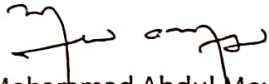


Dear Shareholders
Assalamu Alaikum Wa Rahmatullah!

We forward herewith of the Second Quarter (Q2) Financial Statements (Un-audited) performances of the company, for the 6 (Six) months period (July to December 2024) ended 31st December 2024 of H.R. Textile Mills Limited as per Regulation of the Stock Exchange (Listing) Regulations, 2015 under LR 17(1).



Mohammad Abdul Moyeed
Managing Director



Second Quarter (Q2) Financial Statements (Un-Audited)
for the 6 (Six) months period ended 31st December 2024

H.R. Textile Mills Limited
Pride Hamza (5th Floor), House# 54, Road# 01
Sector# 06, Uttara, Dhaka-1230, Bangladesh
Cell: 01990409190 (Share Department)
E-mail: hrtex_cs@pride-grp.com
www.pride-grp.com/hrt

H.R Textile Mills Limited
Statement of Financial Position

As at December 31, 2024

<u>ASSETS</u>	Notes	Amount in Taka	
		As at December 31, 2024	As at June 30, 2024
Non-Current Assets			
Property, Plant and Equipment	4	2,595,376,065	2,656,075,849
Capital Work In Progress	5	184,646,812	184,646,812
Investment in Fixed Deposits	6	1,136,616	85,254,529
Total Non-Current Assets		2,781,159,493	2,925,977,190
Current Assets			
Stocks and Stores	7	475,098,113	372,930,831
Trade and Other Debtors	8	560,444,008	589,873,127
Export Incentive Receivable	9	61,061,978	47,845,516
Deferred Revenue Expenditure	10	267,800,128	153,180,675
Advances, Deposits and Prepayments	11	349,250,595	351,960,066
Cash and Bank Balances	12	49,559,035	52,404,865
Total Current Assets		1,763,213,857	1,568,195,080
TOTAL ASSETS		4,544,373,350	4,494,172,270
SHAREHOLDERS' EQUITY & LIABILITIES			
Shareholders' Equity			
Share Capital	13	292,215,000	292,215,000
General Reserve	14	6,956,752	6,956,752
Tax Holiday Reserve	15	22,378,988	22,378,988
Dividend Equalisation Reserve	16	10,000,000	10,000,000
Revaluation Surplus	17	648,731,052	649,179,158
Retained earnings	18	(434,902,959)	(354,379,413)
Total Shareholders' Equity		545,378,833	626,350,485
Long-term Liabilities			
Long-term Loans-Secured, Future Maturity	19	2,969,235,123	2,881,032,296
Non-Convertible Callable Zero-coupon Bond	20	26,472,751	25,453,504
Provision for Gratuity	21	11,397,811	15,958,298
Provision for Deferred Taxation	22	95,134,284	94,239,450
Total long-term Liabilities		3,102,239,969	3,016,683,548
Current Liabilities			
Short -terms Loans	23	694,284,237	613,323,955
Trade Creditors	24	130,207,478	168,270,225
Unclaimed Dividend Account	25	3,410,229	3,412,517
Accrued Expenses	26	26,141,159	25,415,763
Provision for Current Taxation	27	41,153,168	37,573,632
Workers' Participation /Welfare Funds	28	1,558,276	3,142,145
Total Current Liabilities		896,754,547	851,138,237
Total Liabilities		3,998,994,517	3,867,821,785
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		4,544,373,350	4,494,172,270
Net Assets Value (NAV) per share	29	18.66	21.43

The annexed notes from 1 to 42 and Annexure A to B form an integral part of these financial statements.


Managing Director


Director


Director


CFO/IF&A


Company Secretary

H.R Textile Mills Limited
Statement of Profit or Loss and other Comprehensive Income
Half Yearly and Second Quarter ended December 31,2024

