investment back to where they were before the epidemic. On the other hand, it is anticipated that growth in emerging and developing

countries would decline from 6.3 percent in 2021 to 4.6 percent in 2022 and 4.4 percent in 2023, respectively, and from 6.3 percent in 2021 to 4.6 percent in 2022 and 4.4 percent in 2023.

According to the above-mentioned research, all advanced economies would have completely recovered by 2023. Output in emerging and developing countries will still continue to be 4% below pre-pandemic levels. Even more susceptible economies will be affected: the production of tiny island nations will be 8.5 percent lower than it was before the epidemic, and unstable and conflict-affected countries' output would be 7.5 percent lower.

The International Monetary Fund (IMF) forecasted global economic growth of 3.6 percent in both 2022 and 2023 in its World Economic Outlook (WEO) for April 2022. In comparison to the January 2022 WEO update, the predictions for 2022 and 2023 are 0.8 and 0.2 percentage points lower, respectively. Global growth is expected to slow by about 3.3 percent in the medium term after 2023.

RISKS AND CONCERNS ISSUES RELATED TO THE FINANCIAL STATEMENTS:

Square Tex has exposure to the Counterpart Risk, Financial Risk, Credit Risk, Liquidity Risk and Market Risk arising from the financial statements. The detailed explanation of risk and concerns are explained in Note 3.13 to the consolidated financial statements. Square Tex has sufficient and effective measures/ controls to mitigate the risk and concerns.

FUTURE PLAN OR PROJECTION OR FORECAST:

Square Textiles Ltd.'s management is highly concerned in implementing the essential, achievable plans and strategy in terms of sustainability in its performance and financial position, and promises to continue operations for the foreseeable future.



Samuel S Chowdhury
Managing Director

DECLARATION BY CEO AND CFO

Under Condition # 1(5)(xxvi) of CGC

The Board of Directors
Square Textiles Ltd.
Square Centre, 48 Mohakhali C.A.
Dhaka.

Date: 11 October, 2022

Subject: Declaration on Financial Statements for the year ended on 30th June, 2022.

Dear Sirs,

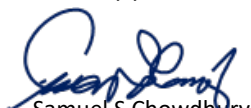
Pursuant to condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/ CMRRCD/2006 -158/207/Admin/80 Dated 3 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Square Textiles Ltd. for the year ended on 30th June, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure therefrom 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 the above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30th June, 2022 and 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 a 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 is fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,


Samuel S Chowdhury
Managing Director


M Habibur Rahman
Chief Financial Officer

CERTIFICATE OF COMPLIANCE

Under Condition # 1(5)(xxvii) of CGC

REPORT TO THE SHAREHOLDERS OF SQUARE TEXTILES LIMITED ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by Square Textiles Limited for the year ended on 30th June, 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006 -158/207/Admin/80 Dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

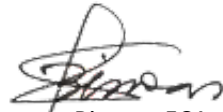
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance with the conditions of the Corporate Governance Code.

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission or not complied (if not complied, specify non-compliances);
- (b) 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;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws and
- (d) The governance of the company is satisfactory.

Place : Dhaka
Dated : 02 November, 2022


Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants

STATUS OF COMPLIANCE

Under Condition # 1(5)(xxvii) of CGC

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
1.00	Board of Directors			
1.1(1)	Board Size (minimum - 5 and maximum - 20)	√		
1.1(2)	Independent Director			
1.2(a)	1/5th of the total as Independent Director (ID)	√		
1.2(b)(i)	Does not hold any share of less than 1% shares in the Company	√		
1.2(b)(ii)	Not a Sponsor of the Company	√		
1.2(b)(iii)	Who has not been an executive of the company	√		
1.2(b)(iv)	Does not have other relationship	√		
1.2(b)(v)	Not a Member or TREC, Director or Officer of any Stock Exchange	√		
1.2(b)(vi)	Not a Shareholder/Director/Officer of any Member/TREC holder of Stock Exch.	√		
1.2(b)(vii)	Not a partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	√		
1.2(b)(viii)	Not an Independent Director in more than five listed Companies.	√		
1.2(b)(ix)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan/advance to a Bank or a Non-Bank Financial Institution.	√		
1.2(b)(x)	Not convicted for a Criminal Offence	√		
1.2(c)	Appointed by the Board and approved by the shareholders in AGM.	√		
1.2(d)	Post cannot remain vacant more than 90 days.	√		
1.2(e)	Tenure of the Independent Director.	√		
1.3	Qualification of Independent Director			
1.3(a)	Independent Director shall be a knowledgeable individual.	√		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company.	√		
1.3(b)(ii)	Should be a Corporate Leader/Business Leader.	√		
1.3(b)(iii)	Former official of the government.	√		
1.3(b)(iv)	University Teacher who has an educational background in Economics or Commerce or Business Studies or Law.	√		
1.3(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.	√		
1.3(c)	The independent director shall have at least 10(ten) years of experience.	√		
1.3(d)	Relaxation in special cases.			N/A
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4(a)	The posts of Chairperson of the board and CEO are 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 shall be elected from among the non-executive directors.	√		
1.4(d)	The Board shall clearly define the respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO.	√		
1.4(e)	In absence of the Chairperson of the Board etc.	√		
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.	√		
1.5(iv)	Discussion on Cost of Goods sold Gross profit Margin and Net Profit Margin.	√		
1.5(v)	Discussion on continuity of any extraordinary activities and implications.	√		
1.5(vi)	Detailed discussion and statement on related party transactions.	√		
1.5(vii)	Utilization of proceeds from public/rights issues and/or through any others.			N/A
1.5(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.			N/A
1.5(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements.			N/A
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 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 (BFRS), 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.	√		

Annexure VI

Condition No.	Title			Remarks (If any)
		Compiled	Not Compiled	
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)	If the issuer company has not declared a dividend (cash or stock) for the year, the reasons thereof shall be given.			N/A
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend paid as interim dividend.			N/A
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
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	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director in case of appointment or reappointment.	√		
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	√		
1(5)(xxv)	Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and operations.			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes	√		
1(5)(xxv)(c)	Comparative analysis and financial position as well as cash flow for current financial year with immediate preceding five years explaining reasons	√		
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.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation 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(30) 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	√		
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS).	√		
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.	√		
2(b)	Independent Director of holding company also in the subsidiary company.	√		
2(c)	Minutes of subsidiary to be placed in the meeting of holding company.	√		
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.	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	√		
3	Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and			
3.1	Appointment			
3(1)(a)	Board shall appoint a MD or CEO, Company Secretary, CFO, and HIAC.	√		
3(1)(b)	The positions of the MD,CEO,CS,CFO & 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.	√		
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 exchange.	√		
3.2	Requirement to attend Board of Directors' Meetings			
3(2)	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 Chief Financial Officer (CFO)			
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	√		
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report.	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
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.	√		
5(1) (c)	Audit Committee shall report on its activities to the Board of Directors.	√		
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 director.	√		
5(2) (c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial.	√		
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	√		
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		
5(2)(f)	Quorum of Audit Committee meeting, at least One independent director.	√		
5.3	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	Absence of the Chairperson of the Audit Committee members to elect one.	√		
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.	√		
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)	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 with the management, the annual financial statements before submission to the Board for approval.	√		
5(5)(g)	Review with the management, the Quarterly and half yearly financial statements before submission to the Board for approval.	√		
5(5)(h)	The review adequacy of internal audit function.	√		
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report.	√		
5(5)(j)	Review statement of all related party transactions submitted by the Mgt.	√		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee determination of audit fees based on scope and magnitude.	√		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus.			N/A
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)(a)	Report on conflicts of interests.	√		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.	√		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.	√		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.	√		
5.6 (b)	Reporting to the Authorities			
5.7	Reporting to the Shareholders and General Investors			
5(7)	Reporting to the Shareholders and General Investors	√		
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)	NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications	√		
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.	√		
6.2	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an ID.	√		
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.	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
6(2)(d)	Board have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.	√		
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external expert.	√		
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 any remuneration/advisory, other than Director's fees or honorarium from the company.	√		
6.3	Chairperson of the NRC			
6(3)(a)	Board shall select 1 member of the NRC to be Chairperson of the Committee	√		
6(3)(b)	Absence of chairperson, the remaining members may elect one of them.	√		
6(3)(c)	Chairperson of the NRC shall attend the AGM.	√		
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.	√		
6(4)(c)	Quorum of NRC meeting, presence of 2 or 2/3 members whichever is higher.	√		
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.	√		
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)	Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		
6(5)(b)(i)(b)	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.	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		
6(5)(b)(iii)	Identifying persons who are qualified 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 company's needs for employees at different levels and determine their selection, transfer or replacement.	√		
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)	Issuer company shall not engage its external auditors to perform the following:			
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 service related to the account ion records.	√		
7(1)(iv)	Broker-dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal/special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		
7(1)(viii)	Certification services on compliance of corporate governance.	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of External Auditors shall remain present in the AGM.	√		
8	Maintaining a website by the company			
8(1)	The company shall have an official website linked with that of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges.	√		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding the compliance of the conditions of Corporate.	√		
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.	√		

পরিচালনা পর্ষদের প্রতিবেদন

৩০ জুন, ২০২২ সমাপ্ত আর্থিক বছরের

কোম্পানির পরিচালনা পর্ষদ সম্মানিত শেয়ারহোল্ডারদের বরাবর ৩০ জুন, ২০২২ সমাপ্ত আর্থিক বছরের জন্য তাদের প্রতিবেদন উপস্থাপন করতে পেরে আনন্দিত।

পরিচালকদের প্রতিবেদন কোম্পানি আইন ১৯৯৪ এর ধারা ১৮৪, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ বিধিমালা ২০২০ এর বিধি ১২ (এবং এর অধীনে তফসিল), বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড ২০১৮ এবং দ্য ফিন্যান্সিয়াল রিপোর্টিং কাউন্সিল, বাংলাদেশ কর্তৃক গৃহীত ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ড-১ এর বিধান অনুসারে উপস্থাপন করা হয়েছে।

কার্যক্রম পর্যালোচনা:

টেক্সটাইলস্ সেক্টর

বাংলাদেশের টেক্সটাইলস্ শিল্প, যার মধ্যে তৈরি পোশাক (আরএমজি) এবং নিটওয়্যার সহ বিশেষায়িত টেক্সটাইল পণ্য রয়েছে, এটি দেশের এক নম্বর রপ্তানি আয়কারী, যা মোট রপ্তানির ৮০.৬% এর বেশি এবং ১৯.৯০ বিলিয়ন ডলার অবদান রাখে। বিশ্বের টেক্সটাইল রপ্তানিতে বাংলাদেশের অবস্থান দ্বিতীয় যা চীনের পরেই। রপ্তানি উন্নয়ন ব্যুরোর (ইপিবি) মতে, ২০২১ সালের জুলাই থেকে ২০২২ সালের জানুয়ারির মধ্যে বাংলাদেশের পোশাক রপ্তানি ৩০.৩০% বেড়ে ২৩.৯৯ বিলিয়ন ডলার হয়েছে। ইউরোপ, উত্তর আমেরিকা, এশিয়া সহ বিভিন্ন ভৌগোলিক অঞ্চলের দেশগুলিতে বাংলাদেশ বিভিন্ন ধরনের পোশাক রপ্তানি করে। বোনা এবং নিটওয়্যার হল দুটি প্রধান শ্রেণী যেখানে রপ্তানি পণ্যগুলিকে ভাগ করা হয়ে থাকে। নিটওয়্যারের রপ্তানি ৩২.৮৯% বেড়ে ১৩.২৭ বিলিয়ন ডলার হয়েছে এবং ওভেন পোশাকের রপ্তানি ২৭.২৩% বেড়ে ১০.৭১ বিলিয়ন ডলার হয়েছে।

এই সেক্টরে নিজেদের অবস্থান বজায় রাখতে এবং অগ্রসর হওয়ার জন্য বাংলাদেশকে বেশ কিছু বিষয়কে বিবেচনায় আনতে হবে। আমরা সবাই জানি যে প্রচুর প্রাকৃতিক গ্যাস, কম খরচে শ্রম এবং শাস্ত্রীয় শক্তি হল সেই খুঁটি যার চারপাশে এই শিল্প গড়ে উঠেছে। সাম্প্রতিক বছরগুলিতে, এই বিষয়টি

বিতর্কিত হয়ে উঠেছে, যদিও নীতিনির্ধারকরা এই গুরুত্বপূর্ণ শিল্পকে রক্ষা করার জন্য প্রয়োজনীয় সংস্কারের ব্যাপারে অত্যন্ত সক্রিয় ভূমিকা পালন করছেন।

তবে, বাংলাদেশ এখনও আরএমজি রপ্তানিতে দ্বিতীয় অবস্থান ধরে রেখেছে।

কর্মদক্ষতা

বাংলাদেশে ২০২১ সালে স্পিনিং সেক্টরে একটি বড় বিনিয়োগের পদক্ষেপ প্রত্যক্ষ করেছে এবং এর পর থেকে উদ্যোক্তারা ২৬টি নতুন স্পিনিং মিল স্থাপন করেছে যা মহামারীতে বৈশ্বিক পোশাক সরবরাহ অনিশ্চয়তা থাকা সত্ত্বেও উচ্চ চাহিদা মেটাতে পেরেছে। স্পিনিং মিলে উৎপাদিত সুতার ৮০% প্রাকৃতিক তুলার সুতা, বাকি ২০% কৃত্রিম ফাইবার মিশ্র সুতা। কৃত্রিম ফাইবার পোশাকের চাহিদা বিশ্বব্যাপী জনপ্রিয় হচ্ছে। আন্তর্জাতিক ব্র্যান্ডের কাজের অর্ডার বৃদ্ধির কারণে পোশাক খাতে সুতা ও অন্যান্য কাপড়ের চাহিদা বাড়ছে।

নতুন ধারণা এবং কৌশল বাস্তবায়ন, তরুণ উদ্যোক্তাদের স্পিনিং শিল্পে আগ্রহ বাড়ানো এবং ভবিষ্যতের জন্য একটি কার্যকর পরিকল্পনা তৈরি করার মাধ্যমে এই খাতটিকে বাংলাদেশের অর্থনীতির একটি বড় অংশে পরিণত করার সুযোগ রয়েছে।

এবং স্কার টেক্সটাইল ২০২১-২০২২ সালে একক এবং সমন্বিত ভাবে যথাক্রমে ৩১.০২% এবং ৩১.১৩% রপ্তানি বিক্রয় বৃদ্ধির দ্বারা উচ্চ প্রবৃদ্ধি অর্জন করেছে।

একক আর্থিক ফলাফল

বিক্রয় রাজস্ব এবং পরিচালন মুনাফা যথাক্রমে ১৫,৬২৪.৩০ এবং ২,৪২৪.৫৫ মিলিয়ন টাকায় দাঁড়িয়েছে, যা আগের বছরে যথাক্রমে ১১,৯২৪.৭০ এবং ১,০৯৪.৪৪ মিলিয়ন টাকার তুলনায়, ৩১.০২% এবং ১২১.৫৩% বৃদ্ধি পেয়েছে।

এ বছরের নিট মুনাফা ১৯০.৫৭% বেড়ে ১,৮০৬.৩০ মিলিয়ন টাকা হয়েছে, যা গত বছরে ছিল ৬২১.৬৩ মিলিয়ন টাকা।

সমন্বিত আর্থিক ফলাফল

বিক্রয় রাজস্ব এবং পরিচালন মুনাফা যথাক্রমে ১৭,৪৩২.২৫ এবং ২,৬১৮.৮৫ মিলিয়ন টাকায় দাঁড়িয়েছে, যা আগের বছরে যথাক্রমে ১৩,২৯৩.৫৭ এবং ১,১৬৬.৭৬ মিলিয়ন টাকার তুলনায়, ৩১.১৩% এবং ১২৪.৪৫% বৃদ্ধি পেয়েছে।

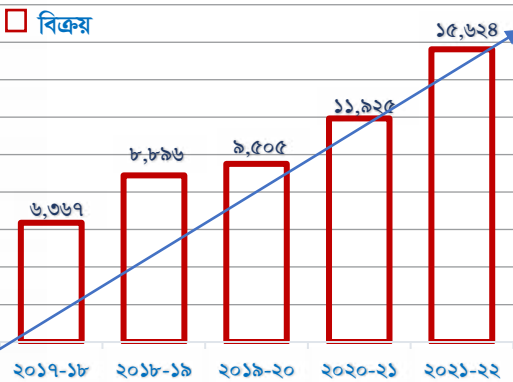
এ বছরের নিট মুনাফার পরিমাণ বৃদ্ধি পেয়ে ১,৯৫৮.৫৬ মিলিয়ন টাকায় পৌঁছেছে, যা আগের বছরে ৬৭১.৮৬ মিলিয়ন টাকা ছিল, সুতরাং বৃদ্ধি পেয়েছে ১৯১.৫১%।

কোম্পানীর ব্যবসায়িক কার্যক্রম

স্কয়ার টেক্সটাইলস্ দেশের অন্যতম বৃহত্তম নিটিং এবং উইভিং সুতা উৎপাদনকারী প্রতিষ্ঠান যা বিগত ২৫ বছর ধরে সফলতার সাথে পরিচালিত হয়ে আসছে।

টেকসই এবং পরিবেশবান্ধব পণ্য যেমন অর্গানিক, বিসিআই, টেনসেল, রি-সাইকেল (তুলা এবং পলিস্টার) প্রভৃতিতে আলোকপাত করে থাকে। এ ছাড়াও গ্যালাক্সি, ফ্লাটার, লোরস্স, মোজাইক নেপি, সাইরো ইত্যাদি উচ্চ মূল্যমানের রপ্তানিযোগ্য সুতা উৎপাদন করছে।

স্কয়ার টেক্সটাইলস্ গ্রাহকদেরকে উন্নত ও গুণগতমান সম্পন্ন পণ্য এবং সেবা নিশ্চিত প্রদানে অঙ্গীকারবদ্ধ।



উৎপাদন ক্ষমতা/উৎপাদন

বিগত কয়েক বছরে, আমরা জাতীয় এবং আন্তর্জাতিক বাজারে কঠিন প্রতিযোগিতার মুখোমুখি হয়েছি। পরিস্থিতি মোকাবেলা করার জন্য, আমরা একটি বিকল্প উৎপাদন কৌশল হিসাবে উচ্চ মার্জিন সম্পন্ন একাধিক পণ্য মিশ্রণ পদ্ধতি গ্রহণ করেছি।

উৎপাদন দক্ষতা যাচাইয়ে ও পণ্যের একক পরিমাণের সুবিধার্থে সকল প্রকার সুতার একটি নির্দিষ্ট পরিমাপ সূত্র প্রয়োগ করা হয়েছে। ২০২১-২২ সালে উৎপাদন দক্ষতা ৯৮.১৪% থেকে ৯৭.৩৪% হয়েছে।

৩০ জুন, ২০২২ পর্যন্ত মোট স্থাপিত উৎপাদন ক্ষমতা নিচে দেখানো হলো:

স্পিন্ডলস্/রোটরস	সংখ্যা	
বিবরণ	২০২১-২২	২০২০-২১
স্থাপিত:		
স্থাপিত স্পিন্ডলস্	১২৯,২৬২	১২৫,৮৭৮
স্থাপিত রোটর হেডস্	৫,১৯২	৪,৭৯২
স্থাপিত ভরটেক্স হেডস্	৩,১৬৮	২,৭৮৪
সক্রিয়:		
সক্রিয়: স্পিন্ডলস্	১২৯,২৬২	১২৫,৮৭৮
সক্রিয়: রোটর হেডস্	৫,১৯২	৪,৭৯২
সক্রিয়: ভরটেক্স হেডস্	৩,১৬৮	২,৭৮৪

স্থাপিত উৎপাদন ক্ষমতা

বিবরণ	২০২১-২২	২০২০-২১
সমতুল্য উৎপাদন -		
৩০ সিঙ্গেল কাউন্ট (রিং ইয়ার্ণ)	১৯,৪৭০,৬৩৮	১৯,৩৪৩,৬১৭
১৪ সিঙ্গেল কাউন্ট (ও/ই ইয়ার্ণ)	১০,৯৮৪,৩৬৭	১০,৭৪১,৩৬২
৩০ সিঙ্গেল কাউন্ট (ভরটেক্স ইয়ার্ণ)	১০,৫৩৩,৬৪৪	১০,৪২৬,৩১৭
মোট -	৪০,৯৮৮,৬৪৯	৪০,৫১১,২৯৬

প্রকৃত উৎপাদন	কেজি	
বিবরণ	২০২১-২২	২০২০-২১
প্রকৃত উৎপাদন	৪৪,৭২৩,০০৬	৪২,৮৩১,৯২৪
সমতুল্য উৎপাদন-		
৩০ সিঙ্গেল কাউন্ট (রিং ইয়ার্ণ)	১৯,০৪৩,২৬৫	১৯,০০৮,৫৫৩
১৪ সিঙ্গেল কাউন্ট (ও/ই ইয়ার্ণ)	১০,৬৪৪,০৩১	১০,৫২১,৫৯৪
৩০ সিঙ্গেল কাউন্ট (ভরটেক্স ইয়ার্ণ)	১০,২১০,৯৭৩	১০,২২৮,৩৬৮
মোট -	৩৯,৮৯৮,২৬৯	৩৯,৭৫৮,৫১৫

উৎপাদন দক্ষতা	(%)	
বিবরণ	২০২১-২২	২০২০-২১
সমতুল্য উৎপাদন-		
৩০ সিঙ্গেল কাউন্ট (রিং ইয়ার্ণ)	৯৭.৮১%	৯৮.২৭%
১৪ সিঙ্গেল কাউন্ট (ও/ই ইয়ার্ণ)	৯৬.৯০%	৯৭.৯৫%
৩০ সিঙ্গেল কাউন্ট (ভরটেক্স ইয়ার্ণ)	৯৬.৯৪%	৯৮.১০%
মোট (গড়) -	৯৭.৩৪%	৯৮.১৪%

উৎপাদন ব্যয়

বিগত বছরগুলোতে কাঁচা তুলা, প্যাকিং দ্রব্যসামগ্রী, বিদ্যুৎ ও জ্বালানী তেল এবং মেশিনের খুচরা যন্ত্রাংশের ক্রয়মূল্যের বৃদ্ধির ফলে উৎপাদন ব্যয় বেড়েছে যা ছিল ব্যবস্থাপনা কর্তৃপক্ষের নিয়ন্ত্রণের বাইরে।

খাতওয়ারী ব্যয়ের পরিমাণ এবং তাদের আনুষঙ্গিক প্রভাব নিচে দেখানো হলো:

বিবরণ	টন	
সূতার উৎপাদন (কেজি)	৪৪,৭২৩	৪২,৮৩২

বৃহত্তর খাতগুলোর ব্যয় সমূহ	টাকা (,০০০)	
বিবরণ	২০২১-২২	২০২০-২১
ব্যবহৃত কাঁচামাল	৯,৯৪৪,৪২০	৭,৬৬০,৯৭১
প্যাকিং সামগ্রী	১৪৩,৪৩৬	১১৯,০৯৬
জ্বালানী তেল/বিদ্যুৎ ইত্যাদি	৯৪০,১৮৩	৮৫০,৫৫৯
খুচরা যন্ত্রাংশ	২৪৩,৮২২	২২৪,২৫৮
অন্যান্য খরচ সমূহ	১,৬৮০,৫৩৯	১,৫৭২,৮৮৩
মোট ব্যয় -	১২,৯৫২,৪০০	১,০৪২৭,৭৬৭

