

First Quarter  
Financial Statement 2021-2022  
(Unaudited)



***SQUARE TEXTILES LIMITED***  
(Consolidated and Separate)

# SQUARE Textiles Limited & It's Subsidiary

## Consolidated Statement of Financial Position (Unaudited)

As at September 30, 2021

Perticulars	Notes	30/Sep/21 Taka	30/Jun/21 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment- Carrying Value	02	6,933,220,745	7,064,213,305
Capital Work In Progress	03	6,781,141,646	6,959,450,279
Goodwill		95,795,339	48,479,266
		56,283,760	56,283,760
<b>Current Assets</b>			
Inventories	04	9,372,020,234	9,197,615,462
Trade Receivable	05	2,656,002,424	2,664,689,616
Advances, Deposits & Prepayments	06	4,517,571,917	4,808,315,632
Cash & Cash Equivalents	07	321,517,542	285,303,153
		1,876,928,351	1,439,307,061
<b>TOTAL ASSETS</b>		<b>16,305,240,979</b>	<b>16,261,828,767</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES:</b>			
<b>Shareholders' Equity</b>			
Share Capital		8,086,196,280	7,632,190,882
Retained Earnings		1,972,520,000	1,972,520,000
		6,113,676,280	5,659,670,882
<b>Non controlling Interest</b>	08	<b>15,036,274</b>	<b>14,998,970</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	09	2,572,928,094	2,953,119,459
Deferred Tax Liability	10	2,260,000,000	2,643,055,059
		312,928,094	310,064,400
<b>Current Liabilities &amp; Provisions</b>			
Short Term Bank Loan (Secured)	11	5,631,080,331	5,661,519,456
Creditors & Other Payables	12	5,207,688,134	5,325,169,465
Liabilities for Others Finance	13	106,618,112	79,091,985
Unclaimed Dividend Account		128,336,141	101,137,300
Provision for Income Tax	14	9,000,284	54,851,342
		179,437,660	101,269,364
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>16,305,240,979</b>	<b>16,261,828,767</b>
<b>Net Asset Value Per Share</b>	22	<b>40.99</b>	<b>38.69</b>

Tapan Chowdhury  
Chairman

Ratna Patra  
Vice Chairman

Samuel S Chowdhury  
Managing Director

M. Habibur Rahman  
Chief Financial Officer

Sanjib Baran Roy  
Company Secretary

# SQUARE Textiles Limited & It's Subsidiary

## Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the 1st Quarter Ended September 30, 2021

Particulars	NOTE	3 Months (Amount inTk)	
		July to September 2021-22	July to September 2020-21
Sales Revenue	15	3,833,886,291	2,609,989,603
Cost of Goods Sold	16	3,143,415,298	2,396,279,331
<b>Gross Profit</b>		<b>690,470,993</b>	<b>213,710,272</b>
Administrative Overhead	17	66,051,229	59,460,540
Selling and Distribution Overhead	18	5,571,337	4,713,514
<b>Profit from Operations</b>		<b>618,848,427</b>	<b>149,536,218</b>
Finance Cost	29	66,857,712	116,969,773
Non-Operating Income	20	9,837,711	28,763,106
<b>Profit Before W.P.P.F &amp; W.F</b>		<b>561,828,426</b>	<b>61,329,551</b>
Allocation for W.P.P.F & W.F		26,753,734	2,920,455
<b>Profit Before Tax</b>		<b>535,074,692</b>	<b>58,409,096</b>
Provision for Tax (Current)	14	78,168,296	13,092,300
Deferred Tax Expenses (Income)	10	2,863,694	2,693,590
<b>Profit After Tax for The Period</b>		<b>454,042,702</b>	<b>42,623,206</b>
<b>Non-Controlling Interest</b>		<b>37,304</b>	<b>1,594</b>
<b>Net Income for the Period</b>		<b>454,005,398</b>	<b>42,621,612</b>
(Transferred to the Statement of Changes in Equity)			
<b>Earnings Per Share (EPS)</b>	<b>21</b>	<b>2.30</b>	<b>0.22</b>

Attached notes form parts of these Financial Statements.

Tapan Chowdhury  
Chairman

Ratna Patra  
Vice Chairman

Samuel S Chowdhury  
Managing Director

M. Habibur Rahman  
Chief Financial Officer

Sanjib Baran Roy  
Company Secretary

# SQUARE Textiles Limited & It's Subsidiary

## Consolidated Statement of Changes in Equity (Unaudited)

For the 1st Quarter Ended September 30, 2021

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2021	1,972,520,000	5,659,670,882	7,632,190,882
Net Profit For the 1st Quarter Ended September	-	454,005,398	454,005,398
<b>Balance As at September 30, 2021</b>	<b>1,972,520,000</b>	<b>6,113,676,280</b>	<b>8,086,196,280</b>

## Consolidated Statement of Changes in Equity (Unaudited)

For the 1st Quarter Ended September 30, 2020

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2020	1,972,520,000	5,185,060,431	7,157,580,431
Net Profit For the 1st Quarter Ended September	-	42,621,612	42,621,612
<b>Balance As at September 30, 2020</b>	<b>1,972,520,000</b>	<b>5,227,682,043</b>	<b>7,200,202,043</b>

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# SQUARE Textiles Limited & It's Subsidiary