Amount in Taka

Particulars	Notes	Half-Year Ended		Second Quarter	
		July, 2024 to December ,2024	July, 2023 to December ,2023	October, 2024 to December, 2024	October, 2023 to December, 2023
Sales Revenue	30	361,539,186	472,946,516	170,709,599	69,121,717
Export Incentive Turnover	31	19,594,295	48,846,580	10,045,875	14,272,080
Cost of Goods Sold	32	381,133,481	521,793,096	180,755,474	83,393,797
Gross Profit		(294,637,225)	(426,612,281)	(104,753,834)	(112,387,039)
Administrative, Selling and General Expenses	33	86,496,256	95,180,815	76,001,640	(28,993,242)
Financial Expenses	34	(38,736,913)	(45,498,625)	(16,432,322)	(22,351,654)
Operating Profit		(129,580,604)	(121,273,663)	(58,441,085)	(51,816,166)
Other income	35	(81,821,261)	(71,591,473)	1,128,233	(103,161,062)
Profit Before contribution to WPPF		5,323,979	4,401,800	2,988,479	1,033,736
Contribution to WPPF	28	(76,497,282)	(67,189,673)	4,116,712	(102,127,326)
Net Profit before Tax		-	(1,663,700)	-	-
Income Tax Expenses		(76,497,282)	(68,853,373)	4,116,712	(102,127,326)
Current Tax	37	(4,553,448)	(5,935,313)	(2,709,595)	(45,833)
Deferred Tax	22	(3,579,536)	(6,352,004)	(2,119,052)	(723,284)
Net Profit after tax		(973,912)	416,691	(590,543)	677,451
Earnings per share (EPS)	39	(81,050,730)	(74,788,686)	1,407,117	(102,173,159)
		(2.77)	(2.56)	0.05	(3.50)

The annexed notes from 1 to 42 and Annexure A & B form an integral part of these financial statements.


Managing Director


Director


Director

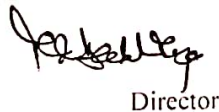

CFO/HF&A


Company Secretary

H.R Textile Mills Limited
Statement of Cash Flows
For the Half yearly and Second Quarter (Q2) ended December 31,2024

<u>Particulars</u>	Notes	Frist Quarter Ended Amount in Taka	
		July ,2023 to December,2024	July ,2023 to December ,2023
Cash Flows from Operating Activities:			
Cash received from Sales and Export incentives		397,346,138	672,197,978
Receipts from Other Income		5,088,137	4,106,310
Cash paid for goods and services		(529,673,104)	(571,409,230)
Cash from operation		(127,238,829)	104,895,058
Interest paid		(126,561,289)	(117,635,364)
Income tax paid/deducted at sources		(3,579,536)	(6,352,004)
Net Cash inflows from operating activities		(257,379,654)	(19,092,310)
Cash Flows from Investing Activities:			
Acquisition of property, plant and equipment	4 & 5	-	-
Investment in FDR	6	84,117,913	4,153,061
Net Cash outflows from investing activities		84,117,913	4,153,061
Cash Flows from Financing Activities:			
Long Term Loans Received/(Repaid)		88,202,827	(24,555,989)
Non-Convertible Callable Zero-coupon Bond		1,019,247	1,472,358
Short-term Loans Received/(Repaid)		80,960,282	24,450,349
Bills Receivable Discounted Received/(Repaid)		-	(12,196,835)
Cash dividend Paid		(2,288)	(2,220,221)
Net Cash inflow from financing activities		170,180,068	(13,050,338)
Net increase/(decrease) in cash and bank balances		(3,081,673)	(27,989,587)
Cash and bank balances on opening		52,404,865	101,460,581
Effects of Exchange rete changes on cash and cash equivelents		235,842	295,490
Cash and bank balances at closing - Note 7		49,559,035	73,766,484
Net operating cash flows per share (NOCFPS)	40	(8.81)	(0.65)


Managing Director


Director


Director


CFO/HF&A


Company Secretary

H.R Textile Mills Limited
Statement of Changes in Shareholders' Equity
For the Half year (Q2) ended December 31,2024

<u>Particulars</u>	Share Capital	General Reserve	Tax Holiday Reserve	Revaluation Surplus	Dividend Equalization Reserve	Retained Earnings	Total Taka
Balance as at June 30,2024	292,215,000	6,956,752	22,378,988	649,179,158	10,000,000	(354,379,413)	626,350,485
Revaluation reserve realised				(448,106)		527,184	79,078
Net profit after Tax	-	-	-	-	-	(81,050,730)	(81,050,730)
Balance as on December 31,2024	292,215,000	6,956,752	22,378,988	648,731,052	10,000,000	(434,902,959)	545,378,833