প্রতি কেজির মূল্য	টাকা	
বিবরণ	২০২১-২২	২০২০-২১
ব্যবহৃত কাঁচামাল	২২২.৩৬	১৭৮.৮৬
প্যাকিং সামগ্রী	৩.২১	২.৭৮
জ্বালানী তেল/বিদ্যুৎ ইত্যাদি	২১.০২	১৯.৮৬
খুচরা যন্ত্রাংশ	৫.৪৫	৫.২৪
অন্যান্য খরচ সমূহ	৩৭.৫৮	৩৬.৭২
মোট ইউনিট ব্যয় -	২৮৯.৬২	২৪৩.৪৬
মোট শতকরা হিসাবে কাঁচামাল	৭৬.৭৮%	৭৩.৪৭%

উপরোক্ত আর্থিক বিবরণ হতে প্রতীয়মান হয় যে, প্রতি ইউনিট কাঁচামালের খরচ বেড়েছে ২৪.৩২%, প্যাকিং উপকরণের খরচ বেড়েছে ১৫.৪৭%, জ্বালানী/বিদ্যুতের খরচ বেড়েছে ৫.৮৪%, খুচরা যন্ত্রাংশের খরচ বেড়েছে ৪.০১%, এবং অন্যান্য ওভারহেড খরচ বেড়েছে ২.৩৪% যা, ২০২০-২১ এর তুলনায় ২০২১-২২ সালে মোট ইউনিট খরচ ১৮.৯৬% বৃদ্ধি পেয়েছে। পর্যালোচনামূলক আর্থিক বছরে আন্তর্জাতিক বাজারে কাঁচা তুলার দাম উল্লেখযোগ্যভাবে অস্থিতিশীল ছিল।

বিপণন কার্যক্রম:

বাজার পরিস্থিতি

বিগত বছরের মত এ বছরও কোম্পানী রপ্তানি বিক্রয়ের উপর প্রাধান্য দেয়ার ধারাবাহিকতা বজায় রেখেছে, যা নিম্নরূপঃ

বিক্রয়ের পরিমাণ (কেজি)	(,০০০)	
বিবরণ	২০২১-২২	২০২০-২১
রপ্তানি বিক্রয়	৪৪,৮১৯	৪৩,৪৮৫
মোট -	৪৪,৮১৯	৪৩,৪৮৫

বিক্রয়লব্ধ আয়	(,০০০)	
বিবরণ	২০২১-২২	২০২০-২১
রপ্তানি বিক্রয়	১৫,৬২৪,৩০২	১১,৯২৪,৭০৫
মোট -	১৫,৬২৪,৩০২	১১,৯২৪,৭০৫

উপরোক্ত পরিসংখ্যান অনুসারে, গত বছরের তুলনায় বিক্রয় এককের পরিমাণ ৩.০৭% এবং বিক্রয় রাজস্ব ৩১.০২% বৃদ্ধি পেয়েছে।

একক বিক্রয় মূল্য

পূর্ববর্তী বছরের তুলনায় এ বছরে বিক্রয় মূল্য (টাকা/কেজি) উল্লেখযোগ্য ভাবে তারতম্য ঘটেছে যা নীচে দেখানো হলো:

বিবরণ	২০২১-২২	২০২০-২১
রপ্তানি বিক্রয়	৩৪৮.৬১	২৭৪.২৩
মোট -	৩৪৮.৬১	২৭৪.২৩

উপরে তথ্য থেকে এটা প্রতীয়মান হয় যে পূর্ববর্তী বছর ২০২০-২০২১ সালের তুলনায় পর্যালোচনাধীন ২০২১-২০২২ সালে বিক্রয় মূল্যে ২৭.১২% বৃদ্ধি হয়েছে, যা আন্তর্জাতিক বাজারে রপ্তানি চাহিদা এবং সুতার দাম বৃদ্ধির কারণে হয়েছিল।

মূলধনী খরচ সমূহ

প্রযুক্তিগত উন্নয়ন ও পণ্যের উৎপাদনশীলতা বৃদ্ধির জন্য, স্কার টেক্সটাইল ২০২১-২০২২ বছরে অতিরিক্ত নীট মূলধন ব্যয় করেছে ১,৩৩৩.৬১ মিলিয়ন টাকা, যা নীচে উপস্থাপন করা হয়েছে:

বিবরণ	২০২১-২২	২০২০-২১
জমি/নির্মাণ কাজ	৩২২,৫০৪	১৩,২৫১
যন্ত্রপাতি	৯৫৬,১৩২	৫৭৩,৭৭১
অন্যান্য স্থায়ী সম্পদ	৫৪,৯৭১	৬,৩২৯
মোট -	১,৩৩৩,৬০৭	৫৯৩,৩৫১

উপরোক্ত বিনিয়োগগুলি কোম্পানিকে বছরের পর বছর ধরে প্রয়োজনীয় উৎপাদন দক্ষতার হার বজায় রাখতে সহযোগিতা করবে। পুরো অর্থ বিনিয়োগ করা হয়েছে তার অভ্যন্তরীণ তহবিল এবং ব্যাংক থেকে নেয়া ঋণের মাধ্যমে।

টেক্সটাইলস্ শিল্পের ভবিষ্যত দৃষ্টিভঙ্গি

পরিবর্তিত বিশ্ব চাহিদা কাঠামোর প্রেক্ষাপটে মার্কিন যুক্তরাষ্ট্র, চীন, ইউই ইত্যাদির মতো বৃহৎ অর্থনীতির মধ্যকার আর্থিক যুদ্ধের ফলে বাংলাদেশে উচ্চ মানের ব্যান্ড গার্মেন্টসের ব্যাপক চাহিদা রয়েছে।

এই সেক্টরটির বিস্তৃতির বিশাল সুযোগ রয়েছে এবং দ্বিগুণ বৈদেশিক মুদ্রা আয়ের সম্ভাবনা রয়েছে যদি সরকার রাজস্ব/আর্থিক

নীতিকে শিল্পবান্ধব করে এবং স্থানীয় বিনিয়োগকারীদের জন্য প্রয়োজনীয় আর্থিক/অ-আর্থিক সহায়তা/উদ্দীপনা প্রদান করে।

ঋণ এবং গ্যারান্টি

অনুমোদিত ঋণের বিশদ বিবরণ এবং পর্যালোচনাধীন বছরের মধ্যে প্রদত্ত গ্যারান্টিগুলি একক আর্থিক বিবরণীতে যথাক্রমে নোট নং ১৩, ১৫ এবং ৩৬ এ উপস্থাপন করা হয়েছে।।

রিলেটেড পার্টি লেনদেন

স্কার টেক্সটাইল বেশ কয়েকটি রিলেটেড পার্টি ট্রানজেকশনে নিযুক্ত রয়েছে, যার বিশদ বিবরণ স্বতন্ত্র হিসাবের নোট নং ৪০- এ দেখানো হয়েছে।

বৈদেশিক মুদ্রার অর্জন/সঞ্চয়

স্কার টেক্সটাইল তার রপ্তানি এবং ব্যবসায়িক বিপণন কার্যক্রমের মাধ্যমে পর্যালোচনাধীন বছরে দেশের বৈদেশিক মুদ্রার রিজার্ভে যথেষ্ট অবদান রেখেছে। এর পরিমাণ ছিল ৫,০১৮.৭৭ মিলিয়ন, যা আগের বছরের তুলনায় ৫৬.১৭% বেশি। বিস্তারিত নীচে উপস্থাপন করা হয়েছে:

বিবরণ	২০২১-২২	২০২০-২১
মোট রপ্তানি আয়	১৫,৮৭৪,০২৩	১১,১৩০,৫৯৫
বাদ: আমদানি খরচ সমূহ:		
কাঁচা তুলা	৯,৫৯০,৮৮৭	৭,১০৩,৬৩৯
খুচরা যন্ত্রাংশ	২৫৮,৬৮১	২৭০,২৮২
বিবিধ (বিএমআরই)	১,০০৫,৬৮১	৫৪৩,০৪৭
মোট -	৫,০১৮,৭৭৪	৩,২১৩,৬২৭

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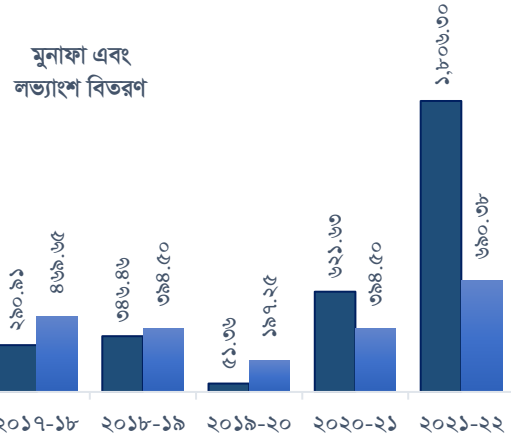
পূর্ববর্তী বৎসরের তুলনায় আলোচ্য বৎসরে কোম্পানীর আর্থিক ব্যবস্থাপনার ফলাফল নিম্নে আলোচনা করা হলো:

বিবরণ	২০২১-২২	২০২০-২১	↑↓ শতাংশে
বিক্রয়	১৫,৬২৪,৩০২,৪৮৬	১১,৯২৪,৭০৪,৬৬৪	৩১.০২%
বিক্রিত পণ্যের উৎপাদন খরচ	১২,৯৩০,৫১০,৪৬৬	১০,৫৮৮,৯৮৭,১৪২	২২.১১%
মোট মুনাফা	২,৬৯৩,৭৯২,০২০	১,৩৩৫,৭১৭,৫২২	১০১.৬৭%
প্রশাসনিক ব্যয়	২৪৭,৭৩৫,৮৬১	২২৪,২৩৫,২৬৯	১০.৪৮%
বিক্রয় এবং বিতরণ খরচ	২১,৫১০,৯৮৯	১৭,০৩৯,৪৫৭	২৬.২৪%
পরিচালন মুনাফা	২,৪২৪,৫৪৫,১৭০	১,০৯৪,৪৪২,৭৯৬	১২১.৫৩%
আর্থিক খরচ সমূহ	২৪১,৬২৯,২৭০	৩৪৪,১৬৫,২৫৫	২৯.৭৯%
অন্যান্য আয়		১৯,৪৭৫,৫১৯	১৭৩.৯০%
নীট মুনাফা (ডব্লিউ.পি.পি.এফ. এর পূর্বে)	২,২৩৬,২৫৯,৫৭৬	৭৬৯,৭৫৩,০৬০	১৯০.৫২%
ডব্লিউ.পি.পি.এফ. এ অনুদান	১০৬,৪৮৮,৫৫১	৩৬,৬৫৪,৯০৮	১৯০.৫২%
নীট মুনাফা (কর পূর্ব)	২,১২৯,৭৭১,০২৫	৭৩৩,০৯৮,১৫২	১৯০.৫২%
আয়কর সঞ্চিত	৩০৯,৮৫৪,০৭৩	৬৩,৪৭৩,৩৮৫	৩৮৮.১৬%
বিলম্বিত আয়কর সঞ্চিত	১৩,৬১২,৩৫৬	৪৭,৯৯০,৭১৩	৭১.৬৪%
নীট মুনাফা (কর পরবর্তী)	১৮০৬,৩০৪,৫৯৬	৬২১,৬৩৪,০৫৪	১৯০.৫৭%
মোট মুনাফা মার্জিন	১৭.২৪%	১১.২০%	৫৩.৯৩%
নীট মুনাফা মার্জিন	১১.৫৬%	৫.২১%	১২১.৮৮%
শেয়ার প্রতি আয় (টাকা)	৯.১৬	৩.১৫	১৯০.৭৯%

২০২১-২২ সালে রপ্তানি বিক্রয় পূর্ববর্তী বছরের তুলনায় ৩১.০২% বৃদ্ধি পেয়েছে এবং মোট মুনাফা এবং নীট মুনাফা (কর-পরবর্তী) যথাক্রমে ১০১.৬৭% এবং ১৯০.৫৭% বৃদ্ধি পেয়েছে। মোট মুনাফা মার্জিন এবং নীট মুনাফা মার্জিন যথাক্রমে ৬.০৪% এবং ৬.৩৫% বৃদ্ধি পেয়েছে।

আধুনিক প্রযুক্তি সহ মূলধনী যন্ত্রপাতিগুলির বি.এম.আর.ই., সুতার দাম বৃদ্ধি এবং উৎপাদন ১,৯০০ টন (প্রায়) বৃদ্ধির কারণে ২০২১-২২ সালের জন্য কোম্পানির আর্থিক ফলাফল উল্লেখযোগ্য হারে বৃদ্ধি হয়েছে। এ বছরে জনশক্তির দক্ষতাও বৃদ্ধি হয়েছে।

স্থানীয় ও আন্তর্জাতিক উভয় বাজারে আরএমজি সেক্টরে বর্ধিত চাহিদার জন্য এই সময়ের মধ্যে সুতার বিক্রয় মূল্যও বেড়েছে। এই বিষয়সমূহ উৎপাদনের ইউনিট খরচ কমাতে প্রভাবিত করে, ফলশ্রুতিতে আগের বছরের তুলনায় আলোচ্য বছরে ব্যবসায়িক মুনাফা উল্লেখযোগ্য হারে বৃদ্ধি পেয়েছে।



১১১%

নীট মুনাফা (কর-পরবর্তী)
বৃদ্ধি পেয়েছে

৭৫%

লভ্যাংশ বিতরণ
বৃদ্ধি পেয়েছে

GOTS সার্টিফিকেট পেয়েছে



ঝুঁকি এবং উদ্বেগ

দীর্ঘ টেকসই পরিকল্পনা অনুপস্থিতি, অপর্യാপ্ত বিনিয়োগ নীতি ও কৌশল, কর্মী সংকট, পরিবর্তনশীল রাজস্ব এবং আর্থিক নীতি, পণ্য মূল্য নীতি, আন্তর্জাতিক বাণিজ্য বাধা, আর্থ-সামাজিক অচলবস্থা পরিস্থিতি এই অঞ্চলে গবেষণা ও উন্নয়ন বৃদ্ধির উপর প্রতিক্রিয়াশীল প্রভাব ফেলে।

তবে এটি লক্ষণীয় বিষয় যে, উপরে বর্ণিত বিষয়গুলি সমাধানের জন্য সরকার এখন বিভিন্ন পদক্ষেপ গ্রহণ করছে যার ফলস্বরূপ বিশ্বব্যাপক র্যাঙ্কিং "ডুইং বিজনেস" সূচকে অবস্থান বাড়তে শুরু করেছে।

সাবসিডিয়ারী কোম্পানীতে বিনিয়োগ

স্কার টেক্সটাইলস্ লিমিটেড, স্কার টেক্সকম লিমিটেড-এর মূলধন ইকুইটি হিসাবে ৪৮৯,৩৩৩,৯৬০ টাকা বিনিয়োগ করেছে যা মোট মূলধনের ৯৯.৮৮%।

১৯৯৪ সালের কোম্পানী আইন অনুসারে স্কার টেক্সকম লিমিটেড, স্কার টেক্সটাইলস্ লিমিটেড-এর সাবসিডিয়ারী কোম্পানী বিধায় পরিচালনা পর্ষদের প্রতিবেদন এবং নিরীক্ষিত হিসাব এই প্রতিবেদনের সাথে উপস্থাপন করা হয়েছে।

মুনাফা বন্টন

পরিচালনা পর্ষদ নিম্নোক্ত উপায়ে ৩০ জুন ২০২২ সমাপ্ত বছরের জন্য নীট মুনাফা বন্টনের প্রস্তাব করেন:

	টাকায়
নীট মুনাফা (কর-পরবর্তী), ২০২২ সালের জুনে শেষ হওয়া বছরের জন্য।	১,৮০৬,৩০৪,৫৯৬
খ) নগদ লভ্যাংশ প্রস্তাব @৩৫%	৬৯০,৩৮২,০০০
গ) নীট অবশিষ্ট মুনাফা (ভবিষ্যতে ব্যবসা সম্প্রসারণের জন্যে)	১,১১৫,৯২২,৫৯৬

জাতীয় কোষাগারে অবদান

স্কার টেক্সটাইল ২০২১-২০২২ অর্থবছরে ৩৮৯.৮৭ মিলিয়ন টাকা জাতীয় কোষাগারে জমা দিয়েছে, গত বছরে এটা ১৩৬.৮২ মিলিয়ন টাকা ছিল।

ক্রেডিট রেটিং রিপোর্ট

ক্রেডিট রেটিং ইনফরমেশন অ্যান্ড সার্ভিসেস লিমিটেড ২১ ডিসেম্বর, ২০২১ তারিখে আর্থিক এবং অন্যান্য প্রাসঙ্গিক পরিমাপগত এবং গুণগত তথ্যের ভিত্তিতে স্কার টেক্সটাইলকে সর্বোচ্চ ক্রেডিট রেটিং নিশ্চিত করেছে।

পুনঃনিশ্চিত রেটিং:

দীর্ঘমেয়াদী রেটিং = "এএ", যা উচ্চতর নিরাপত্তা এবং উচ্চতর ক্রেডিট গুণমান নির্দেশ করে।

স্বল্পমেয়াদী রেটিং = "এস.টি.-১", যা সময়মত পরিশোধের সর্বোচ্চ নিশ্চিততা নির্দেশ করে।

মাইনোরিটির স্বার্থ

কর্পোরেট গভর্নেন্স কোডের কোড ১(৫)(xvi) এর সাথে সঙ্গতি রেখে কোম্পানির বোর্ড এর মাধ্যমে নিশ্চিত করে যে মাইনোরিটি শেয়ারহোল্ডারদের স্বার্থ কোম্পানিতে যথাযথভাবে সুরক্ষিত হয়েছে।

বিশেষ কার্যক্রম

কোম্পানীটি কোনও বিশেষ কার্যক্রম গ্রহণ করেনি বা চালিয়ে যায়নি এবং এই ধরনের কার্যক্রম থেকে কোনও প্রকার লাভ-ক্ষতি হয়নি।

ম্যানেজমেন্ট ডিসকাশন এন্ড এনালাইসিস

কোম্পানির পরিচালনা অবস্থান, ক্রিয়াকলাপ, আর্থিক বিবরণী এবং অন্যান্য প্রয়োজনীয়তার পরিবর্তনের সংক্ষিপ্ত আলোচনা ব্যবস্থাপনা পরিচালক কর্তৃক স্বাক্ষরিত ম্যানেজমেন্ট ডিসকাশন এন্ড এনালাইসিস এই প্রতিবেদনের সংযোজন-iii এ প্রকাশিত হয়েছে।

দাবিহীন/অনিশ্চিতকৃত লভ্যাংশ

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন এবং অন্যান্য নিয়ন্ত্রক কর্তৃপক্ষের নির্দেশনা অনুসারে দাবিহীন/ অনিশ্চিতকৃত লভ্যাংশের হিসাব সঠিকভাবে রাখা হয়।

২০০২ থেকে ২০২১ সাল পর্যন্ত দাবিহীন/অনিশ্চিতকৃত লভ্যাংশের বিশদ বিবরণ এই প্রতিবেদনের ১২২ পৃষ্ঠায় উপস্থাপন করা হয়েছে।

হিসাব একত্রীকরণ

বিএসইসি এর বিধিমালা ও ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ড-২৮ এবং আইএফআরএস-১০ এর নিয়মাবলী অনুসরণ করে আর্থিক প্রতিবেদন একত্রীকৃত করা হয়েছে যাতে শেয়ারহোল্ডারবৃন্দের সার্বিক মুনাফা/বিনিয়োগ মূল্য সঠিকভাবে নির্ধারণ করা যায়।

স্কয়ার টেক্সটাইলস লিমিটেডের একিভূত আর্থিক প্রতিবেদন এই বার্ষিক প্রতিবেদনে উপস্থাপন করা হয়েছে।

পরিচালক নির্বাচন

সংঘবিধির ১২৫ ও ১২৬ অনুচ্ছেদ অনুযায়ী কোম্পানীর পরিচালক জনাবা রত্না পাত্র এবং জনাব অঞ্জন চৌধুরী অবসর গ্রহণ করেছেন এবং পুনর্নির্বাচিত হওয়ার যোগ্য বিধায় পুনর্নির্বাচিত হওয়ার ইচ্ছা প্রকাশ করেছেন।

উপরে উল্লিখিত পরিচালকবৃন্দের জীবনবৃত্তান্ত এবং অন্যান্য তথ্য বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের ৩ জুন, ২০১৮ তারিখে প্রজ্ঞাপনের ১.৫ (xxii) সংযুক্তি-ii তে বর্ণিত হয়েছে।

স্বতন্ত্র পরিচালকের পুনর্নিয়োগ

পরিচালনা পর্ষদ জনাব এস এম রেজাউর রহমান কে স্বতন্ত্র পরিচালক হিসেবে পুনর্নিয়োগ করেছে।

উপরে উল্লিখিত পরিচালকের একটি সংক্ষিপ্ত জীবনবৃত্তান্ত এবং অন্যান্য তথ্য সংযুক্তি - ii এ বর্ণিত করা হয়েছে।

বিধিবদ্ধ নিরীক্ষক নিয়োগ

মেসার্স কে.এম. হাসান এন্ড কোং., চার্টার্ড একাউন্ট্যান্টস্ এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেছেন। তাদের নিয়োগ ক্রমাগত ৩ (তিন) বছর পূর্ণ হওয়ায়, বিএসইসি আদেশ অনুসারে এই কোম্পানির নিরীক্ষক হিসাবে পুনরায় নিয়োগের জন্য যোগ্য নয়।

মেসার্স আহমেদ জাকের অ্যান্ড কোং., চার্টার্ড একাউন্ট্যান্টস্ ২০২২-২০২৩ সালের জন্য কোম্পানির নিরীক্ষক হিসেবে নিয়োগের আত্ম প্রকাশ করেছেন।

পরিচালনা পর্ষদ ২০ অক্টোবর, ২০২২ তারিখের সভায় তাদের নিয়োগের সুপারিশ করেছেন।

কমপ্লায়েন্স নিরীক্ষক নিয়োগ

মেসার্স চৌধুরী ভট্টাচার্য এন্ড কোং., চার্টার্ড একাউন্ট্যান্টস্ এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় ২০২২-২০২৩ এর জন্য কোম্পানির কমপ্লায়েন্স অডিটর হিসাবে নিয়োগ পাওয়ার ইচ্ছা প্রকাশ করেছেন।

পরিচালনা পর্ষদ ২০ অক্টোবর, ২০২২ তারিখের সভায় তাদের নিয়োগের সুপারিশ করেছেন।

স্কয়ার টেক্সটাইলস্‌ লিমিটেডের সহযোগি প্রতিষ্ঠানের কাছে পণ্য বিক্রয় অনুমোদন প্রসঙ্গ।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের ২২ মার্চ, ২০২১ তারিখের বিজ্ঞপ্তি নং BSEC/CMRRCD/2009-193/10/Admin/118 এর ধারা ১ অনুযায়ী, স্কয়ার টেক্সটাইলস্‌ লিমিটেড তার সহযোগি প্রতিষ্ঠানের কাছে পণ্য বিক্রির ক্ষেত্রে শেয়ারহোল্ডারদের অনুমোদন প্রয়োজন যদি তা পূর্ববর্তি বছরের মোট রাজস্ব বা টার্নওভারের ১০% বা তার বেশি পরিমাণ হয়।