## Consolidated Statement of Cash flows (Unaudited)

For the 1st Quarter Ended September 30, 2021

Particulars	Notes	Amount (Tk)	
		July to September 2021-22	July to September 2020-21
<b>Cash Flows from Operating Activities:</b>			
Receipts from Sales Revenue		4,124,630,006	2,668,714,940
Exchange Fluctuation Gain (Realization from Transection)		980,207	(516,605)
Receipts/ (Payment) from Other Income/ Expenses		8,166,666	29,486,486
<b>Total Receipts</b>		<b>4,133,776,879</b>	<b>2,697,684,821</b>
Payments to Suppliers		(2,349,427,241)	(1,489,932,064)
Paid for Operating & Non-operating Expenses		(670,075,448)	(619,782,362)
Interest Expenses Paid		(62,516,302)	(71,198,413)
Income Tax Paid		(21,091,430)	(13,092,300)
<b>Total Payments</b>		<b>(3,103,110,421)</b>	<b>(2,194,005,139)</b>
<b>Net Cash Generated (Used in) from Operating Activities</b>		<b>1,030,666,458</b>	<b>503,679,682</b>
<b>Cash Flows from Investing Activities:</b>			
Purchase of Property, Plant & Equipment		(47,348,558)	(220,749,879)
Sales of Property, Plant & Equipment		-	40,000
<b>Net Cash Generated (Used in) from Investing Activities</b>		<b>(47,348,558)</b>	<b>(220,709,879)</b>
<b>Cash Flows from Financing Activities:</b>			
Long Term Loan Received/ (Repaid)		(205,959,956)	118,465,791
Short Term Bank Loan Received/ (Repaid)		(294,576,434)	387,827,062
Short Term Loan from/ (To) Sister Company		-	(649,941,609)
Payment of Dividend		(45,851,058)	(80,220)
<b>Net Cash Generated (Used in) from Financing Activities</b>		<b>(546,387,448)</b>	<b>(143,728,976)</b>
<b>Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>		<b>436,930,452</b>	<b>139,240,827</b>
<b>Net effect of foreign currency translation</b>		<b>690,838</b>	<b>(130,215)</b>
<b>Opening Cash &amp; Cash Equivalents</b>		<b>1,439,307,061</b>	<b>296,506,321</b>
<b>Closing Cash &amp; Cash Equivalents</b>		<b>1,876,928,351</b>	<b>435,616,933</b>
<b>Net Operating Cash Flows Per Share</b>		<b>5.23</b>	<b>2.55</b>

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Company Secretary

**SQUARE TEXTILES LIMITED AND ITS SUBSIDIARY**  
**Notes to the Consolidated Interim Financial Statements (Unaudited)**  
**For the 1st Quarter Ended September 30, 2021**

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

These Financial Statements (They) are the unaudited consolidated interim financial statements (hereafter "The Consolidated Interim Financial Statements") of Square Textiles Limited and Square Texcom Limited, Companies incorporated in Bangladesh under Companies Act 1913 & 1994, for the 1st quarter ended September 30, 2021 (hereafter "The Interim Period"). They are prepared in accordance with the International Accounting Standard (IAS 34) "Interim Financial Reporting". These financial statements should read in conjunction with the Annual Financial Statements as on June 30, 2021, as they provide an update of previously reported information.

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

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

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

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

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

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

Figures have been rounded off to the nearest Taka.

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>02. Consolidated Property, Plant &amp; Equipment:</b>		
'Details of Property, Plant & Equipment and Depreciation as at September 30, 2021 are as below:		
<b>Fixed Assets at Cost</b>		
Opening Balance	12,792,433,005	10,873,378,928
Addition during the Year	32,485	2,051,181,824
Sale/ Obsolete during the Year	(19,876)	(132,127,747)
<b>Closing Balance(Cost)</b>	<b>12,792,445,614</b>	<b>12,792,433,005</b>
<b>Accumulated Depreciation</b>		
Opening Balance	5,832,982,726	5,289,179,884
Charged during the Year	178,341,118	664,690,900
Adjustment for sale/Obsolete	(19,876)	(120,888,058)
	<b>6,011,303,968</b>	<b>5,832,982,726</b>
<b>Carrying Value</b>	<b>Tk. 6,781,141,646</b>	<b>6,959,450,279</b>
<b>03. Capital Work In Progress:</b>		
Capital Work In Progress	95,795,339	48,479,266
	<b>Tk. 95,795,339</b>	<b>48,479,266</b>

The amount of Capital Work In Progress includes cost of BMRE activities.

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>04. Consolidated Inventories:</b>		
<b>Stocks of Raw Materials</b>	<b>2,401,030,854</b>	<b>2,420,185,088</b>
Raw Materials	1,948,934,879	2,056,387,039
Raw Materials In Transit	86,702,171	63,135,469
Packing Materials	26,924,835	24,301,204
Work - in - process	138,413,124	130,184,323
Finished Goods	200,055,845	146,177,053
<b>Stocks of Spares</b>	<b>254,971,570</b>	<b>244,504,528</b>
Spares at Store	253,462,736	241,493,396
Spares in Transit	1,508,834	3,011,132
<b>Tk.</b>	<b><u>2,656,002,424</u></b>	<b><u>2,664,689,616</u></b>

**05. Consolidated Trade Receivable:**

Aging of the above balance is as follows:

Below 60 days	2,071,908,071	2,083,214,823
Within 61-120 days	1,632,427,896	1,735,724,749
Above 120 days	813,235,950	989,376,060
<b>Tk.</b>	<b><u>4,517,571,917</u></b>	<b><u>4,808,315,632</u></b>

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

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

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

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

This is made up of the followings:

<b>Advance</b>	<b>199,429,207</b>	<b>166,403,918</b>
Income Tax	89,767,444	68,676,014
Salary & PF Current account	3,639,271	3,866,272
Other Expenses	21,206,665	28,623,136
Suppliers & Contractor	84,815,827	65,238,496
<b>Deposits</b>	<b>122,088,335</b>	<b>118,899,235</b>
Security Deposit	109,717,862	106,528,762
Margin on Bank Guarantee	12,370,473	12,370,473
<b>Tk.</b>	<b><u>321,517,542</u></b>	<b><u>285,303,153</u></b>

**07. Consolidated Cash & Cash Equivalents:**

This is made up of the followings:

Cash in hand	7,534,363	8,430,224
Cash at Bank	854,060,655	423,710,170
Fixed Deposit	1,015,333,333	1,007,166,667
<b>Tk.</b>	<b><u>1,876,928,351</u></b>	<b><u>1,439,307,061</u></b>