<u>Particulars</u>	Share Capital	General Reserve	Tax Holiday Reserve	Revaluation Surplus	Dividend Equalization Reserve	Retained Earnings	Total Taka
Balance as at June 30,2023	292,215,000	6,956,752	22,378,988	650,075,370	10,000,000	225,970,540	1,207,596,650
Revaluation reserve realised				(448,106)		527,184	79,078
Net profit after Tax	-	-	-	-	-	(74,788,686)	(74,788,686)
Balance as on December 31,2023	292,215,000	6,956,752	22,378,988	649,627,264	10,000,000	151,709,038	1,132,887,042


Managing Director


Director


Director


CFO/IF&A


Company Secretary

H.R TEXTILE MILLS LIMITED
Notes to the Financial Statements
For the 1st Quarter ended December 31, 2024

Forming an integral Part of the Financial Statements

1. Notes-General

(a) Status and Activities:

This is a public limited company incorporated in Bangladesh under the Companies Act, 1913 on 3 December 1984 under the entrepreneurship of the Pride Group. The other shareholders are the general public and local financial institutions. The shares of the Company are listed with both the Dhaka and Chittagong Stock Exchanges in Bangladesh. The address of the registered office is B-87, Mailbag Chowdhury Para, Dhaka and the mills are located at Karnapara, Savar, Dhaka. The Company owns textile mills and its principal activities are knitting, processing and finishing of textile products and making garments.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and the Companies Act, 1994, Income Tax Ordinance, 1984, Income Tax Rules, 1984, Value Added Tax Act, 1991 and the Value Added Tax Rules 1991, Bangladesh Securities and Exchange Rules, 1987 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis except financial assets and liabilities which are stated at "fair value".

2.3 Functional and presentational currency

These financial statements are prepared in Bangladeshi Taka, which is the Company's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with IAS/IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

2.5 Reporting period

The financial reporting period of the company covers three months from 01 July 2024 to December 31, 2024

2.6 Comparative Information and Rearrangement Thereof

In accordance with the provisions of IAS-1: Presentation of Financial Statements, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

2.7 Corporate Accounting Standards Practiced

IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventories	Complied
IAS 7	Cash Flows Statement	Complied
IAS 8	Accounting policies , Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant and Equipment	Complied
IAS 19	Employee Benefits	Complied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Complied
IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
IAS 27	Separate Financial Statements	Complied
IAS 28	Investments in Associates and Joint Ventures	Not Applicable
IAS 29	Financial Reporting in Hyperinflationary Economies	Not Applicable
IAS 32	Financial Instruments: Presentation	Complied
IAS 33	Earnings Per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provision, Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	Complied
IAS 40	Investment Property	Not Applicable

Applicable International Financial Reporting Standards (IFRSs) are as follows:

IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standards	Not Applicable
IFRS 2	Share-based Payment	Not Applicable
IFRS 3	Business Combinations	Not Applicable
IFRS 4	Insurance Contracts	Not Applicable
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
IFRS 6	Exploration for and Evaluation of Mineral Resources	Not Applicable
IFRS 7	Financial Instruments: Disclosures	Complied
IFRS 8	Operating Segments	Not Applicable
IFRS 9	Financial Instruments	Complied
IFRS 10	Consolidated Financial Statements	Not Applicable
IFRS 11	Joint Arrangements	Not Applicable
IFRS 12	Disclosure of Interests in Other Entities	Not Applicable
IFRS 13	Fair Value Measurement	Complied
IFRS 14	Regulatory Deferral Accounts	Not Applicable
IFRS 15	Revenue from contracts with customers	Complied
IFRS 16	Leases	Not Applicable

2.8 Component of Financial Statements

- (i) Statement of Financial Position as on December 31,2024;
- (ii) Statement of Profit or Loss and other Comprehensive Income for the period ended December 31,2024;
- (iii) Statements of Changes in Shareholders' Equity for the period ended December 31,2024;
- (iv) Statement of Cash Flows for the period ended December 31,2024; and
- (v) Notes to the Financial Statements for the period ended December 31,2024.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all period presented in these financial statements.

3.01 Property, plant and equipment

3.01.1 Recognition and measurement

Property, plant and equipment are measured at cost and valuation (only land) less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. It is carried at the lower of its carrying amount and fair value less cost. Any write-down is shown as an impairment loss. Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

3.01.2 Subsequent costs

The cost of replacing 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 the statement of comprehensive income as incurred.