বিশেষ সিদ্ধান্ত

কোম্পানি আইন, ১৯৯৪ (২য় সংশোধনী ২০২০) এর বিধান অনুযায়ী কোম্পানির নাম "স্কয়ার টেক্সটাইলস্‌ লিমিটেড" হতে "স্কয়ার টেক্সটাইলস্‌ পিএলসি" -তে পরিবর্তিত করার এবং কোম্পানির মেমোরেভাম এবং আর্টিকেল অফ অ্যাসোসিয়েশনের ধারা-১ এবং অনুচ্ছেদ-২(পারা ৩), ৫১, ১০৮, ১১১, ১১২ এবং ১২৩ সংশোধন করার বিষয়ে একটি বিশেষ সিদ্ধান্ত অনুমোদন প্রসঙ্গ।

বিগত ২০শে অক্টোবর, ২০২২-এ অনুষ্ঠিত পরিচালনা পর্ষদ সভায় কোম্পানি আইন, ১৯৯৪ (২য় সংশোধনী ২০২০) এর বিধানগুলি মেনে চলার জন্য নিম্নলিখিত সিদ্ধান্ত গৃহীত হয়েছে।

এতএব, যদি উপযুক্ত মনে হয়, শেয়ারহোল্ডারদেরকে বিশেষ সিদ্ধান্ত হিসাবে পরিচালনা পর্ষদের দ্বারা গৃহীত নিম্নলিখিত সিদ্ধান্তগুলি পাস করার জন্য অনুরোধ করা হচ্ছে:

এতদ্বারা সিদ্ধান্ত গৃহীত হলো যে,

ক) কোম্পানি আইন, ১৯৯৪ (২য় সংশোধনী ২০২০) এর বিধান অনুসারে কোম্পানির নাম "স্কয়ার টেক্সটাইলস্‌ লিমিটেড" হতে "স্কয়ার টেক্সটাইলস্‌ পিএলসি"-তে পরিবর্তিত করা হলো এবং মেমোরেভাম এবং আর্টিকেল অফ অ্যাসোসিয়েশনের ধারা-১ এবং অনুচ্ছেদ-২(পারা ৩) সংশোধন করা হবে।

খ) ধারা-৫১ এবং ১০৮-এ উপস্থিত "লিমিটেড" শব্দটি "পি.এল.সি." দ্বারা প্রতিস্থাপিত হবে।

গ) কোম্পানির আর্টিকেল অফ অ্যাসোসিয়েশনের বিদ্যমান অনুচ্ছেদ-১১১ এবং ১১২ নিম্নরূপে প্রতিস্থাপিত হবে:

"১১১. কোম্পানির বর্তমান শেয়ারহোল্ডিং পরিচালক নিম্নরূপ:

১. জনাব তপন চৌধুরী, চেয়ারম্যান
২. জনাবা রত্না পাত্র, ভাইস চেয়ারম্যান
৩. জনাব স্যামুয়েল এস চৌধুরী, ব্যবস্থাপনা পরিচালক
৪. জনাব অঞ্জন চৌধুরী, পরিচালক

"১১২. কোম্পানি আইন অনুযায়ী কোম্পানির ব্যবস্থাপনা পরিচালক নিয়োগ করা হবে।"

ঘ) ধারা-১২৩-এর বাক্য " মিঃ স্যামসন এইচ চৌধুরী কোম্পানির ব্যবস্থাপনা পরিচালক হবেন" মুছে ফেলা হবে।

ঞ) কোম্পানির বর্তমান মেমোরেভাম এবং আর্টিকেল অফ অ্যাসোসিয়েশন-এর অত্র তারিখ পর্যন্ত করা সংশোধনীগুলিকে অন্তর্ভুক্ত করে কোম্পানির নতুন মেমোরেভাম এবং আর্টিকেল অফ অ্যাসোসিয়েশন হিসেবে এতদ্বারা গৃহীত হলো এবং গৃহীত মেমোরেভাম এবং আর্টিকেল অফ অ্যাসোসিয়েশন-এর একটি নতুন মুদ্রিত অনুলিপি রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ এন্ড ফার্মস, ঢাকা, বাংলাদেশ এর নিকট নিবন্ধনের জন্যে নথিভুক্ত করা হবে।

আর্থিক বিবরণী উপর পরিচালকদের ঘোষণা

কর্পোরেট সুশাসনের একটি অংশ হিসাবে, পরিচালনা পর্ষদ কোম্পানির আর্থিক অবদান এবং অবস্থা-এর একটি সত্যতা এবং গ্রহণযোগ্যতা প্রদানের জন্য দায়বদ্ধ। সেই লক্ষ্যে, পরিচালকগণ তাদের সর্বোত্তম জ্ঞানে নিশ্চিত করেছেন যে:

- কোম্পানির আর্থিক বিবরণী, কোম্পানির কার্যক্রমের ফলাফল, নগদ প্রবাহ এবং ইকুইটি পরিবর্তনের একটি সত্য এবং ন্যায্য দৃষ্টিভঙ্গি উপস্থাপন করে।
- প্রচলিত আইন অনুসারে হিসাবের প্রয়োজনীয় সঠিক নথি রক্ষণাবেক্ষণ করা হয়েছে।

- ☑ আর্থিক বিবরণী তৈরিতে একাউন্টিং অনুমানগুলি যুক্তিসঙ্গত এবং বিচক্ষণতার উপর ভিত্তি করে এবং যথাযথ একাউন্টিং নীতিগুলি ক্রমাগত প্রয়োগ করা হয়েছে।
- ☑ বাংলাদেশে প্রযোজ্য আই.এ.এস/ আই.এফ.আর. এস অনুযায়ী আর্থিক বিবরণী প্রস্তুত করা হয়েছে।
- ☑ অভ্যন্তরীণ কন্ট্রোল সিস্টেমটি কাঠামোগত দিক থেকে খুবই কার্যকরী এবং সঠিকভাবে এর প্রয়োগ ও পর্যবেক্ষণ করা হয়।
- ☑ একটি ব্যবসায়-প্রতিষ্ঠান হিসাবে সকল ব্যবসায়িক কার্যক্রম চালিয়ে যাওয়ার ক্ষমতা সম্পর্কে কোন উল্লেখযোগ্য সংশয় নেই।
- ☑ গত বছরের পরিচালনা ফলাফল তুলনায় এ বছর কোন উল্লেখযোগ্য বিচ্যুতি নেই।
- ☑ জনাব স্যামুয়েল এস চৌধুরী, ব্যবস্থাপনা পরিচালক-কে দেওয়া পারিশ্রমিক নোটস অফ একাউন্টস-এর নোট # ২২ এ দেখানো হয়েছে।
- ☑ গত ৫ (পাঁচ) বছরের মূল পরিচালনা এবং আর্থিক তথ্য পৃষ্ঠা নং ১৪ এ একটি সংক্ষিপ্ত আকারে উপস্থাপন করা হয়েছে।

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদন

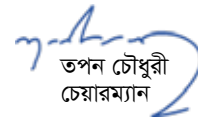
বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের কর্পোরেট গভর্নেন্স কোড ২০১৮-এর ধারা ১(৫) অনুসারে একটি অতিরিক্ত বিবৃতি, পরিচালক পুনঃনিয়োগ প্রার্থীদের জীবনবৃত্তান্ত, ব্যবস্থাপনার আলোচনা বিশ্লেষণ, সিইও এবং সিএফওর কাছ থেকে বোর্ডের উদ্দেশ্যে সনদ, কোম্পানির কমপ্লায়েন্স অডিটরদের সনদ এবং কর্পোরেট গভর্নেন্স কোড ২০১৮ প্রতিপালনের অবস্থা যথাক্রমে সংযুক্তি- i, ii, iii, iv, v ও vi এর মধ্যে বর্ণনা/প্রকাশ করা হলো।

অডিট কমিটির রিপোর্ট, মনোনয়ন ও পারিশ্রমিক নীতি এবং লভ্যাংশ বন্টন নীতিও এই বার্ষিক প্রতিবেদনে উপস্থাপন করা হয়।

ব্যবস্থাপনা কর্তৃপক্ষের স্বীকৃতি

পরিচালনা পর্ষদ ব্যবসায়িক কার্যক্রমে নির্বাহী ব্যবস্থাপনা, কর্মকর্তা ও শ্রমিক কর্মচারীদের অবদানকে গভীরভাবে মূল্যায়ন করেছে। সারা বিশ্বে বাণিজ্য ও উৎপাদনে বিভিন্ন বৈরী প্রভাব থাকা সত্ত্বেও তাদের নিরলস প্রচেষ্টা কোম্পানীকে উৎপাদনের ধারা অব্যাহত রাখতে সাহায্য করেছে। সম্মানিত শেয়ার-হোল্ডারগণ যে আস্থা পরিচালনা পর্ষদের উপর রেখেছেন তা পরিচালনা পর্ষদকে অনুপ্রাণিত করে আসছে এবং ব্যবস্থাপনা কর্তৃপক্ষ, নির্বাহী কর্মকর্তা ও কর্মচারীগণ তা ধরে রাখতে সচেষ্ট হবেন।

পরিচালনা পর্ষদ বিনীতভাবে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ষ্টক এক্সচেঞ্জ, জাতীয় রাজস্ব বোর্ড এবং অন্যান্য সরকারি ও বেসরকারি এজেন্সিগুলোকে প্রতিষ্ঠান এর কার্যক্রম পরিচালনায় সহযোগিতা দেয়ার জন্য কৃতজ্ঞতা জানাচ্ছেন। আমরা সকলের ভবিষ্যৎ উন্নয়ন কামনা করি।


তপন চৌধুরী
চেয়ারম্যান

CORPORATE GOVERNANCE



Corporate governance is the process of directing and controlling a Company. Governance is the process of identifying and enforcing the company's ethics, rights, and obligations among its various stakeholders.

Good corporate governance is important to its long-term viability. Square Textiles' corporate governance is as follows:

Board of Directors

The Board of Directors, the top management tier, is responsible for overall control and supervision of the company's affairs, primarily through strategic planning and budgetary control mechanisms, in accordance with the concept of Good Corporate Management Practice and the provisions of the Articles of Association. To that purpose, the Board of Directors meets on a regular basis to resolve policy and strategy concerns, with minutes and decisions being recorded for implementation by Executive Management.

During the year under review, the Board of Directors of Square Textiles met 7 (seven) times to transact various agendas. The intervening gap between the meetings was within the period prescribed under the Companies Act.

The present Board of Directors is comprised by the following owners/persons:

Mr. Tapan Chowdhury	- Chairman
Mrs. Ratna Patra	- Vice Chairman
Mr. Samuel S Chowdhury	- Managing Director
Mrs. Anita Chowdhury	- Director
Mr. Anjan Chowdhury	- Director
Mrs. Nihad Kabir	- Independent Director
Mr. S.M. Rezaur Rahman	- Independent Director

The Board of Directors is reconstituted every year by the Members (shareholders) of the Company at the Annual General Meeting through the retirement/re-election/election of one-third of its members.

Members of the Board of Directors often travel abroad to bring into focus the Company's image and acquire technological gains.

Top Management inaugurates/participates in seminars, training courses, conferences, and various cultural activities of the employees and workers which instill in them a sense of belongingness.

Board of Directors	
Constitution	Not less than 3 or more than 15 Directors.
Type of Mandate	Unitary Board of 7 Directors
Female	3 (Three)
Male	4 (Four)
Non-Executive Directors	6 (Six)
Executive Directors	1 (One)
Independent Director	2 (Two)
Meeting held 2021-22	6 (Six)

Separate Role of the Chairman and Managing Director

Separate individuals are holding the positions of Chairman and Managing Director.

Mr. Tapan Chowdhury is the Company's Chairman and is responsible for the functions of the Board, while Mr. Samuel S Chowdhury is the Managing Director and acts as the Company's Chief Executive Officer.

Independent Director

In compliance with the BSEC Regulations on Good Governance, the Board of Directors, as empowered by the Regulations, appointed Mrs. Nihad Kabir, Barrister-at-Law, is an Advocate of the Supreme Court of Bangladesh, a legal advisor to several leading national, multinational, and international organizations, and the senior partner of Syed Ishtiaq Ahmed



& Associates, a firm of legal consultants and practitioners in Bangladesh. [Mr. S. M. Rezaur Rahman](#), capital market consultant and Director of United Corporate Advisory Services Ltd., a firm of financial and investment advisory and post-issue management of initial public offerings of securities and other related jobs in Bangladesh, has been appointed as a non-shareholding Independent Director of Square Textiles, with the expectation that their expertise will contribute to further disclosure and protect the interests of all stakeholders, investors in general and smaller investors in particular.

Role & Responsibilities of the Board of Directors

The Board of Directors, as the highest level of authority, has the primary responsibility of providing general supervision, overseeing operations, and controlling the affairs of the company through appropriate delegation and accountability processes via the lines of command.

The Board of Directors, on the other hand, is ultimately responsible for directing the company's operations in compliance with the law and in the best interests of shareholders, stakeholders, the state, and society.

In order to accomplish its responsibilities, the Board of Directors meets at least once per quarter and makes necessary decisions/ directions to the Executive Management. Operational performance, financial results, budget reviews, capital expenditure proposals for BMRE or new projects/ divisions/product lines, procurement of funds through the issue of shares or borrowing, procurement of raw materials, plant & machinery, pricing of products/ discounts, recruitment, training, and

promotion of officers, approval of the annual financial statement, appropriation of profit and recommendation of dividends, and other interests of the stakeholders, including the employees and workers, are usually discussed at such meetings.

The Board of Directors pays special attention to establishing and articulating productivity and compensation plans for employees and workers, as well as rewarding them appropriately based on the quality and quantity of their work.

The Board is also responsible for removing operational threats to workers' lives and health, for environmentally friendly working conditions, and for social relationships that are expected of good citizens in a country.

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

The Company has appointed Mr. M. Habibur Rahman, FCMA as Chief Financial Officer, Mr. Sanjib Baran Roy, ACS as Company Secretary, and Mr. Mozibur Rahman, FCA as Head of Internal Audit and Compliance, in accordance with the requirements of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission.

Audit Committee

The Board of Directors has constituted an Audit Committee of the Board consisting of 3 (three) Non-Executive Directors, namely Mrs. Nihad Kabir, Independent Director, Mrs. Ratna Patra, Vice Chairman and Mr. Anjan Chowdhury, Director.

Mrs. Nihad Kabir, Independent Director is the Chairman of the Committee.



The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee shall also coordinate with the internal and external auditors as and when required. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are in place for the detection of errors fraud and other deficiencies.

The other responsibilities include inter alia, not be limited to, the prevention of conflict of interest between the company and its Directors officials, customers, suppliers, government and any other interest groups and detecting or removing any scope of insider trading in the company's stock. The Audit Committee also ensures compliance with the requirements of BSEC and other agencies.

The Committee met 4 (four) times during the year under review.

Nomination and Remuneration Committee

The Board of Directors formed a Nomination and Remuneration Committee of the Board comprising of 3 (three) Non-Executive Directors namely Mrs. Nihad Kabir, Independent Director, Mrs. Ratna Patra, Vice Chairman and Anjan Chowdhury, Director.

Mrs. Nihad Kabir, Independent Director is the Chairman of the Committee.

The terms of reference of the Nomination & Remuneration Committee inter alia include to determine the Company's policy on specific remuneration packages for executive directors, to review, recommend and/or approve remuneration to whole-time Directors, to review and approve the Remuneration Policy of the Company, to

formulate criteria for evaluation of Independent Directors and the Board, to devise a policy on Board Diversity, to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and to discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors from time to time.

The Committee met once during the year under review.

Executive Management

The Managing Director, the CEO, is the head of the Executive Management Team which comprises senior executive members of the Company. Within the limits of delegated authority and responsibility by the Board of Directors, Executive Management operates through further delegation of authority at every echelon of line management.

The Executive Management operates within the framework of policy and Planning strategies set by the Top Management with periodic performance reporting for guidance.

The Executive Management is responsible for the preparation of segment plans/sub-segment plans for every profit center with budgetary targets for every item of goods and services and is held accountable for deficiencies, with an appreciation for outstanding and exceptional performances. These operations are continuously carried out by the Executive Management through a series of Committees, Sub-Committees, Adhoc Committees and Standing Committees assisting the line management.



Legal Advisers

In order to avail the best legal services for Good Corporate Governance, the company has empaneled top ranking legal professionals, namely Mr. Rokonuddin Mahmud, Bar-at-Law and Mrs. Nihad Kabir, Bar-at-Law. They have had long term fundamental support for the company's good governance efforts.

Shareholders' Relationship

Corporate Governance issues include how major policy decisions are made in business corporations, how various stakeholders can influence the process, who is held accountable for performance and what performance standards are applied. In a nutshell, power and influence are crucial in corporate governance. As shareholders belong to the most important stakeholders, the ownership structure has an impact on the balance of power among shareholders.

Though sponsors usually hold majority shares required for ordinary resolutions, public shareholders have a definite role and influence in the passing of special resolutions required for changes in the business object, sale of business/productive assets, merger and amalgamation, winding up or dissolution and amendments to Memorandum and Articles of Association for protection of minority interest up to 49.9% of the shareholdings.

Shareholding status 30 June 2022:

Shareholders Group	Holding
Sponsors/Directors	61.83%
Institutions	22.69%
General Public	12.39%
Foreigners	3.09%

The position of shareholders as of 30th June, 2022 indicates that the Sponsors of the Company do not hold the required

shareholdings (75%) for passing special resolutions. This allows the Public Shareholders (individuals and institutions) to play an effective role in protecting their legal corporate rights. to 49.9% of the shareholdings.

The Company has its Annual General Meeting [Members (Shareholders) Meeting] on a regular basis, as required by law, with proper notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes, and resolutions are passed unanimously. All reasonable and practicable suggestions are implemented with good grace.

All enquiries are attended by the Company Secretary, where necessary. Internal Audit Committee investigates matters of significant merit for consideration by the Management Committee/Managing Director/Audit Committee of the Board/ Board of Directors as the case may be.

The shareholders, as owners, are provided with material information on the company's operations quarterly and annually. They are also provided routine services by the Company Affairs Division headed by the Company Secretary on any company matters which are permissible.

The Board is, however, responsible to the Members (Shareholders) as well as investors for the publication of price-sensitive information as per regulations of the Bangladesh Securities and Exchange Commission.

The Company has a website to provide permissible information, notices, price-sensitive information, financial reports, disclosures, and others to shareholders and interested investors.



A qualified Chartered Secretary is in charge of all these responsibilities as Company Secretary.

Dividend Policy

The Board of Directors is committed to exhibiting a continuous dividend distribution policy of accretive wealth (profits) among present and future generations of Members (shareholders). This would allow the Company to increase its capital wealth and continue to exist in perpetuity, benefiting both current and future generations.

Financial/Statutory Auditors

The role of the Financial/Statutory Auditors in the certification of the financial statements is the most significant aspect of corporate governance and the protection of the interests of investors. As evident from the Annual Reports, the company rigidly follows the Companies Act, Rules of Bangladesh Securities and Exchange Commission, Listing Regulations, Code of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Standard of Auditing (ISA) with legally required disclosures of Accounts and Financial Statements.

All this has been possible due to the high-level capability and integrity of the Financial/Statutory Auditor of Square Textiles Ltd. M/s. K. M. Hasan & Co., Chartered Accountants whose unchallenging performance has played a very trustworthy role in the protection of interest of the stakeholders of the Company.

Compliance Auditors

The Compliance Auditor is responsible for certification on compliance with the conditions of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards

of the Institute of Chartered Secretaries of Bangladesh (ICSB).

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, is the Compliance Auditors of Square Textiles Ltd appointed by its Members (shareholders) at their Annual General Meeting.

Segment Report

The Company's operations are carried out on an aggregate basis and are managed as a single operating segment. Accordingly, the company operates in one segment of developing, manufacturing and marketing of cotton/yarn for human as well as industrial use.

Risk Perception

The Company's Management perceives investment risk within the national and international economic perspectives in relation to legal and moral requirements involving, inter alia, intellectual property rights, scientific inventions, WTO Regulation, MFA etc. and monetary and fiscal investment policies and has prepared its production and marketing strategies to meet the challenges from these risks.

Secretarial Standard

Square Textiles makes every effort to adhere to the Secretarial Standard on meetings of the Board of Directors, Members (shareholders), Minutes, and Dividends issued by the Institute of Chartered Secretaries of Bangladesh.

Compliances

Square Textiles has established procedures to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

AUDIT COMMITTEE REPORT

For the year 2021-2022

Square Textiles Limited has an Audit Committee as a subcommittee of the Board of Directors in order to assist the Board of Directors in ensuring and fulfilling its oversight responsibilities.

The Audit Committee is comprised of the following Members of the Board of Directors:

Mrs. Nihad Kabir, Independent Director	- Chairman
Mrs. Ratna Patra, Vice Chairman	- Member
Mr. Anjan Chowdhury, Director	- Member

Mr. Sanjib Baran Roy, Company Secretary acts as the Secretary to the Committee.

The Audit Committee performs its responsibility in harmony with the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission and ensures compliance thereon.

The scope of the Audit Committee was defined as under:

- (a) Review and recommend to the Board to approve the quarterly and annual financial statements prepared for statutory purposes;
- (b) Monitor and oversee the choice of accounting policies and principles, internal control, risk management process, auditing matter, hiring and performance of external auditors;
- (c) Review statements of significant related party transactions submitted by the management.
- (d) Carry on a supervision role to safeguard the systems of governance and independence of statutory auditors and
- (e) Review and consider the report of internal auditors and statutory auditors' observations on internal control.

Major activities carried out during the reporting year 2021-2022:

- ❖ Examined and reviewed the fairness of the quarterly and annual financial statements and recommended them to the Board for consideration.
- ❖ Overseen, reviewed and approved the procedure and task of the internal audit, financial report preparation and external audit reports.
- ❖ Reviewed and recommended Related Party Transactions, Loans, Guarantees and Investments.
- ❖ Considered and made a recommendation to the Board on the appointment and remuneration of Statutory Auditors.

The Committee found the adequate arrangement to present a true and fair view of the activities and the financial status of the company and didn't find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.


Mrs. Nihad Kabir
Chairman, Audit Committee

Date: 12th October, 2022

A. Nomination and Remuneration Policy

1.00 Introduction

The Nomination and Remuneration Policy is prepared and adopted in compliance with Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission in view to formulate and recommend proper, fair, transparent and non-discriminatory nomination and remuneration for the Directors and Top Level Executives of the Square Textiles Ltd.

The Nomination and Remuneration Policy of Directors and Top Level Executives has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of Square Textiles Ltd.

2.00 Definitions

“NRC or the Committee” means Nomination and Remuneration Committee

“the Company” means Square Textiles Ltd.

“Board” means Board of Directors of Square Textiles Ltd.

“Director” means Member of the Board.

“Top Level Executive” means the Managing Director or Chief Executive Officer, Additional or Deputy Managing Director, Chief Operating Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and Compliance, Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.

3.00 Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board of Directors of the Company as a subcommittee to assist the Board under Condition No. 6 of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission.

NRC is independent and responsible or accountable to the Board of Directors and to the Shareholders of Company.