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

5,000 shares of Tk 100 at par of Square Texcom Ltd.	500,000	500,000
Shares of Accumulated Profit	14,536,274	14,498,970
	<b><u>15,036,274</u></b>	<b><u>14,998,970</u></b>

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

Standard Chartered Bank	1,620,000,000	1,710,000,000
HSBC Bank	1,500,000,000	1,500,000,000
Infrastructure Development Company (IDCOL)	-	115,959,956
Less: Current Portion of Long Term Borrowings	(860,000,000)	(682,904,897)
<b>Tk.</b>	<b><u>2,260,000,000</u></b>	<b><u>2,643,055,059</u></b>

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>10. Consolidated Deferred Tax Liability:</b>		
Opening Balance	310,064,400	260,567,761
Deferred Tax Expenses/ (Income)	2,863,694	49,496,639
<b>Closing Balance</b>	<b>Tk. 312,928,094</b>	<b>310,064,400</b>

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

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

Carrying Value of Depreciable Fixed Assets	6,065,217,965	6,243,526,598
Less: Tax Base Carrying Value	(3,979,030,673)	(4,176,430,603)
<b>Taxable Temporary Difference</b>	<b>2,086,187,292</b>	<b>2,067,095,995</b>
Tax Rate	15.00%	15.00%
<b>Closing Deferred Tax Liability</b>	<b>312,928,094</b>	<b>310,064,400</b>
Less: Opening Deferred Tax Liability	(310,064,400)	(260,567,761)
<b>Deferred Tax (Income) / Expense</b>	<b>2,863,694</b>	<b>49,496,639</b>

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

Current Portion of Long Term Borrowings	860,000,000	682,904,897
Revolving Loan	1,250,000,000	1,250,000,000
Deferred LC Loan	3,097,688,134	3,392,264,568
<b>Tk.</b>	<b>5,207,688,134</b>	<b>5,325,169,465</b>

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

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

Provision for Audit Fees	621,000	621,000
Provision for Utility Bill	79,128,111	59,498,009
Provision for Salary & Allowances	15,035,409	5,715,101
Others	11,833,592	13,257,875
	<b>106,618,112</b>	<b>79,091,985</b>

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

**13. Consolidated Liabilities for Other Finance:**

PF, WPPF & Other Fund	69,673,433	46,816,002
Provision for Gratuity	14,579,422	14,579,422
Others	44,083,286	39,741,876
<b>Tk.</b>	<b>128,336,141</b>	<b>101,137,300</b>

**14. Consolidated Provision for Income Tax:**

Opening Balance	101,269,364	96,214,609
Adjustment with Advance Tax	-	(65,975,277)
Current Year Provision	78,168,296	71,030,032
<b>Closing Balance</b>	<b>Tk. 179,437,660</b>	<b>101,269,364</b>

**Calculation of Effective Tax Rate:**

Current Income Tax Expenses	78,168,296	13,092,300
Deferred Tax Expenses/ (Income)	2,863,694	2,693,590
<b>Total Tax Expenses</b>	<b>81,031,990</b>	<b>15,785,890</b>
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	<b>15.14%</b>	<b>27.03%</b>



	July-21 to Sep'-21	July-20 to Sep'-20
<b>15. Consolidated Sales Revenue:</b>		
Export Sale of Yarns	3,833,886,291	2,609,989,603
<b>Tk.</b>	<b><u>3,833,886,291</u></b>	<b><u>2,609,989,603</u></b>

During the period sales increased by BDT 122.39 (46.89%) crore due to incremental production under some BMRE investment and increased of sales price.

**16. Consolidated Cost of Goods Sold:**

Raw Materials Consumed	2,396,107,600	1,738,958,272
Factory Overhead (Note: 16.01)	747,307,698	657,321,059
<b>Cost of Goods Sold</b>	<b><u>3,143,415,298</u></b>	<b><u>2,396,279,331</u></b>

During the period Raw Material cost increased by BDT 65.71 (37.79%) crore due to increased of production quantity and increased cotton price in international market..

**16.01. Factory Overhead:**

Factory Wages, Salary & Allowances	241,170,432	228,796,978
Production Workers' Free Lunch	1,334,357	1,221,599
Fuel, Petrol, Light, Diesel etc.	28,820,068	15,046,535
Electricity, Gas & Water	202,797,755	188,134,384
Factory Consumable Expense	13,829,291	11,323,147
Repairs & Maintenance of Vehicles	4,985,193	4,144,011
Industrial All Risk Insurance Premium	5,530,561	5,247,540
Govt.Tax, VAT & License Fees	598,269	419,639
Security Services	5,838,185	6,110,015
Spare Parts - Machinery	62,162,690	47,184,602
Depreciation	178,341,118	147,898,926
Other Overhead	1,899,779	1,793,683
<b>Total</b>	<b><u>747,307,698</u></b>	<b><u>657,321,059</u></b>

**17. Consolidated Administrative Overhead:**

Salary and Allowances	34,711,612	33,897,638
Directors' Remuneration	13,813,125	12,000,000
Overseas Travelling	2,242,487	1,195,810
Vehicles Running & Maintenance	2,310,991	2,125,739
Fees & Subscription	1,758,610	2,446,217
Rental Expenses	3,830,330	3,551,929
Office Consumable Expense	389,875	424,550
Electricity, Gas & Water	828,696	609,125
Software & Hardware Support Expenses	303,773	546,999
Head Office Employees' Free Lunch	845,642	578,913
Annual General Meeting Expenses	136,066	132,066
Other Expenses	4,880,022	1,951,554
<b>Total</b>	<b><u>66,051,229</u></b>	<b><u>59,460,540</u></b>

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

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

Export Sale Expenses	4,385,422	3,152,158
Loading & unloading	1,185,915	1,561,356
<b>Total</b>	<b><u>5,571,337</u></b>	<b><u>4,713,514</u></b>

	July-21 to Sep'-21	July-20 to Sep'-20
<b>19. Finance Cost:</b>		
Interest on Deferred LC Loan	13,310,420	32,722,470
Interest on Loan ag. Export Bill Discount	-	1,073,700
Interest on OD	20,540	83,294
Interest on Short Term Loan	6,747,223	18,435,000
Interest on LongTerm Loan	46,779,529	1,678,266
Interest on Sister Concerns	-	62,977,043
Tk.	<u><u>66,857,712</u></u>	<u><u>116,969,773</u></u>

During the period Finance cost decreased by BDT 5.01 (-42.83%) crore due to received long term loan from bank in low finance cost.