3.01.3 Depreciation on property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation thereon. Depreciation is charged applying diminishing balance method on all fixed assets other than land and land development. Depreciation has been charged on addition when the related asset is available for use and no depreciation has been charged when the related assets are de-recognized/disposed off. After considering the useful life of the assets as per IAS-16: Property Plant and Equipment, the depreciation rates have been applied as under which is considered reasonable by the management:

SL No.	Particular	Rate of Depreciation
01	Factory Building	2.50%
02	Plant & Machinery	7.00%
03	Factory Shed	7.5%
	Electric, Gas, Water, Steam and Telephone Installation, Furniture & Fixture, Office Equipment, Factory Equipment and Tools & Apparatus.	10%
05	Motor Vehicle	15%

3.01.4 Impairment of assets

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the year no impaired loss occurred to recognize in the Financial Statements.

3.2 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is valued at weighted average cost method and includes costs for acquiring the inventories and bringing them to their existing locations and conditions.

3.01.5 Intangible assets

i) Software:

Software that acquires by Group, which have finite useful lives, are measured as cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates.

3.01.6 Amortization:

Amortization is charged in the income statement on a straight-line basis over the estimated useful lives of intangible assets other than goodwill. Amortizations on additions are charged at 50% of normal rates only in the year of acquisition. Amortized is charged at the rates of 05-20% depending on the estimated useful lives of assets and no amortization is charged in the year of disposal except other assets.

3.3 Provisions

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

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a) when the company has an obligation (legal or constructive) as a result of past events;
- b) when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) Reliable estimates can be made of the amount of the obligation.

3.4 Earnings per share (EPS)

This has been calculated in compliance with the requirement of IAS-33: Earnings per share. Earnings per share by dividing the net earnings after Tax by the number of ordinary shares outstanding during the period.

Basic Earnings per share (Numerator /Denominator)

Earnings (Numerator)

*This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents number of ordinary share outstanding during the period.

Diluted Earnings per share

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company. Hence, no Diluted EPS of the company has been calculated.

3.5 Revenue Recognition

In compliance with the requirements of IFRS 15 "Revenue from Contracts with Customers" revenue represents the sales proceeds which are recognized when the parties to the contract have approved the contract and are committed to perform their respective obligations; delivery are made from factory godown to carriers that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

3.6 Trade receivables

Trade receivables at the balance sheet date are stated at amounts which are considered realizable.

3.7 Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues. Finance expenses comprise interest expense on borrowings, bank charges and guarantee costs. All borrowing costs are recognized in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest rate.

3.8 Cash and cash equivalents

It includes cash in hand and other deposits with banks which were held and available for use by the company without any restriction.

3.9 Taxation

Current tax

Provision for current income tax has been made during the year under review in respect of net profit at the rate of 15%

Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

3.10 Foreign Currency Transaction

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates are determined as under:

- a) Foreign currency monetary items are translated using the closing rate.

- b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.
- d) Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the year or in previous financial statements is recognized in profit or loss in the year in which they arise.

3.11 Employee Benefits:

The Company is operating Workers Profit Participation Fund (WPPF) and Welfare Fund according to Bangladesh Labour Law 2006 and Bangladesh labour (Amendments) Act 2013 are accounted for securing benefits to the employees in accordance with the provision of International Accounting Standard (IAS)-19, "Employee Benefit".

Retrial Benefits (Gratuity):

The retrial benefits (gratuity) liability for the permanent employees of the Company is accrued at one months' basic pay for each completed year of service of each employee who has completed service for six months or more.

3.12 Related party disclosure

As per IAS 24: Related Party Disclosure, parties are considered to be related if one has the ability to control or exercise significant influence over other in making financial and operating decisions.

3.13 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with the requirements of IAS 7 "Statement of Cash Flows". The cash generating from operating activities has been reported using the direct method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.14 Events after the Reporting Period

In compliance with the requirements of IAS 10 "Events after the Reporting Period" events after the reporting period that provided additional information about the company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

3.15 Risk Exposure

Interest Rate Risk

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

Management Perception

The company has mostly fixed rate loans; and accordingly, adverse, impact of interest rate fluctuation is insignificant.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the

profitability of the company. If exchange rate increases against locale currency, opportunity arises for generating more profit.