The NRC consists of the following Non-Executive Director of the Board:

Name of the Members	Position in the Committee
Mrs. Nihad Kabir Independent Director	- Chairman
Mrs. Ratna Patra Director	- Member
Mr. Anjan Chowdhury Director	- Member

The Terms of Reference of the NRC have been defined and adopted by the Board of Directors of the Company.

4.00 Objective

The objective of the NRC is to oversee, assist and guide the Board of Directors:-

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors and Top Level Executives.
- To devise a policy on Board's diversity taking into consideration of age, gender, experience, ethnicity, educational background and nationality.
- To the appointment, fixation of remuneration and removal of Directors and Top Level Executives.
- To formulate the criteria in respect to evaluate performance of the Independent Director and the Board.
- To identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.
- To develop, recommend and review the company's human resources and training policies.

- To retain, motivate and promote talent and to ensure long term sustainability of talented Top Level Executive and create competitive advantage.
- To recommend Code of Conduct for the Chairman and other Members of the Board and Managing Director.
- To Implement and monitor policies and processes regarding principles of corporate governance.

5.00 Nomination and Appointment of Directors and Top Level Executives

The committee is responsible to ensure that the procedures for nomination and appointment of Directors and Top Level Executive are taken place in transparent, rigorous and non-discriminatory way. The committee also responsible to identify and ascertain the combination of age, gender, educational background, experience, knowledge, ethnicity, diversity, nationality and other relevant personal values & attributes for nomination and appointment of Director and Top Level Executives.

6.00 Remuneration for Directors and Top Level Executives

The committee shall oversee, review and make a report with a recommendation to the Board the the level and composition of remuneration is reasonable and sufficient to attract, motivate and retain suitable, dependable and skilled Director and Top Level Executive. They also consider and review the relationship of remuneration to performance is clear and meet appropriate performance benchmarks, remuneration to Director and 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.

7.00 Validation of the Policy

This policy on Nomination and Remuneration of

Directors and Top Level Executives of the Company has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of Square Textiles Ltd.

8.00 Amendments to the Policy

The Board preserve the rights to amend and review time to time the provisions of the policy depending on the legal and other requirements or for a bona fide purpose.

B. Evaluation of Performance

Evaluation of performance of Directors be carried out through completion of a preset confidential questionnaire and/or collective feedback or any other effective criteria adopted by the Board yearly or at such intervals of its work, function and performance as may be considered necessary in order to ascertain the effectiveness and to measure the contribution of the Directors as well as the Top Level Executives of the Company.

C. Activities of the NRC carried out during the reporting period

The NRC carried out the following activities in line with Committee's Terms of Reference during the reporting period:

- i. Reviewed and recommended the Code of Conduct for the Chairman, other Members of the Board and Managing Director.
- ii. Reviewed the Company's existing policy relating to the remuneration of Directors and Top Level Executives.
- iii. Discussed and decided in regard to formulate the criteria of evaluation of performance of the Board and Independent Directors.
- iv. Reviewed the Company's existing Human Resource and Training policies.

DIVIDEND Distribution Policy

SQUARE TEXTILES LIMITED

1.00 Introduction

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance.

The Board of Directors (the Board) will consider the directive while declaring/ recommending dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for declaring/recommending dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

2.00 Definitions

“**the Act**” means Companies Act 1994

“**the Company**” means Square Textiles Limited

“**AGM**” means Annual General Meeting

“**Board**” means Board of Directors of Square Textiles Limited

“**Shareholders**” means Members whose name is registered in the Member Register of the Company.

“**Shares**” means Ordinary Equity Shares.

3.00 Concept of Dividend

The dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

4.00 Types of Dividend

The Act deals with two types of dividend - Interim and Final.

- **Interim** dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare an interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.
- **Final** dividend is recommended for the financial year at the time of approval of the annual financial statements as well as the appropriation of profit. The Board shall have the power to recommend the final dividend to the shareholders for their approval at the AGM of the Company. The Dividend recommended by the Board of Directors cannot be changed prior to holding the AGM.

5.00 Declaration of Dividend

Subject to the provisions of the Act, dividend shall be declared and paid out of:

- a. Profits of the Company for the year for which the dividend is to be paid after setting off carried over previous losses and depreciation not provided in the previous year(s);
- b. Undistributed profits of the previous financial years after providing for depreciation in accordance with law and remaining undistributed.
- c. Out of a & b both.

Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

6.00 Factors Governing Declaration of Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and amount of profit to be retained in business.

The circumstances for dividend pay-out decision depends on various external and internal factors which the Board of Directors shall consider while recommend/ declaring dividend including the following:

6.01 External Factors:

- The Board shall endeavor to retain a larger portion of profits to build up reserves, in case of Adverse Economic Scenario.
- The Board shall evaluate the market trends in terms of technological changes mandating investments, competition impacting profits, etc., which may require the Company to conserve resources.
- The Board shall consider the restrictions, if any, imposed by the Act and other applicable laws with regard to declaration of dividend in order to ensure compliance with the applicable laws.
- Dividend distribution tax or any tax deduction at source as required by tax regulations, applicable at the time of declaration of dividend may impact the decision with regard to dividend declaration.
- Other factors beyond control of the Management like natural calamities, fire, etc. effecting operations of the Company may impact the decision with regard to dividend declaration.

6.02 Internal Factors:

- Profitability
- Availability and Liquidity of Funds
- Capital Expenditure needs for the existing businesses
- Expansion/Modernization of the business
- Additional investments in subsidiaries/associates of the Company
- Cost of raising funds from alternate sources
- Cost of servicing outstanding debts
- Funds for meeting contingent liabilities
- Mergers and Acquisitions
- Any other factor as deemed appropriate by the Board.

Apart from the above factors, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

7.00 Financial Parameters for Declaring Dividend

The Company is committed to deliver sustainable value to its stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits among the shareholders in the form of dividend.

To keep investment attractive and to ensure capital appreciation for the shareholders, the Company shall also endeavor to provide consistent return over a period of time. While deciding on the dividend, micro and macroeconomic parameters for the country in general and the Company in particular shall also be considered.

Taking into consideration the aforementioned factors, the Board shall endeavor to maintain a dividend pay-out.

8.00 Utilization of Retained Earnings

Subject to the provisions of the Act and other applicable laws, retained earnings may be utilized as under:

- Issue of fully paid-up bonus shares
- Declaration of dividend-Interim or Final
- Augmenting internal resources
- Funding for capital expenditure/expansion plans/acquisition;
- Repayment of debt
- Any other permitted use as may be decided by the Board.

9.00 Parameters for Various Classes of Shares

Currently, the Company has only one class of shares - Equity Shares. There is no privilege amongst Equity Shareholders of the Company with respect to dividend distribution.

10.00 Circumstances Impacting Dividend Payment

The Company has been paying dividend to its shareholders around three decades and shall endeavor to continue with the dividend payment.

Given here in below are some of the circumstances in which shareholders of the Company may or may not expect dividend pay-out:

10.01 May Expect Dividend:

- Adequate profits and liquidity
- Accumulated profits not warranted for immediate business needs.

10.02 May Not Expect Dividend:

- Non availability of profits for dividend distribution
- Funds available for dividend but need to be conserved due to:
 - Business needs;
 - Adverse economic /market scenario expected in near future;
 - Augmenting internal resources.

11.00 Disclosure

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.textile.squaregroup.com

If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

12.00 Effective Date

This Policy has been approved by the Board of Directors of the Company at its meeting held on 1st February, 2021 and shall be effective and applicable for dividend, if any, declared for the Financial Year 2020-21 onwards.

13.00 Review/Amendment

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

SQUARE TEXTILES LIMITED
and its Subsidiary

FINANCIAL STATEMENT

Year Ended June, 2022

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SQUARE TEXTILES LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS.

Opinion

We have audited the consolidated financial statements of SQUARE TEXTILES LIMITED and its subsidiary (the 'Group') as well as the separate financial statements of SQUARE TEXTILES LIMITED (the 'Company') which comprise the consolidated and separate statement of financial position as at 30 June 2022 and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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 consolidated and separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.



Key audit matter description	How the scope of our audit responded to the key audit matter.
Property, plant and Equipment	
<p>The carrying value of the PPE amounted to Taka 6,709,043,427 as at 30 June 2022. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management’s estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> <p>See note no. 4 for details.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.
	<ul style="list-style-type: none"> • We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals.
	<ul style="list-style-type: none"> • We inspected a sample of invoices and L/ C documents to determine whether the classification between capital and operating expenditure was appropriate.
	<ul style="list-style-type: none"> • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.
	<ul style="list-style-type: none"> • We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.
Revenue Recognition	
<p>The Group reported total revenue of Taka 17,432,248,763. Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is complete through passing of control to the customers. Revenue from the sale of goods is recognized at the time when the goods are transferred to the buyer and control has passed.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the group 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>We focused on the proper cut-off sale to the Group’s customers There is a risk of differences between the timing of invoicing of products and the dispatch of the products.</p> <p>See note no. 21 for details.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 “Revenue from contracts with customers”
	<ul style="list-style-type: none"> • Tested the internal control over financial reporting. We also assessed the existence and accuracy of the sales recorded;
	<ul style="list-style-type: none"> • We performed analytical test to understand how the revenue has trended over the year among other parameters, we performed a detailed substantive testing on transactions around the year end to ensure revenues were recognized in the correct accounting period. We also tested journal entries focusing on sales transactions;
	<ul style="list-style-type: none"> • Verified VAT return with General Ledger.
	<ul style="list-style-type: none"> • We obtained supporting documents for sales, transactions recorded during the year; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.



Key audit matter description	How the scope of our audit responded to the key audit matter	
Valuation of Receivables		
<p>The Group has a trade receivable of Taka 4,593,515,616 as at 30 June 2022.</p> <p>Trade receivable of the group comprise mainly receivables regarding the sale of yarns which is secured by Letter of Credit (L/C).</p> <p>See note no. 8 for details.</p>	<p>Our substantive procedures in relation to the assessing valuation of receivable comprises the following:</p> <ul style="list-style-type: none"> • Obtained a list of outstanding receivables; • Reconciliation of receivables ageing to general ledger; • Conducting cut-off testing at the year-end; • Reviewing subsequent receipt of receivables balance. 	
	Valuation of Inventories	
	<p>The amount of inventory is Taka 2,471,466,477 as at 30 June 2022 held in warehouses and across multiple product lines in factory.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, management has applied judgement in determining the appropriate values for inventories.</p> <p>While excess holding of inventories could impact efficient use of working capital similarly lower level of inventories can result in stock outs or irregular supply to the market.</p> <p>See note no. 7 for details.</p>	<p>We obtained assurance over relevance and appropriateness of management’s assumptions applied in calculating the value of the inventories by:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of key inventory controls operating across the factory and warehouse; • Reconciling the inventories with opening inventories, purchase, production and sales during the period and with closing inventories; • Testing, on a sample basis the stock expiry dates and the market price used in assessing the net realizable values of inventories of the related supporting documents. • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories.
		Measurement of deferred tax liability
<p>The net deferred tax liability is Taka 320,533,438 as at 30 June 2022.</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>See note no. 15 for details.</p>		<p>We carried out the following substantive testing for this item.</p> <ul style="list-style-type: none"> • We checked deferred tax expenses and liabilities in the financial statements and compare them with the Group’s calculation and records; • We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group’s key controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the Group’s future taxable income. • 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 Taxes.



কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants

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New Eskaton Road, Dhaka-1000
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Fax : 88-02-9345792
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website: www.kmhasan.com.bd



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Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated and the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, The Securities and Exchange Rules 1987, relevant notifications issued by Bangladesh Securities and Exchange Commission and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a



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guarantee that an audit conducted in accordance with International Standards on Auditing (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 consolidated and separate 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 consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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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 consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) The consolidated and the separate statements 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 accounts and return; and
- d) The expenditure incurred was for the purposes of the Group's and the Company's business.

Dated: October 24, 2022
Place: Dhaka

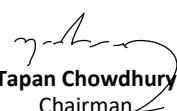
Md. Farhad Husain Suman FCA
Partner, **K. M. HASAN & CO.**
Chartered Accountants
Enrollment No-1635
DVC: 2211021635AS939692


SQUARE TEXTILES LIMITED

AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

Particulars	Notes	30 June 2022	30 June 2021
		Taka	Taka
ASSETS:			
Non-Current Assets			
Property, Plant & Equipment- Carrying Value	04	8,099,886,485	7,064,213,305
Capital Work In Progress	05	6,709,043,427	6,959,450,279
Goodwill	06	1,334,559,298	48,479,266
		56,283,760	56,283,760
Current Assets			
Inventories	07	8,180,523,588	9,197,615,462
Trade Receivables	08	2,471,466,477	2,664,689,616
Advances, Deposits & Prepayments	09	4,593,515,616	4,808,315,632
Cash & Cash Equivalents	10	474,565,334	285,303,153
		640,976,161	1,439,307,061
TOTAL ASSETS		16,280,410,073	16,261,828,767
SHAREHOLDERS' EQUITY & LIABILITIES:			
Shareholders' Equity			
Share Capital	11	9,196,250,437	7,632,190,882
Retained Earnings	12	1,972,520,000	1,972,520,000
		7,223,730,437	5,659,670,882
Non controlling Interest	13	15,174,768	14,998,970
Non-Current Liabilities			
Long Term Borrowings	14	623,866,770	2,953,119,459
Deferred Tax Liability	15	303,333,332	2,643,055,059
		320,533,438	310,064,400
Current Liabilities & Provisions			
Short Term Bank Loan (Secured)	16	6,445,118,098	5,661,519,456
Creditors & Other Payables	17	5,826,639,696	5,325,169,465
Liabilities for Others Finance	18	84,900,098	79,091,985
Unclaimed Dividend	19	153,411,550	101,137,300
Provision for Income Tax	20	8,651,750	54,851,342
		371,515,004	101,269,364
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		16,280,410,073	16,261,828,767
Net Asset Value Per Share	31	46.62	38.69

These financial statements should be read in conjunction with the annexed notes.



Tapan Chowdhury
Chairman


Samuel S Chowdhury
Managing Director


Sanjib Baran Roy
Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
Place: Dhaka


Md. Farhad Husain Suman FCA
Partner, K. M. HASAN & CO.
Chartered Accountants
Enrollment No-1635
DVC: 2211021635AS939692

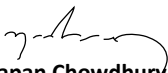
SQUARE TEXTILES LIMITED

AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Notes	2021-2022	2020-2021
		Taka	Taka
Sales Revenue	21	17,432,248,763	13,293,569,580
Cost of Goods Sold	22	(14,516,119,136)	(11,858,829,437)
Gross Profit		2,916,129,627	1,434,740,143
Administrative Overhead	23	(272,101,038)	(248,071,111)
Selling and Distribution Overhead	24	(25,180,274)	(19,905,333)
Profit from Operations		2,618,848,315	1,166,763,699
Finance Cost	25	(250,393,099)	(350,243,865)
Non-Operating Income	26	56,734,401	15,549,638
Profit Before W.P.P.F & W.F		2,425,189,617	832,069,472
Allocation for W.P.P.F & W.F	27	(115,485,220)	(39,622,356)
Profit Before Tax		2,309,704,397	792,447,116
Income Tax Expenses	28	(340,496,006)	(71,030,032)
Deferred Tax (Expenses)/Income	29	(10,469,038)	(49,496,639)
Profit After Tax for The Period		1,958,739,353	671,920,445
Non-Controlling Interest		(175,798)	(57,994)
Net Income for the Period		1,958,563,555	671,862,451
Earnings Per Share (EPS)	30	9.93	3.41

These financial statements should be read in conjunction with the annexed notes.



Tapan Chowdhury
Chairman


Samuel S Chowdhury
Managing Director


Sanjib Baran Roy
Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
Place: Dhaka


Md. Farhad Husain Suman FCA
Partner, K. M. HASAN & CO.
Chartered Accountants
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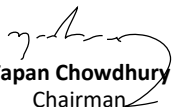
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at July 01, 2021	1,972,520,000	5,659,670,882	7,632,190,882
Net Profit For the Year Ended June 30, 2022	-	1,958,563,555	1,958,563,555
Cash Dividend for 2020-21	-	(394,504,000)	(394,504,000)
Balance As at June 30, 2022	1,972,520,000	7,223,730,437	9,196,250,437

FOR THE YEAR ENDED JUNE 30, 2021

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at July 01, 2020	1,972,520,000	5,185,060,431	7,157,580,431
Net Profit For the Year Ended June 30, 2021	-	671,862,451	671,862,451
Cash Dividend for 2019-20	-	(197,252,000)	(197,252,000)
Balance As at June 30, 2021	1,972,520,000	5,659,670,882	7,632,190,882

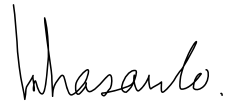

Tapan Chowdhury
 Chairman


Samuel S Chowdhury
 Managing Director


Sanjib Baran Roy
 Company Secretary

Signed in terms of our separate report of even date annexed

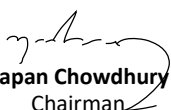
Date: October 24, 2022
 Place: Dhaka


Md. Farhad Husain Suman FCA
 Partner, K. M. HASAN & CO.
 Chartered Accountants
 Enrollment No-1635
DVC: 2211021635AS939692

SQUARE TEXTILES LIMITED

AND IT'S SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Notes	2021-2022	2020-2021
		July to June Taka	July to June Taka
Cash Flows from Operating Activities:			
Receipts from Sales Revenue		17,647,048,779	12,491,444,808
Exchange Fluctuation Gain/(Loss) -Realization from Transaction		30,826,820	(17,478,566)
Receipts/ (Payment) from Other Income/ Expenses		26,752,977	37,242,641
Total Receipts		17,704,628,576	12,511,208,883
Payment to Supplies and Other Services		(11,207,647,572)	(8,405,078,614)
Paid for Operating & Non-operating Expenses		(2,832,537,336)	(2,555,019,146)
Interest Expenses Paid		(253,503,210)	(233,971,619)
Income Tax Paid		(205,164,840)	(68,676,015)
Total Payments		(14,498,852,958)	(11,262,745,394)
Net Cash Generated/ (Used in) from Operating Activities		3,205,775,618	1,248,463,489
Cash Flows from Investing Activities:			
Purchase of Property, Plant & Equipment		(1,727,524,270)	(596,571,733)
Sales of Property, Plant & Equipment		7,480,000	11,496,474
Net Cash Generated (Used in) from Investing Activities		(1,720,044,270)	(585,075,259)
Cash Flows from Financing Activities:			
Long Term Loan Received/ (Repaid)		(2,675,959,956)	2,643,055,059
Short Term Bank Loan Received/ (Repaid)		837,708,460	1,435,371,185
Short Term Loan from/ (To) Sister Company		-	(3,397,290,511)
Payment of Dividend		(440,703,592)	(197,252,000)
Net Cash Generated (Used in) from Financing Activities		(2,278,955,088)	483,883,733
Increase/ (Decrease) in Cash & Cash Equivalents		(793,223,740)	1,147,271,963
Net effect of foreign currency translation		(5,107,160)	(4,471,223)
Opening Cash & Cash Equivalents		1,439,307,061	296,506,321
Closing Cash & Cash Equivalents		640,976,161	1,439,307,061
Net Operating Cash Flows Per Share	32	16.25	6.33


Tapan Chowdhury
Chairman


Samuel S Chowdhury
Managing Director


Sanjib Baran Roy
Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
Place: Dhaka

SQUARE TEXTILES LIMITED

AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED JUNE 30, 2022

1. Establishment and Operations:

1.1 Legal Form of the Enterprises:

Square Textiles Limited (Here in after said as the company) is a public limited company and its subsidiary, Square Texcom Limited incorporated with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under Companies Act, 1913 and Companies Act, 1994 respectively. The Square Textiles Limited is listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in 2002.

1.2 Address of Registered office and factory of the company:

- a) Registered Office: Square Centre 48, Mohakhali C/A, Dhaka -1212,
- b) Factory Office:
 - i. Saradaganj, Kashimpur, Gazipur
 - ii. Olipur, Habiganj, Sylhet.
- c) Factory Office of Square Texcom Limited: Kathali, valuka, Mymensingh.

1.3 Nature of Business:

The group owns Six (6) units of spinning mills, and a twisting mill. It's activities and operations are related with manufacturing and marketing of Yarns.

2. Summary of significant accounting policies and other material information:

2.1 Statement of Compliance:

The consolidated financial statements have been prepared in conformity with the provisions of the Companies Act, 1994, The Securities and Exchanges Rules 1987, International Financial Reporting Standards (IFRSs) and other relevant rules and regulations.

2.2 Basis of Consolidation:

These consolidated financial statements comprise the consolidated financial position and the consolidated results of operation of the Company and its subsidiaries (collectively referred as 'Group') on a line by line and non-controlling interest are shown separately as a line item of the statement of financial position and statement of comprehensive income.

Subsidiaries:

Subsidiaries are enterprise controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are taken into account. The results of operations and total assets and liabilities of subsidiaries are included in the consolidated financial statements on a line by-line basis and the interest of non-controlling shareholders, if any, in results and net assets of subsidiaries are stated separately. The financial statements of subsidiaries are included in consolidated financial statement of the Group from the dated control commence until the date control ceases. Any gain or loss, increase/decrease in non-controlling in subsidiaries without a change control, is recognized as a component of equity.

Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2.3 Basis of Preparation:

The consolidated financial statements have been prepared in accordance with the going concern principle and historical cost convention. The significant accounting policies are set out next page.

2.4 Statement on Compliance of International Financial Reporting Standards:

The following IASs and IFRSs are applicable for the financial statements for the year under review:

S/N	Name of the IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	Applied
3	Statement of Cash Flows	7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
5	Events after the reporting period	10	Applied
6	Construction Contracts	11	Replaced by IFRS 15
7	Income Taxes	12	Applied
8	Property, Plant and Equipment	16	Applied
9	Leases	17	Replaced by IFRS 16
10	Revenue	18	Replaced by IFRS 15
11	Employee Benefits	19	Applied
12	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
13	The Effects of Changes in Foreign Exchange Rates	21	Applied
14	Borrowing Costs	23	Applied
15	Related Party Disclosures	24	Applied
16	Accounting and Reporting by Retirement Benefit Plans	26	Not Applicable
17	Separate Financial Statements	27	Applied
18	Investment In Associates and Joint Ventures	28	Not Applicable
19	Financial Reporting in Hyperinflationary Economics	29	Not Applicable
20	Financial Instruments: Presentation	32	Applied
21	Earnings per share	33	Applied
22	Interim Financial Reporting	34	Applied
23	Impairment of Assets	36	Applied
24	Provisions, Contingent Liabilities and Contingent Assets	37	Applied
25	Intangible Assets	38	Applied
26	Financial Instruments: Recognition and Measurement	39	Replaced by IFRS 9
27	Investment Property	40	Not Applicable
28	Agriculture	41	Not Applicable

S/N	Name of the IFRS	IFRS No.	Status
1	First time adoption of International Financial Reporting Standards	1	Not Applicable
2	Shares based Payment	2	Not Applicable
3	Business Combinations	3	Not Applicable
4	Insurance Contract	4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	6	Not Applicable
7	Financial Instruments: Disclosure	7	Applied
8	Operating Segments	8	Not Applicable
9	Financial Instrument	9	Applied
10	Consolidated Financial Statements	10	Applied
11	Joint Arrangement	11	Not Applicable
12	Disclosure of Interest in other entities	12	Applied
13	Fair Value Measurement	13	Applied
14	Regulatory deferral accounts	14	Not Applicable
15	Revenue from Contracts with Customers	15	Applied
16	Leases	16	Applied

2.5 Going Concern:

As per IAS-1 the group is required to make assessment at the end of each year to assess its capability to continue as going concern. The management of the group makes such assessment each year. The group has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while the financial statements have been prepared.