**20. Non-Operating Income:**

Interest Income	8,166,666	4,863
Forfeited Provident Fund	-	29,481,623
Gain/Loss on Disposal of Assets	-	(76,560)
Forex Exchange Rate Fluctuation Gain/ (Loss)	1,671,045	(646,820)
Tk.	<u><u>9,837,711</u></u>	<u><u>28,763,106</u></u>

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

The Computation is given below:

Earning attributable to Ordinary Shares including other income	454,005,398	42,621,612
Number of Ordinary shares	197,252,000	197,252,000
Earnings Per Share	<u><u>2.30</u></u>	<u><u>0.22</u></u>

During the period EPS increased by BDT 2.08 (945.45%) due to increased production and increased sales price of yarn.

**22. Net Asset Value (NAV) Per Share:**

The Computation is given below:

Equity Attributable to the Owners of the Company	8,086,196,280	7,632,190,882
Number of Ordinary shares	197,252,000	197,252,000
Net Asset Value (NAV) Per Share	<u><u>40.99</u></u>	<u><u>38.69</u></u>

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

The Computation is given below:

Net Cash Generated (Used in) from Operating	1,030,666,458	503,679,682
Number of Ordinary shares	197,252,000	197,252,000
Net Operating Cash flows per Share (NOCFPS)	<u><u>5.23</u></u>	<u><u>2.55</u></u>

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

The Computation is given below:

<b>Profit After Tax</b>	<b>454,042,702</b>	<b>42,623,206</b>
<b>Adjustment to reconcile net profit to net cash provided by operating activities :</b>		
<b>Non-cash Expenses:</b>	<b>180,513,974</b>	<b>150,722,731</b>
Depreciation	178,341,118	147,898,926
Deferred Tax	2,863,694	2,693,590
Net effect of foreign currency translation	(690,838)	130,215
<b>Non-Operating Items:</b>	<b>-</b>	<b>63,053,603</b>
Interest Expenses/ (Income) on Sister Company Loan	-	62,977,043
Gain/ (Loss) on Disposal of Assets	-	76,560

	<b>July-21 to Sep'-21</b>	<b>July-20 to Sep'-20</b>
<b>Changes in working Capital:</b>	<b>396,109,782</b>	<b>247,280,142</b>
(Increase)/Decrease in Inventories	8,687,192	192,406,889
(Increase)/Decrease in Trade Receivable	290,743,715	58,725,337
(Increase)/Decrease in Advances, Deposits & Prepayments	(36,214,389)	(24,646,337)
Increase/(Decrease) in Creditors & Other Payables	27,526,127	41,284,490
Increase/(Decrease) in Liabilities for Others Finance	27,198,841	(33,582,537)
Increase/(Decrease) in Income Tax Payable	78,168,296	13,092,300
<b>Net Cash Generated (Used in) from Operating Activities</b>	<b>1,030,666,458</b>	<b>503,679,682</b>

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

The business (100% export oriented spinning industry) operation is volatile and realization from debtors (100% confirmed back to back LC) also very positively co-related with this, but all import payments should be made as per provision of UCPDC-600, resultant, the per share operating cash flows fluctuates from quarter to quarter, which is very common for the

# SQUARE Textiles Limited

## Statement of Financial Position (Unaudited)

As at September 30, 2021

Particulars	Notes	30/Sep/21 Taka	30/Jun/21 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment- Carrying Value	02	6,194,432,079	6,358,356,488
Capital Work In Progress	03	90,746,744	47,534,280
Investment - Long Term (At Cost)		489,333,960	489,333,960
<b>Current Assets</b>			
Inventories	04	2,407,487,359	2,423,543,313
Trade Receivable	05	4,225,485,175	4,487,974,375
Advances, Deposits & Prepayments	06	294,854,190	259,310,934
Cash & Cash Equivalents	07	1,713,882,114	1,352,844,574
<b>TOTAL ASSETS</b>		<b>15,416,221,621</b>	<b>15,418,897,924</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES:</b>			
<b>Shareholders' Equity</b>			
Share Capital		1,972,520,000	1,972,520,000
Retained Earnings		5,754,837,986	5,333,141,916
<b>Non-Current Liabilities</b>			
Long Term Borrowings	08	2,260,000,000	2,643,055,059
Deferred Tax Liability	09	265,873,052	262,685,123
<b>Current Liabilities &amp; Provisions</b>			
Short Term Bank Loan (Secured)	10	4,786,365,372	4,910,343,012
Creditors & Other Payables	11	97,147,323	70,899,885
Liabilities for Others Finance	12	107,929,427	80,911,693
Unclaimed Dividend Account		9,000,284	54,851,342
Provision for Income Tax	13	162,548,177	90,489,894
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>15,416,221,621</b>	<b>15,418,897,924</b>
<b>Net Asset Value Per Share</b>	25	<b>39.18</b>	<b>37.04</b>

Tapan Chowdhury  
Chairman

Ratna Patra  
Vice Chairman

Samuel S Chowdhury  
Managing Director

M. Habibur Rahman  
Chief Financial Officer

Sanjib Baran Roy  
Company Secretary

# SQUARE Textiles Limited

## Statement of Profit or Loss and Other Comprehensive Income (Unaudited) For the 1st Quarter Ended September 30, 2021

Particulars	NOTE	3 Months (Amount inTk)	
		July to September 2021-22	July to September 2020-19
Sales Revenue	14	3,437,163,939	2,407,913,417
Cost of Goods Sold	15	2,793,202,635	2,204,787,252
<b>Gross Profit</b>		<b>643,961,304</b>	<b>203,126,165</b>
Administrative Overhead	16	60,150,553	54,073,243
Selling and Distribution Overhead	17	4,850,544	4,172,351
<b>Profit from Operations</b>		<b>578,960,207</b>	<b>144,880,571</b>
Finance Cost	18	66,569,080	114,763,924
Non-Operating Income	19	9,398,269	28,389,335
<b>Profit Before W.P.P.F &amp; W.F</b>		<b>521,789,396</b>	<b>58,505,982</b>
Allocation for W.P.P.F & W.F		24,847,114	2,785,999
<b>Profit Before Tax</b>		<b>496,942,282</b>	<b>55,719,983</b>
Provision for Tax (Current)	13	72,058,283	11,901,572
Deferred Tax Expenses (Income)	09	3,187,929	2,577,382
<b>Profit After Tax for The Period</b>		<b>421,696,070</b>	<b>41,241,029</b>
(Transferred to the Statement of Changes in Equity)			
<b>Earnings Per Share (EPS)</b>	24	<b>2.14</b>	<b>0.21</b>

Attached notes form parts of these Financial Statements.

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Vice Chairman

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Company Secretary

# SQUARE Textiles Limited

## Statement of Changes in Equity (Unaudited) For the 1st Quarter Ended September 30, 2021

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2021	1,972,520,000	5,333,141,916	7,305,661,916
Net Profit For the 1st Quarter Ended September 30, 2021	-	421,696,070	421,696,070
<b>Balance As at September 30, 2021</b>	<b>1,972,520,000</b>	<b>5,754,837,986</b>	<b>7,727,357,986</b>

## Statement of Changes in Equity (Unaudited) For the 1st Quarter Ended September 30, 2020

Particulars	Share Capital	Retained Earnings	Total
Balance as at June 30, 2020	1,972,520,000	4,908,759,862	6,881,279,862
Net Profit For the 1st Quarter Ended September 30, 2020	-	41,241,029	41,241,029
<b>Balance As at September 30, 2020</b>	<b>1,972,520,000</b>	<b>4,950,000,891</b>	<b>6,922,520,891</b>

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# SQUARE Textiles Limited

## Statement of Cash flows (Unaudited) For the 1st Quarter Ended September 30, 2021

Particulars	Notes	Amount (Tk)	
		July to September 2021-22	July to September 2019-20
<b>Cash Flows from Operating Activities:</b>			
Receipts from Sales Revenue		3,699,653,139	2,455,452,432
Exchange Fluctuation Gain (Realization from Transaction)		697,627	(500,532)
Receipts/ (Payment) from Other Income/ Expenses		8,166,666	27,598,019
<b>Total Receipts</b>		<b>3,708,517,432</b>	<b>2,482,549,919</b>
Payments to Suppliers		(2,061,133,471)	(1,416,979,851)
Paid for Operating & Non-operating Expenses		(610,892,867)	(565,837,404)
Interest Expenses Paid		(61,025,688)	(64,379,959)
Income Tax Paid		(18,833,136)	(11,901,572)
<b>Total Payments</b>		<b>(2,751,885,162)</b>	<b>(2,059,098,786)</b>
<b>Net Cash Generated (Used in) from Operating Activities</b>		<b>956,632,270</b>	<b>423,451,133</b>
<b>Cash Flows from Investing Activities:</b>			
Purchase of Property, Plant & Equipment		(43,244,949)	(219,636,604)
<b>Net Cash Generated (Used in) from Investing Activities</b>		<b>(43,244,949)</b>	<b>(219,636,604)</b>
<b>Cash Flows from Financing Activities:</b>			
Long Term Loan Received/ (Repaid)		(205,959,956)	118,465,791
Short Term Bank Loan Received/ (Repaid)		(301,072,743)	491,583,282
Short Term Loan from/ (To) SQUARE Pharmaceuticals Ltd.		-	(649,941,609)
Short Term Loan from/ (To) SQUARE Texcom Ltd.		-	(22,153,837)
Payment of Dividend		(45,851,058)	(80,220)
<b>Net Cash Generated (Used in) from Financing Activities</b>		<b>(552,883,757)</b>	<b>(62,126,593)</b>
<b>Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>		<b>360,503,564</b>	<b>141,687,936</b>
<b>Net effect of foreign currency translation</b>		<b>533,976</b>	<b>(124,011)</b>
<b>Opening Cash &amp; Cash Equivalents</b>		<b>1,352,844,574</b>	<b>238,032,107</b>
<b>Closing Cash &amp; Cash Equivalents</b>		<b>1,713,882,114</b>	<b>379,596,032</b>
<b>Net Operating Cash flows per Share</b>		<b>4.85</b>	<b>2.15</b>

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Company Secretary

## SQUARE TEXTILES LIMITED

### Notes to the Interim Financial Statements (Unaudited) For the 1st Quarter Ended September 30, 2021

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

These Financial Statements (They) are the unaudited interim Financial statement (here after 'the Interim Financial Statements') of Square Textiles Ltd. , for the 1st Quarter Ended on September 30, 2021 (here after the interim period). They are prepared in accordance with the Bangladesh Accounting Standard (IAS-34) 'Interim Financial Reporting'. These financial statement should read in conjunction with the Annual Financial Statements as of June 30, 2021, as they provide an update of previous reported information.

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

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

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

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

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

Figures have been rounded off to the nearest Taka.