2.6 Accrual Basis:

The consolidated financial statements have been prepared, except cash flow information using the accrual basis of accounting.

2.7 Functional and presentation currency

These consolidated financial statements are presented in Bangladesh Taka (BDT or Tk) which is the group functional currency.

2.8 Structure Contents and Presentation of Financial Statements:

The presentation of the financial statements is in accordance with the guidelines provided by IAS-1. "Presentation of Financial Statements". A complete set of financial statements comprise:

- i) Consolidated Statement of Financial Position as at June 30, 2022;
- ii) Consolidated Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2022;
- iii) Consolidated Statement of Changes in Equity for the year ended June 30, 2022;
- iv) Consolidated Statement of Cash Flows for the year ended June 30, 2022 and
- v) Notes comprising a summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements for the year ended June 30, 2022.

2.9 Use of Estimates and Judgments:

The preparation of financial statements in conformity with 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. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that has the most significant effect on the amount recognized in the financial statements are income tax provision (both current and deferred tax), depreciation and gratuity provision.

2.10 Statement of Cash Flows:

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Direct Method as per the requirement of Securities and Exchange Rules 1987.

3.0 Property, Plant and Equipment:

As per IAS-16, Property, Plant and Equipment are stated at their historical cost less accumulated depreciation. No depreciation has been charged on the Freehold Land and on the Capital work in progress. Depreciation is charged on all other assets on straight-line method. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the assets are derecognized.

Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

Particulars	Useful Life (Years)
Factory Building and other Construction	20
Plant & Machinery	10-15
Laboratory & other Equipment	5-8
Furniture & Fixture	5-8
Motor Vehicles	5
Electrical Installation	5-8

3.1 Subsequent Costs:

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss.

3.2 Disposal of Fixed Assets:

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

3.3 Impairment of Asset:

The carrying values of all non-current assets are reviewed for impairment, either on a stand-alone basis or as part of a larger cash generating unit, when there is an indication that the assets might be impaired. Additionally, Goodwill, Intangible Assets with indefinite useful lives and Intangible Assets which are not yet available for use are tested for impairment annually. Any provision for impairment is charged to the profit or loss statement in the year concerned.

3.4 Capital Work in Progress:

Capital work in progress consists of cost incurred for acquisition of new plant and machinery, civil structure, factory shed for warehouse etc. which were not ready for use till reporting date.

3.5 Inventories:

As per IAS-2, Inventories comprises of Raw Materials, Raw Materials in transit, Packing Materials, Work in Progress, Finished Goods, and Spare & Spare Parts in transit. Inventories are valued at the lower of cost and net realizable value. Cost comprises invoice value plus applicable handling charges. Net realizable value is based on estimated selling price less estimated cost to completion and selling expenses.

3.6 Employees' Benefit Scheme:

Provident Fund:

The group has established an approved contributory provident fund scheme. A board of trustees wholly administers the fund. No part of the fund is included in the asset of the group.

Gratuity Fund:

Square Textiles Limited establish funded (defined contribution) Gratuity plan and it is approved by NBR.

Group Insurance:

The group has two group insurance schemes for its permanent employees, premium for which is being charged to statement of comprehensive Income.

Worker's Profit & Participation Fund:

The group makes a regular allocation of 5% on net profit before tax to these funds and payment is made to the worker's as per provision of Labor Law 2006 chapter-15.

3.7 Revenue Recognition:

As per IFRS-15, Revenue is recognized as control is passed, either over time or at a point in time an entity recognizes revenue over time if one of the following criteria is met: the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs; the entity's performance creates or enhances an asset that the customer controls as the asset is created; or the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Income refers to increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.

3.8 Other Income:

It is recognized on accrual basis.

3.9 Foreign Currency Transactions:

As per IAS-21 Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into BDT at the rate of exchange ruling at the date of Statement of Financial position.

3.10 Borrowing Costs:

As per IAS-23 Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

3.11 Advances, Deposits and Prepayments:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

3.12 Financial Instruments:

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

Receivables:

Trade Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad.

Payables:

Trade Payables are stated at their nominal value.

Cash and Cash Equivalents:

Cash and cash equivalents comprises cash in hand, bank current accounts, other bank deposits free of encumbrance and having maturity dates of three months or less from respective dates of deposit.

Borrowings:

Interest bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Finance charges are accounted for on an accrual basis.

Financial Risk Management:

The group has exposures to the following risks its use of financial statements:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the group risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit Risk:

Credit risk is the risk of financial loss to the group if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group receivable from customers and investment securities. The group sales are made to renowned RMG Exporting Company. Sales made to the entity are fully secured by Letters of Credit issued by local scheduled banks.

Liquidity Risk:

Liquidity risk is the risk that the group will unable to meet its financial obligations as they fall due. The group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group reputation. In general, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment.

The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

Seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Market Risk:

Market Risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the group income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital Risk Management:

The group objectives when managing capital are to safeguard the group ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Money Laundering:

The group considers prevention of money laundering risk not only as a compliance requirement imposed by the law of the country but also as one of its ethical business values.

3.13 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group liability for current tax is calculated using tax rates that have been enacted on date of Statement of Financial Position.

Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted by the date of Statement of Financial Position.

3.14 Lease:

As per IFRS- 16, the entity has no lease. So, there will be no implication regarding IFRS 16 in this financial year.

3.15 Contingent Liabilities and Assets:

Current or possible obligations or assets arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain events which are not within the control of the group.

3.16 Related Party Transaction:

The group has some related party transactions in arm length transactions.

3.17 Segment Reporting:

As per IFRS-8, as there is a single business and geographic segment within which the group operates as such no segment reporting is felt necessary.

3.18 Earnings Per Share:

As per IAS-33, Basis Earning per Share (EPS) has been computed dividing the earnings attributable to the weighted average number of the ordinary shares during the year.

3.19 Comparative Figure:

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of current year's financial statements.

3.20 Financial Year:

For this year financial year means, July 01, 2021 to June 30, 2022.

3.21 Events after the Reporting Period:

As per IAS-10 "Events after the Reporting Period" are those events favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

3.22 Consolidated Financial Statements:

Consolidated Financial Statements comprise the following:

1. Square Textiles Limited
2. Square Texcom Limited

3.23 General:

Figures have been rounded off to the nearest taka, as it the reporting currency of these financials.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
4. Consolidated Property, Plant & Equipment:		
Details of Property, Plant & Equipment and Depreciation as at June 30, 2022 are shown in the annexed schedule-01. Depreciation for the year charged to Factory Overhead (Note-22.3). The break-up of the balances are depicted below:		
Fixed Assets at Cost		
Opening Balance	12,792,433,005	10,873,378,928
Addition during the Year	441,444,238	2,051,181,824
Adjustment for Sale/ Obsolete during the Year	(78,667,109)	(132,127,747)
Closing Balance(Cost)	13,155,210,134	12,792,433,005
Accumulated Depreciation		
Opening Balance	5,832,982,726	5,289,179,884
Charged during the Year	688,632,854	664,690,900
Adjustment for sale/Obsolete during the year	(75,448,873)	(120,888,058)
	6,446,166,707	5,832,982,726
Carrying Value	6,709,043,427	6,959,450,279
5. Consolidated Capital Work In Progress:		
Opening Balance	48,479,266	1,503,089,357
Addition during the Year	1,328,678,137	45,387,986
Transfer to Property, Plant & Equipment during the year	(42,598,105)	(1,499,998,077)
Closing Balance	1,334,559,298	48,479,266
6. Consolidated Goodwill:		
Investment in share of Square Texcom Ltd. (For 4,330,502 shares of TK. 100 each)	489,333,960	489,333,960
Less: Face Value of the Shares	433,050,200	433,050,200
	56,283,760	56,283,760
7. Consolidated Inventories:		
Stocks of Materials	2,259,852,806	2,420,185,088
Raw Materials	1,891,092,606	2,056,387,039
Raw Materials In Transit	48,373,070	63,135,469
Packing Materials	25,642,217	24,301,204
Work - In - Process	142,626,650	130,184,323
Finished Goods	152,118,263	146,177,053
Stocks of Spares	211,613,671	244,504,528
Spares at Store	206,394,084	241,493,396
Spares in Transit	5,219,587	3,011,132
	2,471,466,477	2,664,689,616

The basis of valuation is stated in Note -3.5. Carrying amount of inventories pledged as security. No segmentation of stock is required because of homogenous materials and process.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
8. Consolidated Trade Receivables:		
This represents invoice value of goods delivered to customer.		
Aging of the Trade Receivables is as Follows:		
Below 60 days	1,988,299,156	2,083,214,823
Within 61-120 days	1,722,775,117	1,735,724,749
Above 120 days	882,441,343	989,376,060
	4,593,515,616	4,808,315,632
a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Group and any of them severally or jointly with any other person.		
b) The carrying amount of Trade Receivables pledged as security.		
c) Trade Receivable is secured, considered as good and is falling due within one year.		
9. Consolidated Advances, Deposits & Prepayments:		
This is made up of the followings:		
Advance	350,549,258	166,403,918
Income Tax	203,590,488	68,676,014
Salary & PF Current account	86,000	3,866,272
Other Expenses	65,939,658	28,623,136
Suppliers & Contractor	80,933,112	65,238,496
Deposits	124,016,076	118,899,235
Security Deposit	111,346,762	106,528,762
Margin on Bank Guarantee	12,669,314	12,370,473
	474,565,334	285,303,153
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) There was no amount was due by the associated undertaking.		
c) The advances & deposits considered good & recoverable.		
10. Consolidated Cash & Cash Equivalents:		
Cash in hand	12,434,533	8,430,224
Cash at Bank (Note-10.1)	628,541,628	423,710,170
Fixed Deposit Receipt (Note-10.2)	-	1,007,166,667
	640,976,161	1,439,307,061
10.1 Cash at Bank		
Standard Chartered Bank	336,514,580	235,914,046
HSBC	164,741,441	104,721,636
Prime Bank Limited	98,957,195	52,610,801
The City Bank Limited	69,854	1,978,464
Commercial Bank of Ceylon	85,026	11,426
Bank Al-Falah	391,212	736,081
Janata Bank Limited	17,600,831	20,655,130
Mutual Trust Bank Limited	7,729,181	3,620,475
Dutch Bangla Bank Limited	653,010	2,157,390
Pubali Bank Limited	1,799,298	1,304,721
	628,541,628	423,710,170
10.2 Fixed Deposit Receipt- Janata Bank Limited	-	1,007,166,667
	-	1,007,166,667

Foreign currency account balances have been converted to Taka at the ruling rate at the reporting date.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
11. Share Capital:		
This is made up of the followings:		
Authorized:	<u>3,000,000,000</u>	<u>3,000,000,000</u>
300,000,000 Ordinary Shares of Tk. 10.00 each		
Issued, Subscribed and Paid up:	<u>1,972,520,000</u>	<u>1,972,520,000</u>
(197,252,000 Ordinary Shares of Tk. 10.00 each fully Paid up)		
Position of Shareholding is given in Schedule-B of Page-112		
12. Retained Earnings:		
Opening Balance	5,659,670,882	5,185,060,431
Add: Profit for the Year	1,958,563,555	671,862,451
Less: Cash Dividend paid during the Year	(394,504,000)	(197,252,000)
	<u>7,223,730,437</u>	<u>5,659,670,882</u>
13. Non Controlling Interest:		
5,000 shares of Tk. 100 at par of Square Texcom Ltd.	500,000	500,000
Shares of Accumulated Profit	14,674,768	14,498,970
	<u>15,174,768</u>	<u>14,998,970</u>
(a) This represents the minority share holdings in Square Texcom Limited as on June 30, 2022.		
(b) Voting power is not different with proportion of ownership interest. The Group is using equity method of accounting in preparation of consolidated financial statements.		
14. Consolidated Long Term Borrowings:		
Standard Chartered Bank	400,000,000	1,710,000,000
HSBC	250,000,000	1,500,000,000
Infrastructure Development Company Ltd. (IDCOL)	-	115,959,956
Less: Current Portion of Long Term Borrowings	(346,666,668)	(682,904,897)
	<u>303,333,332</u>	<u>2,643,055,059</u>
These long term loans are secured against hypothecation of Stock, Trade Receivables and Plant & Machinery.		
15. Consolidated Deferred Tax Liability:		
Opening Balance	310,064,400	260,567,761
Deferred tax Expenses/ (Income)	10,469,038	49,496,639
	<u>320,533,438</u>	<u>310,064,400</u>
This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create 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	5,993,119,746	6,243,526,598
Less: Tax Base Carrying Value	(3,856,230,166)	(4,176,430,603)
Taxable Temporary Difference	<u>2,136,889,580</u>	<u>2,067,095,995</u>
Tax Rate	15.00%	15.00%
Closing Deferred Tax Liability	<u>320,533,437</u>	<u>310,064,399</u>
Less: Opening Deferred Tax Liability	(310,064,399)	(260,567,761)
Deferred Tax (Income) / Expense	<u>10,469,038</u>	<u>49,496,638</u>
16. Consolidated Short Term Bank Loan:		
Revolving Loan	-	1,250,000,000
EDF & UPAS	5,479,973,028	3,392,264,568
Current Portion of Long Term Borrowings	346,666,668	682,904,897
	<u>5,826,639,696</u>	<u>5,325,169,465</u>
These short term loans are secured against hypothecation of Stock and Trade Receivable.		

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
17. Consolidated Creditors & Other Payables:		
Provision for Audit Fees	632,500	621,000
Provision for Utility Bills	64,010,809	59,498,009
Provision for Salary & Allowances	7,798,549	5,715,101
Others	12,458,240	13,257,875
	84,900,098	79,091,985
This represents amount payable to regular suppliers of packing materials, utilities, and other services rendered to the Group. All suppliers were paid on a regular basis.		
18. Consolidated Liabilities for Others Finance:		
PF, WPPF & Other Fund	116,779,785	46,816,002
Provision for Gratuity (Note-18.1)	-	14,579,422
Others	36,631,765	39,741,876
	153,411,550	101,137,300
18.1 Provision for Gratuity:		
Opening Balance	14,579,422	42,580,253
Provision made for the period	35,268,984	88,330,773
Payment made during the period	(49,848,406)	(116,331,604)
	-	14,579,422
19. Unclaimed Dividend:		
Opening Balance	54,851,342	53,581,472
Addition During The Year	394,504,000	197,252,000
Paid During The Year	(440,703,592)	(195,982,130)
	8,651,750	54,851,342
20. Consolidated Provision for Income Tax:		
Opening Balance	101,269,364	96,214,609
Adjustment with Advance Tax during the year	(70,250,366)	(65,975,277)
Provision made during the year (Note-20.1)	340,496,006	71,030,032
	371,515,004	101,269,364
20.1 Provision made for the period:		
Higher Amount of Tax Under Company-wise Calculation (Please See the Individual Company-wise Notes):		
A) For SQUARE Textiles Ltd.	309,854,073	63,434,674
B) For SQUARE Texcom Ltd.	30,641,933	7,556,647
Total Tax Expenses	340,496,006	70,991,321
Add/ Less: Short/ (Excess) provision for Prior period	-	38,711
Income Tax Provision for the year	340,496,006	71,030,032

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
Calculation of Effective Tax Rate:		
Current Income Tax Expenses	340,496,006	71,030,032
Deferred Tax Expenses/ (Income)	10,469,038	49,496,639
Total Tax Expenses	350,965,044	120,526,671
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	15.20%	15.21%
21. Consolidated Sales Revenue:		
In Quantity (KG)		
Opening Stock	680,476	1,499,406
Production during the Year	50,113,381	48,468,927
Available for Sale	50,793,857	49,968,333
Closing Stock	(572,604)	(680,476)
Sales during the year	50,221,253	49,287,857
(To be accounted for as follows)		
Sales Accounted as follows:		
In Quantity (KG)		
Export Sale of Yarns	50,221,253	49,287,857
	50,221,253	49,287,857
In Taka		
Export Sale of Yarns	17,432,248,763	13,293,569,580
	17,432,248,763	13,293,569,580
22. Consolidated Cost of Goods Sold:		
Raw Materials Consumed (Note-22.1)	11,232,485,000	8,631,658,550
Packing Materials Consumed (Note-22.2)	159,686,504	131,170,654
Factory Overhead (Note- 22.3)	3,142,331,169	2,903,720,235
Cost of Goods Manufacturing	14,534,502,673	11,666,549,439
Work-In-Process (Opening)	130,184,323	124,403,202
Work-In-Process (Closing)	(142,626,650)	(130,184,323)
Cost of Production	14,522,060,346	11,660,768,318
Finished Goods (Opening)	146,177,053	344,238,172
Finished Goods (Closing)	(152,118,263)	(146,177,053)
Cost of Goods Sold	14,516,119,136	11,858,829,437
22.1 Consolidated Raw Materials Consumed:		
In Quantity (KG)		
Opening Stock	13,351,425	16,633,295
Purchase during the year	54,181,072	48,944,609
Raw Materials Available for Consumption	67,532,497	65,577,904
Closing Stock	(12,818,006)	(13,351,425)
Raw Materials Consumed	54,714,491	52,226,479

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
In Taka		
Opening Stock	2,056,387,039	2,425,754,931
Purchase during the year	11,067,190,567	8,262,290,658
Raw Materials Available for Consumption	13,123,577,606	10,688,045,589
Closing Stock	(1,891,092,606)	(2,056,387,039)
Raw Materials Consumed	11,232,485,000	8,631,658,550
	TK	
Consumption Ratio on Purchase	101.49%	104.47%
22.2 Consolidated Packing Materials Consumed:		
Opening Stock	24,301,204	15,953,264
Purchase during the year	161,027,517	139,518,594
Available for Consumption	185,328,721	155,471,858
Closing Stock	(25,642,217)	(24,301,204)
Packing Materials Consumed	159,686,504	131,170,654
	TK	
Consumption Ratio on Purchase	99.17%	94.02%
22.3. Consolidated Factory Overhead:		
Factory Wages, Salary & Allowances	1,033,906,800	969,744,180
Travelling & Conveyance	290,991	217,628
Overseas Travelling	1,099,699	-
Recruitment & Training Expenses	64,169	81,341
Printing Expenses	496,892	444,991
Stationery Expenses	1,871,395	1,650,634
Software & Hardware Support Expenses	3,745,448	3,161,547
Production Workers' Free Lunch	5,207,037	4,687,308
Uniform & Liveries	474,777	447,929
Fuel, Petrol, Light, Diesel etc.	117,159,963	99,692,939
Electricity, Gas & Water	881,335,653	802,981,415
Factory Consumable Expense	58,233,005	47,891,175
Medical Expenses	2,056,944	2,254,982
Repairs & Maintenance of Vehicles	21,029,389	17,425,829
Papers, Books and Periodicals	17,090	41,870
Industrial All Risk Insurance Premium	23,179,365	20,349,082
Postage, Telephone, Fax & Telex	424,857	494,334
Govt. Tax, VAT & License Fees	12,097,035	918,375
Security Services	23,842,357	23,786,664
Spare Parts - Machinery	265,752,320	241,553,431
Group Insurance	1,413,129	1,203,681
Depreciation (Schedule-1)	688,632,854	664,690,900
	3,142,331,169	2,903,720,235
23. Consolidated Administrative Overhead:		
Salary and Allowances	137,800,864	137,159,193
Directors' Remuneration	55,252,500	48,000,000
Independent Directors' Honorarium	600,000	600,000
Travelling & Conveyance	897,291	716,602
Overseas Travelling	18,247,266	11,773,731
Recruitment & Training Expenses	639,897	76,146
Head Office Employees' Free Lunch	2,490,282	2,194,988
Uniform & Liveries	156,410	97,470
Printing Expenses	161,308	347,648

Notes Consolidated

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
Stationery Expenses	475,521	351,953
Software & Hardware Support Expenses	3,064,237	2,688,291
Postage, Telephone, Fax & Telex	390,772	507,017
Electricity, Gas & Water	3,139,743	3,046,418
Office Consumable Expense	2,055,368	1,716,592
Rental Expenses	14,486,116	14,104,313
Vehicles Running & Maintenance	9,491,531	8,701,367
Medical Expenses	1,296,117	356,350
Group Insurance	452,911	385,210
Bank Charges & Commission	7,871,292	3,684,486
Fees & Subscription	8,560,701	7,756,060
Security Service	431,343	593,267
Govt. Tax, Stamp Duty & Licence Fees	1,930,001	1,309,423
Annual General Meeting Expenses	1,324,067	1,163,986
Audit Fees	885,500	740,600
	272,101,038	248,071,111

a) Audit Fees represent auditors' remuneration for audit during the year.

b) The Rental Expenses incurred to use two floor spaces for office with two "one-year cancellable" (both parties three months notice period) contracts. The Contracts don't offer any buying option or any assurance of post use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (Shorter contract tenor and small amount of rental expenses) the rental agreements not considered as lease.

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

24. Consolidated Selling & Distribution Overhead:

Export Sale Expenses	18,819,897	14,433,563
Loading & Unloading	6,360,377	5,471,770
	25,180,274	19,905,333

25. Consolidated Finance Cost:

Interest on Deferred LC Loan	69,858,222	57,551,942
Interest on Loan ag. Export Bill Discount	10,518	2,512,455
Interest on OD	111,332	120,525
Interest on Short Term Loan	14,605,555	88,026,367
Interest on Long Term Loan	165,807,472	82,318,459
Interest on Sister Concerns	-	119,714,117
	250,393,099	350,243,865

Interest expenses is derived from short-term loan and is recognized on an accrual basis. The finance cost includes no interest on any sort of borrowing from directors including managing director and managers.

26. Consolidated Non-Operating Income:

Interest Income	23,185,743	7,761,018
Forfeited Provident Fund	3,567,234	29,481,623
Gain/ (Loss) on Disposal of Assets	4,261,764	256,785
Forex Exchange Rate Fluctuation Gain/ (Loss)	25,719,660	(21,949,788)
	56,734,401	15,549,638

27. Consolidated Allocation for W.P.P.F & W.F:

	115,485,220	39,622,356
	115,485,220	39,622,356

This represents 5% of Net Income before Tax after charging the allocation as per provisions of the Companies Profit under Labour Law 2006, amended in 2016.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
28. Consolidated Income Tax Expenses:	340,496,006	71,030,032
	<u>340,496,006</u>	<u>71,030,032</u>
This represents estimated Income Tax on Net Income for the Year and adjustment any short/excess provision for prior years.		
29. Consolidated Deferred Tax Expenses/ (Income):	10,469,038	49,496,639
	<u>10,469,038</u>	<u>49,496,639</u>
This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create only from difference between accounting basis depreciation and tax basis depreciation on fixed assets).		
30. Consolidated Earnings Per Share (EPS):		
Earning attributable to Ordinary Shares including other income	1,958,563,555	671,862,451
Number of Ordinary shares	197,252,000	197,252,000
Earnings Per Share	<u>9.93</u>	<u>3.41</u>
31. Consolidated Net Asset Value (NAV) Per Share:		
Equity Attributable to the Owners of the Company	9,196,250,437	7,632,190,882
Number of Ordinary shares	197,252,000	197,252,000
Net Asset Value (NAV) Per Share	<u>46.62</u>	<u>38.69</u>
32. Consolidated Net Operating Cash flows per Share (NOCFPS):		
Net Cash Generated (Used in) from Operating Activities	3,205,775,618	1,248,463,489
Number of Ordinary shares	197,252,000	197,252,000
Net Operating Cash flows per Share (NOCFPS)	<u>16.25</u>	<u>6.33</u>
33. Consolidated Reconciliation of Net Profit with Cash Flows from Operating Activities:		
Profit After Tax	1,958,563,555	671,862,451
Adjustment to reconcile net profit to net cash provided by operating activities :		
Non-cash Expenses:	<u>704,209,052</u>	<u>718,658,762</u>
Depreciation	688,632,854	664,690,900
Deferred Tax	10,469,038	49,496,639
Net effect of foreign currency translation	5,107,160	4,471,223
Non-Operating Items:	<u>(4,085,966)</u>	<u>119,515,326</u>
Interest Expenses/ (Income) on Sister Company Loan	-	119,714,117
(Gain)/Loss on Disposal of Assets	(4,261,764)	(256,785)
Profit Ratio of Non controlling Interest	175,798	57,994
Changes in Working Capital:	<u>547,088,977</u>	<u>(261,573,050)</u>
(Increase)/Decrease in Inventories	193,223,139	548,066,020
(Increase)/Decrease in Trade Receivable	214,800,016	(802,124,772)
(Increase)/Decrease in Advances, Deposits & Prepayments	(189,262,181)	(1,782,295)
Increase/(Decrease) in Creditors & Other Payables	5,808,113	(8,132,619)
Increase/(Decrease) in Liabilities for Others Finance	52,274,250	(2,654,139)
Increase/(Decrease) in Income Tax Payable	270,245,640	5,054,755
Net Cash Generated (Used in) from Operating Activities	<u>3,205,775,618</u>	<u>1,248,463,489</u>

34. Events after the Reporting period:

34.1 The Board of Directors in it's meeting held on October 20, 2022 approved the financial statements for the year ended June 30, 2022. The Board of Directors also authorised the same for issue.

34.2 Except above no other significant event occurred till the date of signing the financial statements.

SQUARE TEXTILES LIMITED

CONSOLIDATED SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As on June 30, 2022

Schedule-01
Amount in Taka

Particulars	Cost			Depreciation			W.D.V As At 30th June-2022	
	At 01st July 2021	During the Period		At 01st July 2021	During the Period			At 30th June-2022
		Additions	Sales/ Obsoletes		Charged	Adjustments		
Land & Land Development	715,923,681	-	-	-	-	-	715,923,681	
Building-Factory & Utility	1,484,384,482	-	-	571,722,207	65,947,149	-	846,715,126	
Building-Others	494,246,306	-	-	266,227,208	23,212,289	-	204,806,809	
Sheds	23,882,640	6,200,000	-	23,850,600	211,660	-	6,020,380	
Plant & Machinery	9,161,429,158	377,609,629	(58,000,787)	4,425,101,385	514,907,315	(55,639,895)	4,596,669,195	
Laboratory Equipment	62,109,414	555,291	-	10,314,264	8,222,249	-	44,128,192	
Electrical Installation	444,836,076	2,800,000	-	269,438,796	38,676,191	-	139,521,089	
Gas Line Installation	49,145,684	-	-	31,970,854	2,454,096	-	14,720,734	
Motor Vehicles	189,399,239	50,628,213	(20,556,461)	144,452,551	21,904,178	(19,699,117)	72,813,379	
Office Equipment	26,035,453	517,242	-	17,536,270	2,046,070	-	6,970,355	
Furniture & Fixture	16,829,304	298,499	(11,025)	15,358,036	492,880	(11,025)	1,276,887	
Computer	4,869,672	-	-	4,557,035	157,916	-	154,721	
Hardware & Software	2,300,000	-	-	711,904	328,571	-	1,259,525	
Boundary Wall	57,952,249	2,550,128	-	25,100,569	3,182,923	-	32,218,885	
Deep Tube-Well	5,050,800	-	-	4,291,730	165,602	-	593,468	
Safety & Security Equipment	2,549,390	-	-	2,008,894	252,779	-	287,717	
Communication and Network Equipment	7,195,200	-	-	5,179,822	587,426	-	1,427,952	
Other Assets	44,294,257	285,236	(98,836)	15,160,601	5,883,560	(98,836)	23,535,332	
As at June 30, 2022	12,792,433,005	441,444,238	(78,667,109)	5,832,982,726	688,632,854	(75,448,873)	6,709,043,427	
As at June 30, 2021	10,873,378,928	2,051,181,824	(132,127,747)	5,289,179,884	664,690,900	(120,888,058)	6,959,450,279	

Notes
Consolidated

SQUARE TEXTILES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2022

Particulars	Notes	30 June 2022	30 June 2021
		Taka	Taka
ASSETS:			
Non-Current Assets			
		7,594,562,921	6,895,224,728
Property, Plant & Equipment- Carrying Value	04	6,161,387,415	6,358,356,488
Capital Work In Progress	05	943,841,546	47,534,280
Investment - Long Term (At Cost)	06	489,333,960	489,333,960
Current Assets			
		7,435,018,277	8,523,673,196
Inventories	07	2,243,342,297	2,423,543,313
Trade Receivables	08	4,238,253,857	4,487,974,375
Advances, Deposits & Prepayments	09	438,615,626	259,310,934
Cash & Cash Equivalents	10	514,806,497	1,352,844,574
TOTAL ASSETS		15,029,581,198	15,418,897,924
SHAREHOLDERS' EQUITY & LIABILITIES:			
Shareholders' Equity			
		8,717,462,512	7,305,661,916
Share Capital	11	1,972,520,000	1,972,520,000
Retained Earnings	12	6,744,942,512	5,333,141,916
Non-Current Liabilities			
		579,630,811	2,905,740,182
Long Term Borrowings	13	303,333,332	2,643,055,059
Deferred Tax Liability	14	276,297,479	262,685,123
Current Liabilities & Provisions			
		5,732,487,875	5,207,495,826
Short Term Bank Loan	15	5,168,669,589	4,910,343,012
Creditors & Other Payables	16	75,674,946	70,899,885
Liabilities for Others Finance	17	140,661,736	80,911,693
Unclaimed Dividend	18	8,651,750	54,851,342
Provision for Income Tax	19	338,829,854	90,489,894
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		15,029,581,198	15,418,897,924
Net Asset Value Per Share	29	44.19	37.04

These financial statements should be read in conjunction with the annexed notes.



Tapan Chowdhury
Chairman


Samuel S Chowdhury
Managing Director


Sanjib Baran Roy
Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
Place: Dhaka



Md. Farhad Husain Suman FCA
Partner, K. M. HASAN & CO.
Chartered Accountants
Enrollment No-1635
DVC: 2211021635AS939692

SQUARE TEXTILES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Notes	July to June	July to June
		2021-2022	2020-2021
		Taka	Taka
Sales Revenue	20	15,624,302,486	11,924,704,664
Cost of Goods Sold	21	(12,930,510,466)	(10,588,987,142)
Gross Profit		2,693,792,020	1,335,717,522
Administrative Overhead	22	(247,735,861)	(224,235,269)
Selling and Distribution Overhead	23	(21,510,989)	(17,039,457)
Profit from Operations		2,424,545,170	1,094,442,796
Finance Cost	24	(241,629,270)	(344,165,255)
Non-Operating Income	25	53,343,676	19,475,519
Profit Before W.P.P.F & W.F		2,236,259,576	769,753,060
Allocation for W.P.P.F & W.F	26	(106,488,551)	(36,654,908)
Profit Before Tax		2,129,771,025	733,098,152
Income Tax Expenses	27	(309,854,073)	(63,473,385)
Deferred Tax (Expenses)/ Income	14	(13,612,356)	(47,990,713)
Profit After Tax		1,806,304,596	621,634,054
Other Comprehensive Income		-	-
Total Comprehensive Income		1,806,304,596	621,634,054
Earnings Per Share (EPS)	28	9.16	3.15

These financial statements should be read in conjunction with the annexed notes.



Tapan Chowdhury
Chairman


Samuel S Chowdhury
Managing Director


Sanjib Baran Roy
Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
Place: Dhaka


Md. Farhad Husain Suman FCA
Partner, K. M. HASAN & CO.
Chartered Accountants
Enrollment No-1635
DVC: 2211021635AS939692

SQUARE TEXTILES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at July 01, 2021	1,972,520,000	5,333,141,916	7,305,661,916
Net Profit For the Year Ended June 30, 2022	-	1,806,304,596	1,806,304,596
Cash Dividend for 2020-21	-	(394,504,000)	(394,504,000)
Balance As at June 30, 2022	1,972,520,000	6,744,942,512	8,717,462,512

FOR THE YEAR ENDED JUNE 30, 2021

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at July 01, 2020	1,972,520,000	4,908,759,862	6,881,279,862
Net Profit For the Year Ended June 30, 2021	-	621,634,054	621,634,054
Cash Dividend for 2019-20	-	(197,252,000)	(197,252,000)
Balance As at June 30, 2021	1,972,520,000	5,333,141,916	7,305,661,916

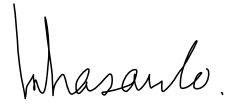

Tapan Chowdhury
 Chairman


Samuel S Chowdhury
 Managing Director


Sanjib Baran Roy
 Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
 Place: Dhaka

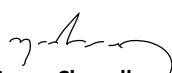

Md. Farhad Husain Suman FCA
 Partner, K. M. HASAN & CO.
 Chartered Accountants
 Enrollment No-1635
DVC: 2211021635AS939692


SQUARE TEXTILES LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2022

Particulars	Notes	July-June	July-June
		2021-2022	2020-2021
		Taka	Taka
Cash Flows from Operating Activities:			
Receipts from Sales Revenue		15,874,023,004	11,130,595,000
Exchange Fluctuation Gain/ (Loss) -Realization from Transaction		18,772,611	(17,036,274)
Receipts/ (Payment) from Other Income/ Expenses		26,473,657	35,299,205
Total Receipts		15,919,269,272	11,148,857,931
Payment to Supplies and Other Services		(9,911,912,215)	(7,412,110,927)
Paid for Operating & Non-operating Expenses		(2,565,196,473)	(2,339,841,627)
Interest Expenses Paid		(246,507,569)	(223,101,314)
Income Tax Paid		(189,301,229)	(61,514,115)
Total Payments		(12,912,917,486)	(10,036,567,983)
Net Cash Generated (Used in) from Operating Activities		3,006,351,786	1,112,289,948
Cash Flows from Investing Activities:			
Purchase of Property, Plant & Equipment		(1,333,606,765)	(593,350,657)
Sales of Property, Plant & Equipment		7,260,000	8,735,400
Net Cash Generated (Used in) from Investing Activities		(1,326,346,765)	(584,615,257)
Cash Flows from Financing Activities:			
Long Term Loan Received/ (Repaid)		(2,675,959,956)	2,643,055,059
Short Term Bank Loan Received/ (Repaid)		594,564,806	1,397,654,487
Short Term Loan from/ (To) SQUARE Pharmaceuticals Ltd.		-	(3,397,290,511)
Short Term Loan from/ (To) SQUARE Texcom Ltd.		-	144,997,354
Payment of Dividend		(440,703,592)	(197,252,000)
Net Cash Generated (Used in) from Financing Activities		(2,522,098,742)	591,164,389
Increase/ (Decrease) in Cash & Cash Equivalents		(842,093,721)	1,118,839,080
Net effect of foreign currency translation		4,055,644	(4,026,613)
Opening Cash & Cash Equivalents		1,352,844,574	238,032,107
Closing Cash & Cash Equivalents		514,806,497	1,352,844,574
Net Operating Cash flows per Share	30	15.24	5.64

These financial statements should be read in conjunction with the annexed note.


Tapan Chowdhury
Chairman


Samuel S Chowdhury
Managing Director


Sanjib Baran Roy
Company Secretary

Signed in terms of our separate report of even date annexed

Date: October 24, 2022
Place: Dhaka

SQUARE TEXTILES LIMITED

NOTES TO THE FINANCIAL STATEMENT:

As at and for the year ended June 30, 2022

1. Establishment and Operations:

1.1 Legal Form of the Enterprises:

Square Textiles Limited (Here in after said as the company) was formed and incorporated with the Registrar of Joint Stock Companies and Firms in Bangladesh in 1994 under the Companies Act, 1913 (Now operating under Companies Act, 1994) as public company limited by shares. The company is listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in 2002.

1.2 Address of Registered office and factory of the company:

a) Registered Office: Square Centre 48, Mohakhali C/A, Dhaka -1212,

b) Factory Office:

i. Saradaganj, Kashimpur, Gazipur.

ii. Olipur, Habiganj, Sylhet.

1.3 Nature of Business:

The company owns Five (5) units of spinning mills, and a twisting mill. It's activities and operations are related with manufacturing and marketing of Yarns.

2. Summary of significant accounting policies and other material information:

2.1 Statement of Compliance:

The financial statements have been prepared in conformity with the provisions of the Companies Act 1994, The Securities and Exchanges Rules 1987, International Financial Reporting Standards and other relevant rules and regulations.

2.2 Basis of Preparation:

The financial statements have been prepared in accordance with the going concern principle and historical cost convention. The significant accounting policies are set out below.

2.3 Statement on Compliance of International Accounting Standards:

The following IASs and IFRSs are applicable for the financial statements for the year under review:

S/N	Name of the IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	Applied
3	Statement of Cash Flows	7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
5	Events after the reporting period	10	Applied
6	Construction Contracts	11	Replaced by IFRS 15
7	Income Taxes	12	Applied
8	Property, Plant and Equipment	16	Applied
9	Leases	17	Replaced by IFRS 16
10	Revenue	18	Replaced by IFRS 15
11	Employee Benefit	19	Applied

S/N	Name of the IAS	IAS No.	Status
12	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
13	The Effects of Changes in Foreign Exchange Rates	21	Applied
14	Borrowing Costs	23	Applied
15	Related Party Disclosures	24	Applied
16	Accounting and Reporting by Retirement Benefit Plans	26	Not Applicable
17	Separate Financial Statements	27	Applied
18	Investment In Associates and Joint Ventures	28	Not Applicable
19	Financial Reporting in Hyperinflationary Economics	29	Not Applicable
20	Financial Instruments: Presentation	32	Applied
21	Earnings per share	33	Applied
22	Interim Financial Reporting	34	Applied
23	Impairment of Assets	36	Applied
24	Provisions, Contingent Liabilities and Contingent Assets	37	Applied
25	Intangible Assets	38	Not Applicable
26	Financial Instruments: Recognition and Measurement	39	Replaced by IFRS 9
27	Investment Property	40	Not Applicable
28	Agriculture	41	Not Applicable

S/N	Name of the IFRS	IFRS No.	Status
1	First time adoption of International Financial Reporting Standards	1	Not Applicable
2	Shares based Payment	2	Not Applicable
3	Business Combinations	3	Not Applicable
4	Insurance Contract	4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	6	Not Applicable
7	Financial Instruments: Disclosure	7	Applied
8	Operating Segments	8	Not Applicable
9	Financial Instrument	9	Applied
10	Consolidated Financial Statements	10	Applied
11	Joint Arrangement	11	Not Applicable
12	Disclosure of Interest in other entities	12	Applied
13	Fair Value Measurement	13	Applied
14	Regulatory deferral accounts	14	Not Applicable
15	Revenue from Contracts with Customers	15	Applied
16	Leases	16	Applied

2.4 Going Concern:

As per IAS-1 a company is required to make assessment at the end of each year to assess its capability to continue as going concern. The management of the Company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while the financial statements have been prepared.

2.5 Accrual Basis:

The financial statements have been prepared, except cash flow information using the accrual basis of Accounting.

2.6 Structure Contents and Presentation of Financial Statements:

The presentation of the financial statements is in accordance with the guidelines provided by IAS-1:

“Presentation of Financial Statements”. A complete set of financial statements comprise:

- i) Statement of Financial Position as at June 30, 2022
- ii) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2022
- iii) Statement of Changes in Equity for the year ended June 30, 2022
- iv) Statement of Cash Flows for the year ended June 30, 2022 and
- v) Notes comprising a summary of significant accounting policies and other explanatory information to the Financial Statements for the year ended June 30, 2022.

2.7 Use of estimates and judgments:

The preparation of financial statements in conformity with 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. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that has the most significant effect on the amount recognized in the financial statements are income tax provision (both current and deferred tax), depreciation and gratuity provision.

2.8 Statement of Cash Flows:

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Direct Method as per the requirement of Securities and Exchange Rules 1987.

3.0 Property, Plant and Equipment:

As per IAS-16, Property, Plant and Equipment are stated at their historical cost less accumulated depreciation. No depreciation has been charged on the Freehold Land and on the Capital work in progress. Depreciation is charged on all other assets on straight-line method. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the assets are derecognized.

Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

Particulars	Useful Life (Years)
Factory Building and other Construction	20
Plant & Machinery	10-15
Laboratory & other Equipment	5-8
Furniture & Fixture	5-8
Motor Vehicles	5
Electrical Installation	5-8

3.1 Subsequent Costs:

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss.

3.2 Disposal of Fixed Assets:

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

3.3 Impairment of Asset:

The carrying values of all non-current assets are reviewed for impairment, either on a stand-alone basis or as part of a larger cash generating unit, when there is an indication that the assets might be impaired. Additionally, Goodwill, Intangible Assets with indefinite useful lives and Intangible Assets which are not yet available for use are tested for impairment annually. Any provision for impairment is charged to the profit or loss statement in the year concerned.

3.4 Capital Work in Progress:

Capital work in progress consists of cost incurred for acquisition of new plant and machinery, civil structure, factory shed for warehouse etc. which were not ready for use till reporting date.

3.5 Inventories:

As per IAS-2, Inventories comprises of Raw Materials, Raw Materials in transit, Packing Materials, Work in Progress, Finished Goods, Comber Noil, and Spare & Spare Parts in transit. Inventories are valued at the lower of cost and net realizable value. Cost comprises invoice value plus applicable handling charges. Net realizable value is based on estimated selling price less estimated cost to completion and selling expenses.

3.6 Employees' Benefit Scheme:

Provident Fund:

The company has established an approved contributory provident fund scheme. A board of trustees wholly administers the fund. No part of the fund is included in the asset of the group.

Gratuity Fund:

The company establish funded (defined contribution) Gratuity plan and it is approved by NBR.

Group Insurance:

The group has two group insurance schemes for its permanent employees, premium for which is being charged to statement of profit or loss and other comprehensive income.

Worker's Profit & Participation Fund:

The company makes a regular allocation of 5% on net profit before tax to these funds and payment is made to the worker's as per provision of Labor Law 2006 chapter-15.

3.7 Revenue Recognition:

As per IFRS-15, Revenue is recognized as control is passed, either over time or at a point in time an entity recognizes revenue over time if one of the following criteria is met: the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs; the entity's performance creates or enhances an asset that the customer controls as the asset is created; or the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Income refers to increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.

3.8 Other Income:

It is recognized on accrual basis.

3.9 Foreign Currency Transactions:

As per IAS-21 Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into BDT at the rate of exchange ruling at the date of Statement of Financial position.

3.10 Borrowing Costs:

As per IAS-23 Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

3.11 Advances, Deposits and Prepayments:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

3.12 Due to / Due from sister concerns:

These represent balance amounts due to /from sister concerns which are derived from short term loan.

3.13 Financial Instruments:

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

Receivables:

Trade Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad debt.

Payables:

Trade Payables are stated at their nominal value.

Due to / Due from related parties:

Due to /due from related parties are stated at their nominal value.

Investment in subsidiary:

This is initially stated at cost and subsequently at cost less impairment, if any.

Cash and Cash Equivalents:

Cash and cash equivalents comprises cash in hand, bank current accounts, other bank deposits free of encumbrance and having maturity dates of three months or less from respective dates of deposit.

Borrowings:

Interest bearing bank loans are recorded at the proceeds received net of direct issue costs. Finance charges are accounted for on an accrual basis.

Financial Risk Management:

The company has exposures to the following risks its use of financial statements:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers and investment securities. The Company's sales are made to renowned RMG Exporting Company. Sales made to the entity are fully secured by Letters of Credit issued by local scheduled banks.

Liquidity Risk:

Liquidity risk is the risk that the Company will unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In general, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment.

The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

Seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Market Risk:

Market Risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital Risk Management:

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Money Laundering:

The company considers prevention of money laundering risk not only as a compliance requirement imposed by the law of the country but also as one of its ethical business values.

3.14 Lease:

As per IFRS- 16, the entity has no lease. So, there will be no implication regarding IFRS 16 in this financial year.

3.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of Profit or Loss and other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted on date of Statement of Financial Position.

Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted by the date of Statement of Financial Position.

3.16 Contingent Liabilities and Assets:

Current or possible obligations or assets arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain events which are not within the control of the company.

3.17 Related Party Transaction:

The objective of Related Party Disclosure IAS 24 is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

The Company transacts with related parties and recognize as per IAS 24 'Related Party Disclosures'. Related party transactions have been disclosed under Note- 40.

3.18 Segment Reporting:

As per IFRS 8, as there is a single business and geographic segment within which the company operates as such no segment reporting is felt necessary.

3.19 Earnings Per Share:

As per IAS 33, Basis Earning per Share (EPS) has been computed dividing the earnings attributable to the weighted average number of the ordinary shares during the year.

3.20 Comparative Figure:

Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement. Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of current year's financial statements.

3.21 Financial Year:

For this year financial year means, July 01, 2021 to June 30, 2022.