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

'Details of Property, Plant & Equipment and Depreciation as at September 30, 2021 are as below:

	30-Sep-21	30-Jun-21
<b>Fixed Assets at Cost</b>		
Opening Balance	11,723,998,907	9,809,975,786
Addition during the Year	32,485	2,040,229,234
Sale/ Obsolete during the Year	(19,876)	(126,206,113)
<b>Closing Balance(Cost)</b>	<b>11,724,011,516</b>	<b>11,723,998,907</b>
<b>Accumulated Depreciation</b>		
Opening Balance	5,365,642,419	4,876,507,663
Charged during the Year	163,956,894	606,850,599
Adjustment for sale/Obsolete	(19,876)	(117,715,843)
	<b>5,529,579,437</b>	<b>5,365,642,419</b>
<b>Carrying Value</b>	<b>Tk. 6,194,432,079</b>	<b>6,358,356,488</b>



	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>03. Capital Work In Progress:</b>		
Capital Work In Progress	90,746,744	47,534,280
Tk.	<b>90,746,744</b>	<b>47,534,280</b>

The amount of Capital Work In Progress includes cost of BMRE activities.

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>04. Inventories:</b>		
<b>Stocks of Raw Materials</b>	<b>2,168,783,589</b>	<b>2,192,640,475</b>
Raw Materials	1,769,077,501	1,873,243,764
Raw Materials In Transit	76,324,475	47,287,238
Packing Materials	24,208,279	21,882,935
Work - in - process	125,930,725	116,600,280
Finished Goods	173,242,609	133,626,258
<b>Stocks of Spares</b>	<b>238,703,770</b>	<b>230,902,838</b>
Spares at Store	237,296,521	228,074,240
Spares in Transit	1,407,249	2,828,598
Tk.	<b>2,407,487,359</b>	<b>2,423,543,313</b>

**05. Trade Receivable:**

Aging of the above balance is as follows:

Below 60 days	1,962,323,790	1,957,487,545
Within 61-120 days	1,528,031,681	1,623,630,680
Above 120 days	735,129,704	906,856,150
Tk.	<b>4,225,485,175</b>	<b>4,487,974,375</b>

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

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

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

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

This is made up of the followings:

<b>Advance</b>	<b>184,685,382</b>	<b>152,331,226</b>
Income Tax	80,347,250	61,514,114
Salary & PF Current account	3,631,271	3,861,272
Other Expenses	16,447,034	22,333,344
Suppliers & Contractor	84,259,827	64,622,496
<b>Deposits</b>	<b>110,168,808</b>	<b>106,979,708</b>
Security Deposit	98,686,062	95,496,962
Margin on Bank Guarantee	11,482,746	11,482,746
Tk.	<b>294,854,190</b>	<b>259,310,934</b>

**07. Cash & Cash Equivalents:**

This is made up of the followings:

Cash in hand	6,714,291	6,738,435
Cash at Bank	691,834,490	338,939,472
Fixed Deposit	1,015,333,333	1,007,166,667
Tk.	<b>1,713,882,114</b>	<b>1,352,844,574</b>

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>08. Long Term Borrowings (Secured):</b>		
Standard Chartered Bank	1,620,000,000	1,710,000,000
HSBC Bank	1,500,000,000	1,500,000,000
Infrastructure Development Company (IDCOL)	-	115,959,956
Less: Current Portion of Long Term Borrowings	<u>(860,000,000)</u>	<u>(682,904,897)</u>
<b>Tk.</b>	<b><u>2,260,000,000</u></b>	<b><u>2,643,055,059</u></b>

<b>09. Deferred Tax Liability:</b>		
Opening Balance	262,685,123	214,694,410
Deferred Tax Expenses (Income)	3,187,929	47,990,713
<b>Closing Balance</b>	<b><u>265,873,052</u></b>	<b><u>262,685,123</u></b>

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

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

Carrying Value of Depreciable Fixed Assets	5,518,437,262	5,682,361,671
Less: Tax Base Carrying Value	<u>(3,745,950,247)</u>	<u>(3,931,127,520)</u>
<b>Taxable Temporary Difference</b>	<b><u>1,772,487,015</u></b>	<b><u>1,751,234,151</u></b>
Tax Rate	15.00%	15.00%
<b>Closing Deferred Tax Liability</b>	<b><u>265,873,052</u></b>	<b><u>262,685,123</u></b>
Less: Opening Deferred Tax Liability	<u>(262,685,123)</u>	<u>(214,694,410)</u>
<b>Deferred Tax (Income) / Expense</b>	<b><u>3,187,929</u></b>	<b><u>47,990,713</u></b>

<b>10. Short Term Bank Loan (Secured):</b>		
Current Portion of Long Term Borrowings	860,000,000	682,904,897
Revolving Loan	1,250,000,000	1,250,000,000
Deferred LC Loan	<u>2,676,365,372</u>	<u>2,977,438,115</u>
<b>Tk.</b>	<b><u>4,786,365,372</u></b>	<b><u>4,910,343,012</u></b>

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

<b>11. Creditors &amp; Others Payable:</b>		
Provision for Audit Fees	575,000	575,000
Provision for Utility Bill	74,645,544	55,455,224
Provision for Salary & Allowances	14,951,613	5,715,101
Others	<u>6,975,166</u>	<u>9,154,560</u>
	<b><u>97,147,323</u></b>	<b><u>70,899,885</u></b>

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

<b>12. Liabilities for Other Finance:</b>		
PF, WPPF & Other Fund	64,249,927	42,775,585
Provision for Gratuity	-	-
Others	<u>43,679,500</u>	<u>38,136,108</u>
<b>Tk.</b>	<b><u>107,929,427</u></b>	<b><u>80,911,693</u></b>

	30-Sep-21	30-Jun-21
<b>13. Provision for Income Tax:</b>		
Opening Balance	90,489,894	83,321,634
Adjustment with Advance Tax	-	(56,305,125)
Provision made for the period (Note: 15.01)	72,058,283	63,473,385
<b>Closing Balance</b>	<b>Tk. 162,548,177</b>	<b>90,489,894</b>

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

A) Net Current Tax Liability on Profit Basis	72,058,283	63,434,674
B) Tax Liability on Sales Revenue Basis	13,748,656	47,698,819
C) Advance Income Tax (Source Tax) Paid Under ITO-1984	18,833,136	61,514,114
Higher Amount of Tax Under Above Calculation (A:B:C)	72,058,283	63,434,674
Add/ Less: Short/ (Excess) provision for Prior period	-	38,711
<b>Income Tax Provision for the period</b>	<b>72,058,283</b>	<b>63,473,385</b>

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

Profit Before Tax	496,942,282	733,098,152
Less: Non-Operating Income	9,398,269	19,475,519
<b>Net Operating Income Before Tax</b>	<b>487,544,013</b>	<b>713,622,633</b>
Tax Rate on Net Operating Income Before Tax (as per NBR)	15.00%	15.00%
Tax Rate on Non-Operating Income (as per NBR)	22.50%	22.50%

Income Tax Liability on Operating Profit	73,131,602	107,043,395
Add: Tax Liability on Non-Operating Income	2,114,610	4,381,992
<b>Total Tax Liability on Profit</b>	<b>75,246,212</b>	<b>111,425,387</b>
Less: Deferred Tax Expenses (Income)	3,187,929	47,990,713
<b>Net Current Tax Liability on Profit Basis</b>	<b>72,058,283</b>	<b>63,434,674</b>

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

i) Minimum Tax Rate on Sales Revenue Under ITO-1984	0.60%	0.60%
ii) Applicable For Textiles Business as Per NBR (0.60%/22.50%*15%)	0.40%	0.400%
Sales Revenue	3,437,163,939	11,924,704,664
<b>Minimum Tax Amount on Sales Revenue</b>	<b>13,748,656</b>	<b>47,698,819</b>

**C) Advance Income Tax (Source Tax) Paid Under ITO-1984:**

	18,833,136	61,514,114
--	------------	------------

Since the applicable tax on Profit before tax (Tk. 72,058,283) is higher than the source tax deducted under Income Tax Ordinance 1984 (Tk. 18,833,136) and minimum Tax on Revenue under ITO-1984 (Tk. 13,748,656), so the higher is provided as Tax Expense for the period ended September 30, 2021.

**Calculation of Effective Tax Rate:**

Current Income Tax Expenses	72,058,283	63,473,385
Deferred Tax Expenses/ (Income)	3,187,929	47,990,713
<b>Total Tax Expenses</b>	<b>75,246,212</b>	<b>111,464,098</b>
Effective Tax Rate (Total Tax Expenses / Profit Before Tax)	15.14%	15.20%

**14. Sales Revenue:**

	July-21 to Sep'-21	July-20 to Sep'-20
Export Sale of Yarns	3,437,163,939	2,407,913,417
<b>Tk.</b>	<b>3,437,163,939</b>	<b>2,407,913,417</b>

During the period sales increased by BDT 102.93 (42.75%) crore due to incremental production under some BMRE investment and increased of sales price.

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>15. Cost of Goods Sold:</b>		
Raw Materials Consumed	2,111,237,796	1,609,727,086
Factory Overhead (Note:15.01)	681,964,839	595,060,166
<b>Cost of Goods Sold</b>	<b>Tk. 2,793,202,635</b>	<b>2,204,787,252</b>

During the period Raw Material cost increased by BDT 50.15 (31.15%) crore due to increased of production quantity and increased cotton price in international market..

	<b>July-21 to Sep'-21</b>	<b>July-20 to Sep'-20</b>
<b>15.01. Factory Overhead:</b>		
Factory Wages, Salary & Allowances	212,992,476	202,421,319
Production Workers' Free Lunch	1,256,485	1,113,395
Fuel, Petrol, Light, Diesel etc.	27,222,959	13,892,905
Electricity, Gas & Water	191,174,915	175,951,577
Factory Consumable Expense	12,602,118	10,183,366
Repairs & Maintenance of Vehicles	4,470,865	3,667,064
Industrial All Risk Insurance Premium	4,107,384	4,075,293
Govt.Tax, VAT & License Fees	516,145	37,559
Security Services	4,900,745	5,151,542
Spare Parts - Machinery	57,235,097	43,514,309
Depreciation	163,956,894	133,468,185
Other Overhead	1,528,756	1,583,652
<b>Total</b>	<b>Tk. 681,964,839</b>	<b>595,060,166</b>

<b>16. Administrative Overhead:</b>		
Salary and Allowances	31,217,359	30,365,720
Directors' Remuneration	13,813,125	12,000,000
Overseas Travelling	513,131	262,263
Vehicles Running & Maintenance	2,214,816	2,006,097
Fees & Subscription	1,389,460	1,953,502
Rental Expenses	3,830,330	3,551,929
Office Consumable Expense	372,715	405,753
Electricity, Gas & Water	828,696	609,125
Software & Hardware Support Expenses	266,759	401,786
Head Office Employees' Free Lunch	827,912	565,523
Annual General Meeting Expenses	136,066	132,066
Other Expenses	4,740,184	1,819,479
<b>Total</b>	<b>Tk. 60,150,553</b>	<b>54,073,243</b>

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

<b>17. Selling &amp; Distribution Overhead:</b>		
Export Sale Expenses	3,782,729	2,736,587
Loading & unloading	1,067,815	1,435,764
<b>Total</b>	<b>Tk. 4,850,544</b>	<b>4,172,351</b>

<b>18. Finance Cost:</b>		
Interest on Deferred LC Loan	13,021,788	30,520,191
Interest on Loan ag. Export Bill Discount	-	1,073,700
Interest on OD	20,540	79,724
Interest on Short Term Loan	6,747,223	18,435,000
Interest on LongTerm Loan	46,779,529	1,678,266
Interest on Sister Concerns	-	62,977,043
<b>Total</b>	<b>Tk. 66,569,080</b>	<b>114,763,924</b>

During the period Finance cost decreased by BDT 4.82 (-42.00%) crore due to received Term loan from bank in low