3.22 Events after the Reporting Period:

As per IAS 10 "Events after the Reporting Period" are those events favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

3.23 General:

Figures have been rounded off to the nearest taka, as it the reporting currency of these financials.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
4. Property, Plant & Equipment:		
Details of Property, Plant & Equipment and Depreciation as at June 30, 2022 are shown in the annexed schedule-A. Depreciation for the year charged to Factory Overhead (Note-21.3). The break-up of the balances are depicted below:		
Fixed Assets at Cost		
Opening Balance	11,723,998,907	9,809,975,786
Addition during the Year	437,299,499	2,040,229,234
Adjustment for Sale/ Obsolete during the Year	(73,793,914)	(126,206,113)
Closing Balance(Cost)	12,087,504,492	11,723,998,907
Accumulated Depreciation		
Opening Balance	5,365,642,419	4,876,507,663
Charged during the Year	631,050,336	606,850,599
Adjustment for sale/Obsolete during the year	(70,575,678)	(117,715,843)
	5,926,117,077	5,365,642,419
Carrying Value	6,161,387,415	6,358,356,488
5. Capital Work In Progress:		
Opening Balance	47,534,280	1,494,412,857
Addition during the Year	937,960,385	43,849,400
Transfer to Property, Plant & Equipment	(41,653,119)	(1,490,727,977)
Closing Balance(Cost)	943,841,546	47,534,280
The Capital work in progress includes Plant and Machinery (Tk. 27,782,098), Civil Work (Tk. 9,130,887) and Other Assets (Tk. 4,740,134). This year it has been transferred to Non-current assets and ready for use.		
6. Investment- Long Term (At Cost):		
This represents investments in share of Square Texcom Ltd.		
Investment in share of Square Texcom Ltd. (4,330,502 shares of Tk. 100 each)	489,333,960	489,333,960
	489,333,960	489,333,960
Square Texcom Limited, a private limited company incorporated under Companies Act 1994. A subsidiary company of the company holding 99.88% shares.		
7. Inventories:		
Stocks of Materials		
Raw Materials	1,712,022,186	1,873,243,764
Raw Materials In Transit	35,902,690	47,287,238
Packing Materials	23,320,421	21,882,935
Work - In - Process	131,982,572	116,600,280
Finished Goods	140,133,748	133,626,258
	2,043,361,617	2,192,640,475
Stocks of Spares		
Spares at Store	195,047,766	228,074,240
Spares in Transit	4,932,914	2,828,598
	199,980,680	230,902,838
	2,243,342,297	2,423,543,313

The basis of valuation is stated in Note -3.5. of page no-95, carrying amount of inventories pledged as security.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
8. Trade Receivables:		
This represents invoice value of goods delivered to customer.		
Aging of the Trade Receivables is as follows:		
Below 60 days	1,808,414,323	1,957,487,545
Within 61-120 days	1,602,007,214	1,623,630,680
Above 120 days	827,832,320	906,856,150
	<u>4,238,253,857</u>	<u>4,487,974,375</u>
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 Receivables pledged as security.		
c) Trade Receivable is secured, considered as good and is falling due within one year.		
9. Advances, Deposits & Prepayments:		
This is made up of the followings:		
Advance		
Income Tax	189,301,230	61,514,114
Salary & PF Current account	75,000	3,861,272
Other Expenses	56,965,105	22,333,344
Suppliers & Contractor	80,213,644	64,622,496
	<u>326,554,979</u>	<u>152,331,226</u>
Deposits		
Security Deposit	100,314,962	95,496,962
Margin on Bank Guarantee	11,745,685	11,482,746
	<u>112,060,647</u>	<u>106,979,708</u>
	<u>438,615,626</u>	<u>259,310,934</u>
(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) There was no amount was due by the associated undertaking.		
(c) The advances & deposits considered good & recoverable.		
10. Cash & Cash Equivalents:		
Cash in hand	10,390,880	6,738,435
Cash at Bank (Note-10.1)	504,415,617	338,939,472
Fixed Deposit Receipt (Note-10.2)	-	1,007,166,667
	<u>514,806,497</u>	<u>1,352,844,574</u>
10.1 Cash at Bank		
Standard Chartered Bank	264,684,655	182,341,182
HSBC	128,360,893	84,886,696
Prime Bank Limited	83,041,657	41,247,907
The City Bank Limited	69,854	1,978,464
Commercial Bank of Ceylon	85,026	11,426
Bank Al-Falah	391,212	736,081
Janata Bank Limited	17,600,831	20,655,130
Mutual Trust Bank Limited	7,729,181	3,620,475
Dutch Bangla Bank Limited	653,010	2,157,390
Pubali Bank Limited	1,799,298	1,304,721
	<u>504,415,617</u>	<u>338,939,472</u>
10.2 Fixed Deposit Receipt- Janata Bank Limited	-	1,007,166,667
	-	<u>1,007,166,667</u>

Foreign currency account balances have been converted to Taka at the ruling rate at the reporting date.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
11. Share Capital:		
This is made up of the followings:		
Authorized:	3,000,000,000	3,000,000,000
300,000,000 Ordinary Shares of Tk. 10.00 each		
Issued, Subscribed and Paid up:		
(197,252,000 Ordinary Shares of Tk. 10.00 each fully Paid up)	1,972,520,000	1,972,520,000
	1,972,520,000	1,972,520,000
Details of Share Capital are shown in the annexed schedule-B.		
12. Retained Earnings:		
Opening Balance	5,333,141,916	4,908,759,862
Add: Net income during the Year	1,806,304,596	621,634,054
Less: Cash Dividend paid during the Year	(394,504,000)	(197,252,000)
	6,744,942,512	5,333,141,916
13. Long Term Borrowings:		
Standard Chartered Bank	400,000,000	1,710,000,000
HSBC	250,000,000	1,500,000,000
Infrastructure Development Company Ltd. (IDCOL)	-	115,959,956
Less: Current Portion of Long Term Borrowings	(346,666,668)	(682,904,897)
	303,333,332	2,643,055,059
These long term loans are secured against hypothecation of Stock, Trade Receivables and Plant & Machinery.		
14. Deferred Tax Liability:		
Opening Balance	262,685,123	214,694,410
Deferred Tax Expenses/ (Income)	13,612,356	47,990,713
	276,297,479	262,685,123
This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create 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	5,485,392,598	5,682,361,671
Less: Tax Base Carrying Value	(3,643,409,408)	(3,931,127,520)
Taxable Temporary Difference	1,841,983,190	1,751,234,151
Tax Rate	15.00%	15.00%
Closing Deferred Tax Liability	276,297,479	262,685,123
Less: Opening Deferred Tax Liability	(262,685,123)	(214,694,410)
Deferred Tax Expense/ (Income)	13,612,356	47,990,713
15. Short Term Bank Loan (Secured):		
Revolving Loan	-	1,250,000,000
EDF & UPAS	4,822,002,921	2,977,438,115
Current Portion of Long Term Borrowings	346,666,668	682,904,897
	5,168,669,589	4,910,343,012

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

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
16. Creditors & Other Payables:		
Provision for Audit Fees	575,000	575,000
Provision for Utility Bills	60,025,469	55,455,224
Provision for Salary & Allowances	7,798,549	5,715,101
Others	7,275,928	9,154,560
	75,674,946	70,899,885
<p>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.</p>		
17. Liabilities for Others Finance:		
PF, WPPF & Other Fund	107,403,927	42,775,585
Provision for Gratuity (Note: 17.01)	-	-
Others	33,257,809	38,136,108
	140,661,736	80,911,693
17.1. Provision for Gratuity:		
Opening Balance	-	32,869,815
Provision made for the year	34,864,212	83,461,789
Payment made during the year	(34,864,212)	(116,331,604)
	-	-
18. Unclaimed Dividend:		
Opening Balance	54,851,342	53,581,472
Addition During The Year	394,504,000	197,252,000
Payment During The Year	(440,703,592)	(195,982,130)
	8,651,750	54,851,342
19. Provision for Income Tax:		
Opening Balance	90,489,894	83,321,634
Adjustment with Advance Tax during the Year	(61,514,113)	(56,305,125)
Provision made for the period (Note: 19.01)	309,854,073	63,473,385
	338,829,854	90,489,894
19.1 Provision made for the Year		
A) Net Current Tax Liability on Profit Basis	309,854,073	63,434,674
B) Tax Liability on Sales Revenue Basis	62,497,210	47,698,819
C) Advance Income Tax (Source Tax) Paid Under ITO-1984	89,301,229	61,514,114
Higher Amount of Tax Under Above Calculation (A:B:C)	309,854,073	63,434,674
Add/ Less: Short/ (Excess) provision for Prior period	-	38,711
Income Tax Provision for the Year	309,854,073	63,473,385

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
A) Net Current Tax Liability on Profit Basis:		
Profit Before Tax	2,129,771,025	733,098,152
Less: Non-Operating Income	(53,343,676)	(19,475,519)
Net Operating Income Before Tax	2,076,427,349	713,622,633
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	311,464,102	107,043,395
Add: Tax Liability on Non-Operating Income	12,002,327	4,381,992
Total Tax Liability on Profit	323,466,429	111,425,387
Less: Deferred Tax Expenses (Income)	13,612,356	47,990,713
Net Current Tax Liability on Profit Basis	309,854,073	63,434,674
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	0.40%	0.40%
(0.60%/22.50%*15%) Sales Revenue	15,624,302,486	11,924,704,664
Minimum Tax Amount on Sales Revenue	62,497,210	47,698,819
C) Advance Income Tax (Source Tax) Paid Under ITO-1984:	89,301,229	61,514,114
<p>Since the applicable tax on Profit before tax (Tk. 309,854,073) is higher than the minimum Tax on Revenue under ITO-1984 (Tk. 62,497,210) and source tax deducted under Income Tax Ordinance 1984 (Tk. 89,301,229), so the higher is provided as Tax Expense for the period ended June 30, 2022.</p>		
Calculation of Effective Tax Rate:		
Current Income Tax Expenses	309,854,073	63,473,385
Deferred Tax Expenses/ (Income)	13,612,356	47,990,713
Total Tax Expenses	323,466,429	111,464,098
Effective Tax Rate (Tax Expenses / Profit Before Tax)	15.19%	15.20%
20. Sales Revenue:		
In Quantity (KG)		
Opening Stock	622,050	1,274,872
Production during the Year	44,723,006	42,831,924
Available for Sale	Kg. 45,345,056	44,106,796
Closing Stock	(526,011)	(622,050)
Sales during the year	Kg. 44,819,045	43,484,746
(To be accounted for as follows)		
Sales Accounted as follows:		
In Quantities (KG)		
Export Sale of Yarns	44,819,045	43,484,746
	Kg. 44,819,045	43,484,746
In Taka		
Export Sale of Yarns	15,624,302,486	11,924,704,664
	Tk. 15,624,302,486	11,924,704,664

Notes
Standalone

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
21. Cost of Goods Sold:		
Raw Materials Consumed (Note-21.1)	9,944,420,301	7,660,971,035
Packing Materials Consumed (Note-21.2)	143,435,615	119,096,305
Factory Overhead (Note- 21.3)	2,864,544,332	2,647,700,336
Cost of Goods Manufacturing	12,952,400,248	10,427,767,676
Work-In-Process (Opening)	116,600,280	104,774,292
Work-In-Process (Closing)	(131,982,572)	(116,600,280)
Cost of Production	12,937,017,956	10,415,941,688
Finished Goods (Opening)	133,626,258	306,671,712
Finished Goods (Closing)	(140,133,748)	(133,626,258)
Cost of Goods Sold	12,930,510,466	10,588,987,142
21.1. Raw Materials Consumed:		
In Quantity (KG)		
Opening Stock	12,317,297	15,486,372
Purchase during the year	48,409,392	43,023,361
Raw Materials Available for Consumption	60,726,689	58,509,733
Closing Stock	(11,869,482)	(12,317,297)
Raw Materials Consumed	48,857,207	46,192,436
In Taka		
Opening Stock	1,873,243,764	2,243,666,211
Purchase during the year	9,783,198,723	7,290,548,588
Raw Materials Available for Consumption	11,656,442,487	9,534,214,799
Closing Stock	(1,712,022,186)	(1,873,243,764)
Raw Materials Consumed	9,944,420,301	7,660,971,035
Consumption Ratio on Purchase	101.65%	105.08%
21.2. Packing Materials Consumed:		
Opening Stock	21,882,935	14,937,386
Purchase during the year	144,873,101	126,041,854
Available for Consumption	166,756,036	140,979,240
Closing Stock	(23,320,421)	(21,882,935)
Packing Materials Consumed	143,435,615	119,096,305
Consumption Ratio on Purchase	99.01%	94.49%

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
21.3. Factory Overhead:		
Factory Wages, Salary & Allowances	914,626,427	858,317,492
Travelling & Conveyance	179,161	127,418
Overseas Travelling	1,099,699	-
Recruitment & Training Expenses	53,137	57,834
Printing Expenses	408,326	337,679
Stationery Expenses	1,568,936	1,400,956
Software & Hardware Support Expenses	2,845,308	2,291,673
Production Workers' Free Lunch	4,641,101	4,018,992
Uniform & Liveries	428,519	418,486
Fuel, Petrol, Light, Diesel etc.	112,449,818	96,078,221
Electricity, Gas & Water	827,733,161	754,481,010
Factory Consumable Expense	52,972,895	43,546,572
Medical Expenses	1,812,947	2,059,165
Repairs & Maintenance of Vehicles	18,835,328	15,607,287
Papers, Books and Periodicals	10,320	25,550
Industrial All Risk Insurance Premium	17,088,230	15,642,835
Postage, Telephone, Fax & Telex	411,052	486,861
Govt. Tax, VAT & License Fees	11,303,151	500,225
Security Services	19,958,720	20,018,562
Spare Parts - Machinery	243,822,202	224,258,309
Group Insurance	1,245,558	1,174,610
Depreciation (Schedule-A)	631,050,336	606,850,599
	2,864,544,332	2,647,700,336
22. Administrative Overhead:		
Salary and Allowances	125,313,683	121,946,541
Directors' Remuneration	55,252,500	48,000,000
Independent Directors' Honorarium	600,000	600,000
Travelling & Conveyance	843,780	659,082
Overseas Travelling	9,966,219	6,142,817
Recruitment & Training Expenses	639,897	76,146
Head Office Employees' Free Lunch	2,417,387	2,136,448
Uniform & Liveries	144,750	84,870
Printing Expenses	153,349	325,601
Stationery Expenses	470,961	345,378
Software & Hardware Support Expenses	2,578,485	2,081,781
Postage, Telephone, Fax & Telex	390,772	507,017
Electricity, Gas & Water	3,139,743	3,046,418
Office Consumable Expense	1,996,078	1,613,062
Rental Expenses	14,486,116	14,104,313
Vehicles Running & Maintenance	9,057,588	8,161,473
Medical Expenses	1,263,970	351,080
Group Insurance	440,865	385,210
Bank Charges & Commission	7,681,930	3,462,454
Fees & Subscription	6,941,812	6,660,837
Security Service	431,343	593,267
Govt. Tax, Stamp Duty & Licence Fees	1,458,816	1,135,438
Annual General Meeting Expenses	1,324,067	1,163,986
Audit Fees	741,750	652,050
	247,735,861	224,235,269

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
a) Audit Fees represent auditors' remuneration for audit during the year.		
b) The Rental Expenses incurred to use two floor spaces for office with two "one-year cancellable" (both parties three months notice period) contracts. The Contracts don't offer any buying option or any assurance of post use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (Shorter contact tenor and small amount of rental expenses) the rental agreements not considered as finance lease.		
c) Directors' Remuneration is not included the Member Director of "Audit Committee" and "Nomination & Remuneration Committee"		
23. Selling & Distribution Overhead:		
Export Sale Expenses	16,210,148	12,400,380
Loading & Unloading	5,300,841	4,639,077
	<u>21,510,989</u>	<u>17,039,457</u>
24. Finance Cost:		
Interest on Deferred LC Loan	61,094,393	51,477,459
Interest on Loan ag. Export Bill Discount	10,518	2,512,455
Interest on OD	111,332	116,398
Interest on Short Term Loan	14,605,555	88,026,367
Interest on Long Term Loan	165,807,472	82,318,459
Interest on Sister Concerns	-	119,714,117
	<u>241,629,270</u>	<u>344,165,255</u>
Interest expenses is derived from short-term loan and is recognized on an accrual basis. The finance cost includes no interest on any sort of borrowing from directors including managing director and managers.		
25. Non-Operating Income:		
Interest Income	23,145,852	12,700,120
Forfeited Provident Fund	3,327,805	27,593,156
Gain/ (Loss) on Disposal of Assets	4,041,764	245,130
Foreign Exchange Rate Fluctuation Gain/ (Loss)	22,828,255	(21,062,887)
	<u>53,343,676</u>	<u>19,475,519</u>
26. Allocation for W.P.P.F & W.F:	<u>106,488,551</u>	<u>36,654,908</u>
	<u>106,488,551</u>	<u>36,654,908</u>
This represents 5% of Net Income before Tax after charging the allocation as per provisions of the Companies Profit under Labour Law 2006, amended in 2016.		
27. Income Tax Expenses:	309,854,073	63,473,385
	<u>309,854,073</u>	<u>63,473,385</u>
This represents estimated Income Tax on Net Income for the Year and adjustment any short/excess provision for prior years.		
28. Earnings Per Share (EPS):		
Earning attributable to Ordinary Shares including other income	1,806,304,596	621,634,054
Number of Ordinary shares	197,252,000	197,252,000
Earnings Per Share	<u>9.16</u>	<u>3.15</u>

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
29. Net Asset Value (NAV) Per Share:		
Equity Attributable to the Owners of the Company	8,717,462,512	7,305,661,916
Number of Ordinary shares	197,252,000	197,252,000
Net Asset Value (NAV) Per Share	44.19	37.04
30. Net Operating Cash flows per Share (NOCFPS):		
Net Cash Generated (Used in) from Operating Activities	3,006,351,786	1,112,289,948
Number of Ordinary Shares	197,252,000	197,252,000
Net Operating Cash flows per Share (NOCFPS)	15.24	5.64
31. Reconciliation of Net Profit with Cash Flows from Operating Activities:		
Profit After Tax	1,806,304,596	621,634,054
Adjustment to reconcile net profit to net cash provided by operating activities :		
Non-cash Expenses:	640,607,048	658,867,925
Depreciation	631,050,336	606,850,599
Deferred Tax	13,612,356	47,990,713
Net effect of foreign currency translation	(4,055,644)	4,026,613
Non-Operating Items:	(4,041,764)	114,474,916
Interest Expenses/ (Income) on Sister Company Loan	-	114,720,046
Gain/ (Loss) on Disposal of Assets	(4,041,764)	(245,130)
Changes in working Capital:	563,481,906	(282,686,947)
(Increase)/Decrease in Inventories	180,201,016	523,338,401
(Increase)/Decrease in Trade Receivable	249,720,518	(794,109,664)
(Increase)/Decrease in Advances, Deposits & Prepayments	(179,304,692)	(5,270,025)
Increase/(Decrease) in Creditors & Other Payables	4,775,061	(7,489,599)
Increase/(Decrease) in Liabilities for Others Finance	59,750,043	(6,324,320)
Increase/(Decrease) in Income Tax Payable	248,339,960	7,168,260
Net Cash Generated (Used in) from Operating Activities	3,006,351,786	1,112,289,948
32. Number of Employees:		
The Number of employees and expenses incurred for employees during the year as follows:		
No. of Employees:		
Below Tk. 71,880.00 p.a	-	-
Tk. 71,880.00 and Above	4,551	4,476
	4,551	4,476
Amount in Taka		
Below Tk. 71,880.00 p.a	-	-
Tk. 71,880.00 and Above	1,039,940,110	980,264,033
	1,039,940,110	980,264,033

There is no Salary/Wages/Remuneration below Tk.5,990/- per month with w.e.f May-2018.

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
33. 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	111,782,161	109,093,018
Post Employment Benefits	19,175,934	18,517,445
Other Long Term Benefits	-	-
Termination Benefits	-	-
Share Based Payment	-	-
34. Capital Expenditure Commitment:		
Contract for capital expenditure are being executed by the Contractors and running bills are accounted for but the unfinished contracts has not been reflected in this Financial Statements.		
35. Claim Acknowledgement:		
There was no claim against the Company not acknowledged as debt as on June 30, 2022.		
36. Contingent Liability:		
Contingent liabilities at the Statement of Financial Position date are as follows;		
36. 1. Guarantee Issued by Bank in favor of Vendor (Utility, Insurance etc):		
Standard Chartered Bank	7,582,032	7,582,032
HSBC	4,011,670	769,770
Prime Bank Limited	142,398,668	136,020,468
Bank Al-falah	17,409,336	17,409,336
	<u>171,401,706</u>	<u>161,781,606</u>
36. 2. Contingent Liability under Import LC:		
Standard Chartered Bank	194,835,854	475,977,317
HSBC Bank	2,641,131,334	437,235,697
Prime Bank	151,915,221	222,944,143
	<u>2,987,882,409</u>	<u>1,136,157,157</u>
37. Production Capacity and Utilization:		
Capacity Installed (In Qty):		
No. of Spindles Installed	129,262	125,878
No. of Rotor Heads Installed	5,192	4,792
No. of Vortex Heads Installed	3,168	2,784
Capacity Utilised (In Qty):		
No. of Spindles Operated	129,262	125,878
No. of Rotor Heads Operated	5,192	4,792
No. of Vortex Heads Operated	3,168	2,784
Production Target (In Kg):		
-At Equivalent 30s Count (Ring Yarn)	19,470,638	19,343,617
- At Equivalent 14s Count (O/E Yarn)	10,984,367	10,741,362
- At Equivalent 30s Count (Vortex Yarn)	10,533,644	10,426,317
	<u>40,988,649</u>	<u>40,511,296</u>

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
Actual Production (In Kg):		
-At Equivalent 30s Count (Ring Yarn)	19,043,265	19,008,553
- At Equivalent 14s Count (O/E Yarn)	10,644,031	10,521,594
- At Equivalent 30s Count (Vortex Yarn)	10,210,973	10,228,368
	39,898,269	39,758,515

a) During the last few years we had to face hard competition in the national & international market. To cope with the situation we have adopted multiple product mix to attain high margin as strategy of value addition through product differentiation. Hence, we have restated the production capacity installation criterion and actual production quantity to make them (The production data) equivalent & comparable.

38. Dividend Paid to the Shareholders:

During the year under review total cash dividend amounting to Tk. 394,504,000 has been paid to the shareholders.

39. Credit Facility:

There was no credit facility available to the Company under any contract other than bank credit facility and trade credit available in the ordinary course of business.

40. 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.

Transaction with Square Pharmaceuticals Ltd. (SPL):

Opening Balance	-	(3,277,576,394)
Total Received	-	(1,269,870,456)
Total Paid	-	4,547,446,850
Closing Balance- Receivable/ (Payable)	-	-

Transaction with Square Texcom Ltd. (STCL):

Opening Balance	-	140,003,283
Total Paid	-	231,382,648
Total Received	-	(371,385,931)
Closing Balance- Receivable/ (Payable)	-	-

Transaction with Aegis Services Ltd. (ASL):

Opening Balance	-	-
Total Service Received	(20,788,466)	(25,249,654)
Total Paid	20,788,466	25,249,654
Closing Balance- Receivable/ (Payable)	-	-

Transaction with Square Informatix Ltd. (SIL):

Opening Balance	(76,188)	-
Total Service Received	(10,435,577)	(4,932,361)
Total Paid	10,435,577	4,856,173
Closing Balance- Receivable/ (Payable)	(76,188)	(76,188)

Particulars	June 30, 2022	June 30, 2021
	Taka	Taka
Transaction with Square Hospitals Ltd. (SHL):		
Opening Balance	-	201,937
Total Service Received	(2,478,491)	(2,165,249)
Total Paid	2,478,491	2,367,186
Closing Balance- Receivable/ (Payable)	-	-
Transaction with Square Fashions Ltd. (SFL):		
Opening Balance	421,918,019	330,135,734
Total Goods Delivered	987,532,883	1,137,177,863
Total Received	(1,202,587,763)	(1,045,395,578)
Closing Balance- Receivable/ (Payable)	206,863,139	421,918,019
Transaction with Square Denims Ltd. (SDL):		
Opening Balance	375,470,516	157,466,237
Total Goods Delivered	1,011,286,841	834,624,758
Total Received	(1,206,009,226)	(616,620,479)
Closing Balance- Receivable/ (Payable)	180,748,131	375,470,516
Transaction with Square Apparels Ltd. (SAPL):		
Opening Balance	149,736,737	239,108,927
Total Goods Delivered	404,390,036	373,577,069
Total Received	(468,717,410)	(462,949,259)
Closing Balance- Receivable/ (Payable)	85,409,363	149,736,737

41. Events after the Reporting period

- 41.1** The Board of Directors in it's meeting held on October 20, 2022 approved the financial statements for the year ended June 30, 2022. The Board of Directors also authorised the same for issue.
- 41.2** The Board of Directors of SQUARE TEXTILES LIMITED as it's 27th board meeting held on October 20, 2022 has recommended @ 35.00% cash dividend {i.e. Tk. 3.50 (Tk three and fifty paisa) per share} for the year ended June 30, 2022. These dividends are subject to the approval by the shareholders at the forthcoming Annual General Meeting of the company. The total amount of Proposed Cash Dividend for the year 2021-22 is calculated at Tk. 690,382,000.00
- 41.3** Except above no other significant event occurred till the date of signing the financial statements.

SQUARE TEXTILES LIMITED

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As on June 30, 2022

Schedule-A

Amount in Taka

Particulars	Cost			Depreciation			W.D.V As At 30th June-2022	
	At 01st July 2021	During the Period		At 01st July 2021	During the Period			At 30th June-2022
		Additions	Sales/ Obsolete		Charged	Adjustments		
Land & Land Development	675,994,817	-	-	-	-	-	675,994,817	
Building-Factory & Utility	1,356,865,895	-	-	515,973,207	59,871,843	-	781,020,845	
Building-Others	379,562,365	-	-	234,973,180	15,973,295	-	128,615,890	
Sheds	16,146,112	6,200,000	-	16,114,072	211,660	-	6,020,380	
Plant & Machinery	8,454,012,335	374,874,429	(54,977,592)	4,113,737,198	471,965,387	(52,616,700)	4,240,823,287	
Laboratory Equipment	61,646,948	555,291	-	62,202,239	8,222,249	-	44,128,192	
Electrical Installation	407,640,351	2,800,000	-	233,074,082	38,560,236	-	138,806,033	
Gas Line Installation	43,678,531	-	-	28,551,700	2,087,291	-	13,039,540	
Motor Vehicles	175,719,239	50,628,213	(18,706,461)	130,772,551	21,904,178	(17,849,117)	72,813,379	
Office Equipment	24,376,803	517,242	-	16,343,544	1,907,856	-	6,642,645	
Furniture & Fixture	15,695,357	184,385	(11,025)	14,464,392	379,784	(11,025)	1,035,566	
Computer	4,362,773	-	-	4,082,211	141,467	-	139,095	
Hardware & Software	2,300,000	-	-	711,904	328,571	-	1,259,525	
Boundary Wall	50,166,123	1,254,703	-	22,811,117	2,781,172	-	25,828,537	
Deep Tube-Well	2,730,800	-	-	2,684,106	7,296	-	39,398	
Safety & Security Equipment	2,243,507	-	-	1,703,011	252,779	-	287,717	
Communication and Network Equipment	7,007,669	-	-	5,078,720	571,712	-	1,357,237	
Other Assets	43,849,282	285,236	(98,836)	14,715,626	5,883,560	(98,836)	23,535,332	
As at June 30, 2022	11,723,998,907	437,299,499	(73,793,914)	12,087,504,492	631,050,336	(70,575,678)	6,161,387,415	
As at June 30, 2021	9,809,975,786	2,040,229,234	(126,206,113)	11,723,998,907	606,850,599	(117,715,843)	6,358,356,488	

Notes Standalone

SQUARE TEXTILES LIMITED

Schedule of Share Capital

As on June 30, 2022

Position of shareholding of ordinary shares as on June 30, 2022

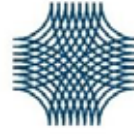
Schedule-B

Sl. No.	Particulars	2021-2022		2020-2021	
		Number of Shares	%	Number of Shares	%
1	Sponsor	121,959,707	61.83	121,959,707	61.83
2	Foreign Investors	6,103,232	3.09	6,144,232	3.12
3	Financial and other Institutions	44,762,150	22.69	46,158,417	23.40
4	General Public	24,426,911	12.39	22,989,644	11.65
	Total -	197,252,000	100.00	197,252,000	100.00

Distribution schedule of each class of equity security setting out the number of holders and percentage as on June 30, 2022

Sl. No.	Range of Holdings	As per Folio		As per BO ID			Total Share Holding	%
		No. of holders	Holdings	No. of holders	Holdings	%		
1	Less than 500 shares	3485	294,212	7309	890,986	1,185,198	0.60	
2	501 to 5,000 shares	253	290,937	3049	4,947,374	5,238,311	2.66	
3	5001 to 10,000 shares	7	49,127	328	2,433,135	2,482,262	1.26	
4	10,001 to 20,000 shares	4	58,452	206	3,103,269	3,161,721	1.60	
5	20,001 to 30,000 shares	2	54,478	56	1,356,593	1,411,071	0.72	
6	30,001 to 40,000 shares	2	65,762	30	1,065,226	1,130,988	0.57	
7	40,001 to 50,000 shares	3	140,791	26	1,194,838	1,335,629	0.68	
8	50,001 to 100,000 shares	3	228,360	31	2,380,407	2,608,767	1.32	
9	100,001 to 1,000,000 shares	5	2,430,515	54	17,441,023	19,871,538	10.07	
10	Over 1,000,000 shares	9	63,128,875	10	95,697,640	158,826,515	80.52	
	Total	3,773	66,741,509	11,099	130,510,491	197,252,000	100.00	

Notes
Standalone









Square Texcom Ltd.

FINANCIAL STATEMENT

Year Ended June, 2022

Subsidiary

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 Statement of Profit or Loss and other Comprehensive Income	- 119
 Statement of Changes in Equity	- 120
 Statement of Cash Flows	- 121

DIRECTORS' REPORT

to the Members

I have the pleasure on behalf of the Board of Directors submitting to you its Report along with its audited accounts containing the Statement of Financial Position as of June 30, 2022, Statement of Profit or loss and other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2022, and the Auditors Report thereon in terms of the provisions of section 184 of the Companies Act 1994 and IAS codes:

OPERATIONAL RESULTS

The operational performance during the years 2021-2022, along with a comparison with 2020-2021, is as follows:

Particulars	In million	
	2021-22	2020-21
Turnover	1,807.95	1,368.86
Gross Profit	222.34	99.02
Net Profit (AT)	152.43	50.29
Gross Margin	12.30%	7.23%
Net Margin (AT)	8.43%	3.67%
Earning Per Shares	35.16	11.60
Par value Tk. 100		

The above reveals that the Turnover and Gross Profit and Net Profit (AT) increased by 32.08%, 124.53% and 203.13% respectively during year under review.

The financial result of the Company for the year 2021-2022 depicts a significant increase due to the selling price of yarn jumped up to meet increased demand in the RMG sector in both the local and international markets.

MARKET OPERATIONS

Similar to the Square Textiles Limited, Square Texcom Limited has been also based on exports at 100%. This is in line with the group's policy of export production in the greater interest of the Company.

SHAREHOLDING

The Company has issued a total of 43,35,502 share of Tk. 100 each. The present shareholding pattern of the company is as follows:

Name of the Shareholders	Shareholding (shares)	(%)
Mr. Samuel S Chowdhury	1,166	0.03
Mr. Tapan Chowdhury	1,166	0.03
Mr. Anjan Chowdhury	1,166	0.03
Mrs. Ratna Patra	1,166	0.03
Mrs. Anita Chowdhury	336	0.01
M/s Square Textiles Ltd.	43,30,502	99.87
Total -	43,35,502	100.00

On the basis of the above shareholdings, Square Texcom Ltd. has the status of a subsidiary of Square Textiles Limited.

BOARD OF DIRECTORS

The following persons are the Members of the Board of Directors of the Company:

Mr. Samuel S Chowdhury	Chairman
Mrs. Ratna Patra	Vice-Chairman
Mr. Anjan Chowdhury	Managing Director
Mr. Tapan Chowdhury	Director
Mrs. Nihad Kabir	Director
(Nominee of Square Textiles Ltd.)	

CAPITAL EXPENDITURE

A contract for capital expenditure is being executed by the Contractors and running bills are accounted for but the unfinished contracts have not been reflected in this Financial Statements.

APPROPRIATION OF PROFIT

The Board of Directors decided to transfer the entire profit to the General Reserve for ploughing back in the long-term interest of the shareholders. As such the Board of Directors did not recommend for declaration of any dividend for the year 2021-2022.

FINANCIAL POSITION

The Statement of Financial Position as on 30 June, 2022, Statement of Profit or Loss and other Comprehensive Income, Change in Equity and Cash Flows ended at 30 June, 2022 are place herewith.

APPOINTMENT OF AUDITORS

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants', Auditors of the Company, retire at this Annual General Meeting and being eligible have offer themselves for appointment as Auditors for the year 2022-2023 and re-fixation of their remuneration.

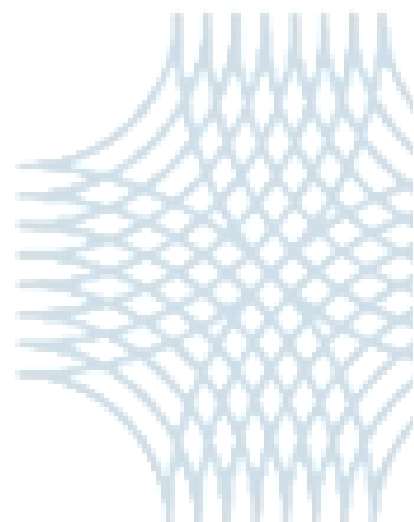
ACKNOWLEDGEMENT

The Board of Directors thankfully acknowledge the devotion and dedication of all the workers, employees and officers without which the Company's operation could not have attained the successes as reported above.

The Board also record with appreciation the support, service and co-operation rendered by all concerned.



Samuel S Chowdhury
Chairman



চৌধুরী ভট্টাচার্য্য এন্ড কোং

CHOWDHURY BHATTACHARJEE & CO.

CHARTERED ACCOUNTANTS

DHAKA OFFICE : 47/2, Indira Road, Dhaka-1215

Ph : 9123236, Fax : 8802-8120187

CTG. OFFICE : 922, Jubilee Road, Ctg.-4000

Ph : 031-614907 (O) 624228 (R)

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS' OF SQUARE TEXCOM LIMITED

Opinion

We have audited the accompanying Financial Statements of Square Texcom Limited, which comprises the Statement of Financial Position as at 30 June, 2022 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.

In our opinion, the Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of the state of the company's affairs as at 30 June, 2022 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

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 the ethical requirements that are relevant to our audit of the Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

চৌধুরী ভট্টাচার্য এন্ড কোং
CHOWDHURY BHATTACHARJEE & CO.
CHARTERED ACCOUNTANTS

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

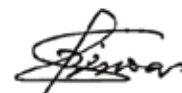
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidences that is sufficient and appropriate to provide a basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidences 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 evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Further to our opinion in the above paragraph, we state that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of account as required by law have been kept by "Square Texcom Limited" so far as it appeared from our examination of those books;
- (iii) The Company's Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account; and
- (iv) The expenditure incurred was for the purpose of the Company's business.

October 19, 2022
Place: Dhaka



Saptam Biswas, FCA

Partner, Chowdhury Bhattacharjee & Co.
(Chartered Accountants)

Enrollment No: 1615
DVC: 2210191615AS937388

SQUARE TEXCOM LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2022

Particulars	30 June, 2022	30 June, 2021
	Taka	Taka
ASSETS		
Non Current Assets :	938,373,764	602,038,777
Property, Plant and Equipment - Carrying Value	547,656,012	601,093,791
Capital Work in Progress	390,717,752	944,986
Current Assets :	745,505,311	673,942,266
Inventories	228,124,180	241,146,303
Trade Receivable	355,261,759	320,341,257
Advances, Deposits and Prepayments	35,949,708	25,992,219
Cash and Cash Equivalents	126,169,664	86,462,487
TOTAL ASSETS	1,683,879,075	1,275,981,043
SHAREHOLDERS EQUITY AND LIABILITIES		
Share Holders Equity :	927,012,893	774,578,136
Share Capital	433,550,200	433,550,200
Retained Earnings	493,462,693	341,027,936
Non-Current Liabilities :	44,235,959	47,379,277
Deferred Tax Liability	44,235,959	47,379,277
Current Liabilities and Provisions :	712,630,223	454,023,630
Short Term Bank Loan (Secured)	657,970,107	414,826,453
Creditors and Other Payables	9,225,152	8,192,100
Liabilities for Others Finance	12,749,814	20,225,607
Provision for Income Tax	32,685,150	10,779,470
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,683,879,075	1,275,981,043
Net Assets Value Per Share	213.82	178.66



Anjan Chowdhury
Managing Director



Tapan Chowdhury
Director



Md. Kabir Reza
Executive Director(A&F)
and Company Secretary



Saptam Biswas, FCA

Partner, Chowdhury Bhattacharjee & Co.
(Chartered Accountants)

Enrollment No: 1615
DVC: 2210191615AS937388

October 19, 2022
Dhaka

SQUARE TEXCOM LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE, 2022

Particulars	July - June	July - June
	2021-22	2020-21
	Taka	Taka
Sales Revenue	1,807,946,277	1,368,864,916
Cost of Goods Sold	(1,585,608,670)	(1,269,842,295)
Gross Profit	222,337,607	99,022,621
Administrative Overhead	(24,365,177)	(23,835,842)
Selling and Distribution Overhead	(3,669,285)	(2,865,876)
Profit from Operations	194,303,145	72,320,903
Finance Cost	(8,763,829)	(11,072,681)
Non-Operating Income	3,390,725	1,068,190
Profit before W.P.P.F and W.F	188,930,041	62,316,412
Allocation for W.P.P.F and W.F	(8,996,669)	(2,967,448)
Profit before Tax	179,933,372	59,348,964
Income Tax Expenses (Current)	(30,641,933)	(7,556,647)
Income Tax (Expenses) /Deferred	3,143,318	(1,505,926)
Net Profit After Tax For The Year	152,434,757	50,286,391
(Transferred to the Statement of Changes in Equity)		
Earnings Per Share (EPS)	35.16	11.60



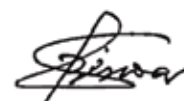
Anjan Chowdhury
Managing Director



Tapan Chowdhury
Director



Md. Kabir Reza
Executive Director (A&F)
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Saptam Biswas, FCA
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October 19, 2022
Dhaka

SQUARE TEXCOM LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE, 2022

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at 01 July, 2021	433,550,200	341,027,936	774,578,136
Net Profit for the Year Ended 30 June, 2022	-	152,434,757	152,434,757
Balance as at 30 June, 2022	433,550,200	493,462,693	927,012,893

FOR THE YEAR ENDED 30 JUNE, 2021

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as at 01 July, 2020	433,550,200	290,741,545	724,291,745
Net Profit for the Year Ended 30 June, 2021	-	50,286,391	50,286,391
Balance as at 30 June, 2021	433,550,200	341,027,936	774,578,136



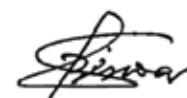
Anjan Chowdhury
Managing Director



Tapan Chowdhury
Director



Md. Kabir Reza
Executive Director(A&F)
and Company Secretary



Saptam Biswas, FCA
Partner, Chowdhury Bhattacharjee & Co.
(Chartered Accountants)
Enrollment No: 1615
DVC: 2210191615AS937388

October 19, 2022
Dhaka

SQUARE TEXCOM LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2022

Particulars	July-June 2021-2022	July-June 2020-2021
	Taka	Taka
Cash Flows from Operating Activities:		
Receipts from Sales Revenue	1,773,025,775	1,360,849,808
Exchange Fluctuation Gain/(Loss)-Realization from Transaction	12,054,209	(442,292)
Receipts/ (Payment) from Other Income/ Expenses	279,320	1,943,436
Total Receipts	1,785,359,304	1,362,350,952
Payment for Supplies and other services	(1,295,735,357)	(992,967,687)
Paid for Operating and Non-operating Expenses	(267,340,863)	(215,177,519)
Interest Expenses Paid	(6,995,641)	(10,870,305)
Income Tax Paid	(15,863,611)	(7,161,900)
Total Payments	(1,585,935,472)	(1,226,177,411)
Net Cash Flow From (Used in) Operating Activities	199,423,832	136,173,541
Cash Flows from Investing Activities:		
Purchase of Property, Plant & Equipment	(393,917,505)	(3,221,076)
Sales of Property, Plant & Equipment	220,000	2,761,074
Net Cash Generated (Used in) from Investing Activities	(393,697,505)	(460,002)
Cash Flows from Financing Activities:		
Short Term Bank Loan Received/ (Repaid)	243,143,654	37,716,698
Short Term Loan from/ (To) Sister Company	-	(144,997,354)
Net Cash Generated (Used in) from Financing Activities	243,143,654	(107,280,656)
Increase/ (Decrease) in Cash and Cash Equivalents	48,869,981	28,432,883
Net effect of Foreign Currency Translation	(9,162,804)	(444,610)
Opening Cash and Cash Equivalents	86,462,487	58,474,214
Closing Cash and Cash Equivalents	126,169,664	86,462,487
Net Operating Cash Flows Per Share	46.00	31.41



Anjan Chowdhury
Managing Director



Tapan Chowdhury
Director



Md. Kabir Reza
Executive Director(A&F)
and Company Secretary



Saptam Biswas, FCA
Partner, Chowdhury Bhattacharjee & Co.
(Chartered Accountants)
Enrollment No: 1615
DVC: 2210191615AS937388

October 19, 2022
Dhaka

UNCLAIMED/UNSETTLED DIVIDEND 2002 TO 2021



SQUARE TEXTILES LIMITED

The unclaimed/unsettled cash dividend for the year from 2002 to 2018 has been deposited to the Capital Market Stabilization (CMS) Fund as instructed by the Bangladesh Securities and Exchange Commission.

Summary of unclaimed/unsettled cash dividend year wise:

Deposited to CMS Fund:	Amount in Taka
2001-2002	102,069.00
2002-2003	152,604.00
2003-2004	139,500.00
2004-2005	266,701.10
2005-2006	731,069.67
2006-2007	1,234,315.47
2007-2008	1,337,732.15
2008-2009	2,100,961.91
2009-2010	2,606,924.85
2010-2011	1,341,152.05
2011-2012	3,216,920.72
2012-2013	3,367,134.52
2013-2014	3,043,586.94
2014-2015	1,331,560.63
2015-2016	1,484,348.17
2016-2017	1,055,513.53
2017-2018	1,209,602.58
Unspecified (not returned/not been chased (2002-2018))	23,512,094.71
Total -	47,053,291.52
Dividends for the last 3 years lying with the Company:	
2018-2019 (Dividend Returned)	2,026,000.80
2019-2020 (Dividend Returned)	919,392.35
2020-2021 (Dividend Returned)	1,367,259.70
Unspecified (not returned/not been cashed (2019-2021))	4,339,097.15
Total -	8,651,750.00

The detailed list of unclaimed/unsettled cash dividends for the years 2002 to 2018 which were returned to us and deposited to CMS Fund is presented on the website at www.textile.squaregroup.com.

SQUARE TEXTILES LIMITED

Square Centre, 48, Mohakhali Commercial Area
Dhaka-1212

PROXY FORM

I/We _____

of _____

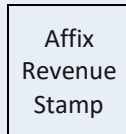
being a member of Square Textiles Ltd., do hereby appoint

Mr./Mrs./Miss _____

of _____

as my/our proxy to attend and vote for me/us on my/our behalf at the 27th Annual General Meeting of the Company to be held on Saturday the 24th December, 2022 at 11:00 a.m. under virtual platform through the link <https://agmbd.live/squaretextiles2022>

As witness my hand this day of _____ 2022.



Signature of the Proxy

Dated:

Signature of the Member

Dated:

Folio/BOID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Note: A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form should reach the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

Signature Verified

Authorized Signatory
Square Textiles Limited

স্কার টেক্সটাইলস্ লিমিটেড

স্কার সেন্টার, ৪৮ মহাখালী বাণিজ্যিক এলাকা, ঢাকা-১২১২

প্রস্তুি ফর্ম

আমি/আমরা _____

ঠিকানা _____

স্কার টেক্সটাইলস্ লিমিটেড এর সদস্য হিসেবে

জনাব/ জনাবা _____

ঠিকানা _____

আমরা/আমাদের প্রতিনিধি হিসেবে আগামী রোজ শনিবার, ২৪শে ডিসেম্বর, ২০২২ সকাল ১১:০০ ঘটিকায় ভার্চুয়াল প্ল্যাটফর্ম এর অধিনে <https://agmbd.live/squaretextiles2022> লিঙ্ক এর মাধ্যমে অনুষ্ঠিতব্য কোম্পানীর ২৭তম বার্ষিক সাধারণ সভায় এবং এর মূলতবী ঘোষিত সভায় আমার/আমাদের পক্ষে উপস্থিত থাকিবার এবং ভোট প্রদান করিবার জন্য নিযুক্ত করিলাম।

স্বাক্ষর হিসেবে অদ্য, ২০২২ তারিখে আমি/আমরা এই দলিলে সজ্ঞানে স্বাক্ষর করিলাম।

প্রতিনিধির স্বাক্ষর
তারিখ:

সদস্যের স্বাক্ষর
তারিখ:

ফলিও/বিওআইডি নম্বর

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বিঃ দ্রঃ বার্ষিক সাধারণ সভায় যোগদানের অধিকারী শেয়ার হোল্ডার তার পরিবর্তে বার্ষিক সাধারণ সভায় যোগদানের জন্য একজন প্রস্তুি নিয়োগ করিতে পারেন। প্রস্তুি ফর্ম যথাযথ পূরণের পর সভা অনুষ্ঠানের ৪৮ ঘন্টা পূর্বে কোম্পানীর রেজিষ্টার্ড অফিসে জমা দিতে হইবে

স্বাক্ষর পরীক্ষিত

অনুমোদনকারীর স্বাক্ষর
স্কার টেক্সটাইলস্ লিমিটেড

Date of Incorporation
15 October 1994

Authorized Capital
BDT 3,000 million

Paid-up Capital
BDT 1,972.52 million

Business Line
Manufacturing and Marketing of
100% Export oriented Viscose,
Tencel, Modal and Cotton (Natural
and Artificial fibers) yarns.

Registered Office
Square Centre
48, Mohakhali C.A.
Dhaka-1212
Bangladesh

Factories
1. Sardagonj, Kashimpur
Gazipur, Bangladesh
2. Olipur, Hobigonj
Bangladesh

Listing in 2002
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Subsidiary Company
Square Texcom Limited

Phone
880-2-8833047-56,
Ext-229, 585

Website
www.textile.squaregroup.com

Email
cs@squaregroup.com

Corporate Compliance

For the Financial Year 2020-2021

Dividend Recommended
21 October 2021

Record Date for 26th AGM
22 November 2021

26th Annual General Meeting
15 December 2021

Dividend Issued
10 January 2022

For the Financial Year 2021-2022

Publication of 1st Qtr. Financial Report
15 November 2021

Publication of 2nd Qtr. Financial Report
01 February 2022

Publication of 3rd Qtr. Financial Report
28 April 2022

Dividend Recommended
20 October 2022

**Audited Financial Report to
BSEC, DSE and CSE**
10 November 2022

Record Date for 27th AGM
28 November 2022

Notice of 27th AGM
01 December 2022

27th Annual General Meeting
24 December 2022

Dividend Payable
By 23 January 2023





Registered Address

Corporate Headquarters
Square Centre
48 Mohakhali Commercial Area,
Dhaka, Bangladesh
Phone: +88-02-9859007, 8833047-56
www.textile.squaregroup.com

SQUARE Textiles Ltd.