	July-21 to Sep'-21	July-20 to Sep'-20
<b>19. Non-Operating Income:</b>		
Interest Income	8,166,666	1,537,282
Forfeited Provident Fund	-	27,593,156
Gain/Loss on Disposal of Assets	-	(116,560)
Forex Exchange Rate Fluctuation Gain/ (Loss)	1,231,603	(624,543)
<b>Tk.</b>	<b>9,398,269</b>	<b>28,389,335</b>

July-21 to Sep'-21	July-20 to Sep'-20
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**20. Key Management Personnel Compensation:**

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

Short Term Employee Benefits	28,422,525	27,428,516
Post Employment Benefits	18,179,945	352,164
Other Long Term Benefits	-	-
Termination Benefits	-	-
Share Based Payment	-	-

30-Sep-21	30-Jun-21
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**21. Related Party Transaction:**

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

**01. Transaction with Sqaure Pharma. Ltd. (SPL):**

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

**02. Transaction with Square Texcom Ltd. (STCL):**

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

**03. Transaction with Aegis Services Ltd. (ASL):**

Opening Balance	-	-
Total Service Received	(4,806,863)	(25,249,654)
Total Paid	4,407,097	25,249,654
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. (399,766)</b>	<b>-</b>

**04. Transaction with Square Informatix Ltd. (SIL):**

Opening Balance	(76,188)	-
Total Service Received	(1,070,123)	(4,932,361)
Total Paid	1,045,702	4,856,173
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. (100,609)</b>	<b>(76,188)</b>

**05. Transaction with Square Hospitals Ltd. (SHL):**

Opening Balance	-	(201,937)
Total Service Received	(278,049)	(2,165,249)
Total Paid	150,741	2,367,186
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. (127,308)</b>	<b>-</b>

	<b>30-Sep-21</b>	<b>30-Jun-21</b>
<b>06. Transaction with Square Fashions Ltd. (SFL):</b>		
Opening Balance	421,918,019	330,135,734
Total Goods Delivered	338,469,272	1,137,177,863
Total Received	(379,410,234)	(1,045,395,578)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. 380,977,057</b>	<b>421,918,019</b>
<b>07. Transaction with Square Denims Ltd. (SDL):</b>		
Opening Balance	375,470,516	157,466,237
Total Goods Delivered	234,066,894	834,624,758
Total Received	(261,086,924)	(616,620,479)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. 348,450,486</b>	<b>375,470,516</b>
<b>08. Transaction with Square Apparels Ltd. (SAPL):</b>		
Opening Balance	149,736,737	239,108,927
Total Goods Delivered	128,400,346	373,577,069
Total Received	(139,740,427)	(462,949,259)
<b>Closing Balance- Receivable/ (Payable)</b>	<b>Tk. 138,396,656</b>	<b>149,736,737</b>

## 22. Contingent Liability:

Contingent Liability of the Company was 118.64 Crore as on September 30, 2021 for opening LCs by the banks in favour of foreign suppliers for raw materials and spares.

## 23. Event after Balance sheet date:

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

	<b>July-21 to Sep'-21</b>	<b>July-20 to Sep'-20</b>
<b>24. Earnings Per Share (EPS):</b>		
The Computation is given below:		
Earning attributable to Ordinary Shares including other income	Tk. 421,696,070	41,241,029
Number of Ordinary shares	197,252,000	197,252,000
<b>Earnings Per Share</b>	<b>Tk. 2.14</b>	<b>0.21</b>

During the period EPS increased by BDT 1.93 (919.05%) due to increased production and increased sales price of yarn.

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

The Computation is given below:		
Equity Attributable to the Owners of the Company	Tk. 7,727,357,986	7,305,661,916
Number of Ordinary shares	197,252,000	197,252,000
<b>Net Asset Value (NAV) Per Share</b>	<b>Tk. 39.18</b>	<b>37.04</b>

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

The Computation is given below:		
Net Cash Generated (Used in) from Operating Activities	Tk. 956,632,270	423,451,133
Number of Ordinary shares	197,252,000	197,252,000
<b>Net Operating Cash flows per Share (NOCFPS)</b>	<b>Tk. 4.85</b>	<b>2.15</b>

**July-21 to Sep'-21****July-20 to Sep'-20****27. Reconciliation of Net Profit with Cash Flows from Operating Activities:**

The Computation is given below:

<b>Profit After Tax</b>	<b>421,696,070</b>	<b>41,241,029</b>
<b>Adjustment to reconcile net profit to net cash provided by operating activities :</b>		
<b>Non-cash Expenses:</b>	<b>166,610,847</b>	<b>136,169,578</b>
Depreciation	163,956,894	133,468,185
Deferred Tax	3,187,929	2,577,382
Net effect of foreign currency translation	(533,976)	124,011
<b>Non-Operating Items:</b>	<b>-</b>	<b>61,561,184</b>
Interest Expenses/ (Income) on Sister Company Loan	-	61,444,624
Gain/ (Loss) on Disposal of Assets	-	116,560
<b>Changes in working Capital:</b>	<b>368,325,353</b>	<b>184,479,342</b>
(Increase)/Decrease in Inventories	16,055,954	142,277,341
(Increase)/Decrease in Trade Receivable	262,489,200	47,539,015
(Increase)/Decrease in Advances, Deposits & Prepayments	(35,543,256)	(25,024,300)
Increase/(Decrease) in Creditors & Other Payables	26,247,438	36,442,577
Increase/(Decrease) in Liabilities for Others Finance	27,017,734	(28,656,863)
Increase/(Decrease) in Income Tax Payable	72,058,283	11,901,572
<b>Net Cash Generated (Used in) from Operating Activities</b>	<b>956,632,270</b>	<b>423,451,133</b>

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

The business (100% export oriented spinning industry) operation is volatile and realization from debtors (100% confirmed back to back LC) also very positively co-related with this, but all import payments should be made as per provision of UCPDC-600, resultant, the per share operating cash flows fluctuates from quarter to quarter, which is very