Management Perception

The company's exports exceed imports; therefore, volatility of exchange rates has limited impact on profitability of the company.

Industry Risks

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

Management Perception

Management is optimistic about growth opportunity in garments and textiles sector in Bangladesh. Furthermore, there is untapped international market.

Market risks

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

Management Perception

Management is fully aware of the market risk and act accordingly. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational Risks

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

Management Perception

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

Liquidity Risk

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

Management Perception

The company's approach to managing liquidity is to ensure, as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of 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.

Financial risk management (IFRS 7)

Introduction

The Company's activities expose it to a variety of financial risks: credit risk, market risk (including interest rate risk and foreign currency risk), and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to economically hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Company Treasury) under policies approved by the Board of Directors (Treasury Policy). Company Treasury identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units. The 'Treasury Policy' provides principles for specific areas, such as credit risk, interest rate risk, foreign currency risk, use of derivative financial instruments, and investment of excess liquidity.

This note presents information about the Company's exposure to each of the risks arising from financial instruments and the Company's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

Carrying amounts of financial instruments by category

The following table shows the carrying amounts of financial instruments by category at the end of September 30, 2024.

Maturity analysis

Particulars	Current	>30 days	> 90 days	> 1 year	Total
Loans and Receivables					
Cash and Cash Equivalents	49,559,035				49,559,035
Accounts Receivable					560,444,008
Balance at December 31, 2024	49,559,035				610,003,043

Financial liabilities measured at amortized Cost:

Bank Loan				3,663,519,360	3,663,519,360
Sundry Creditors	130,207,478				130,207,478
Balance at December 31, 2024	130,207,478			3,663,519,360	3,793,726,838

Credit risks:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to financial instruments fails to meet its contractual obligations, and arises principally from cash and cash equivalents, time deposits, and trade accounts receivable.

The credit risk with Accounts Receivable (see note 07) is limited, as the Company has numerous clients located in various geographical regions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. For risk control, the customers are categorized as follows (risk companies): governmental organizations, listed public limited companies, and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance or letters of credit; these limits are reviewed regularly (credit check).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the Statement of Financial Position. There are no commitments that could increase this exposure to more than the carrying amounts.

Market risks

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

Interest rate risk

At the reporting date, the Company had the following interest-bearing financial instruments: cash and cash equivalents, time deposits, rent deposits, and bank liabilities. All cash and cash equivalents mature or reprice in the short-term, no longer than three months.

Borrowings mainly bear interest at fixed rates. Cash and cash equivalents and borrowings issued at variable rates expose the Company to cash flow interest rate risk.

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The Company Treasury manages the interest rate risk to reduce the volatility of the financial result as a consequence of interest rate movements. For the decision whether new borrowings shall be arranged at a variable or fixed interest rate, the Company Treasury focuses on an internal long-term benchmark interest rate and considers the amount of cash and cash equivalents held at a variable interest rate. Currently, the interest rate exposure is not hedged.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Company Treasury manages the Company's liquidity to ensure sufficient liquidity to meet all liabilities when due, under both normal and stressed conditions, without facing unacceptable losses or risking damage to the Company's reputation. Excess liquidity can be invested in instruments such as time deposits, government, and corporate bonds, shares of publicly listed companies, and capital protected instruments.

The following are the contractual maturities of financial liabilities, including interest payments:

BDT	Carrying amount	Between 1 and 90 Days	Between 91 and 360 days	Between 1 and 2 years	Total
Non-derivative financial liabilities	-	-	-	-	-
Bank Loan	-	-	-	-	3,793,726,838
Sundry Creditors	-	-	130,207,478	-	-
Balance at December 31,2024	-	-	130,207,478	-	3,793,726,838

	December 31,2024	June 30,2024
	Taka	Taka
4. Property, Plant and Equipment		
a) Cost:		
Opening Balance	4,217,174,336	3,884,439,086
Add: Addition during the year	-	332,735,250
Sub total (a)	4,217,174,336	4,217,174,336
b) Accumulated depreciation		
Opening Balance	1,561,098,487	1,425,740,112
Add: charged during the period	60,699,784	135,358,375
	1,621,798,271	1,561,098,487
Written down value (a-b)	2,595,376,065	2,656,075,849

(Details Schedule of Property, Plant and Equipment are shown in Annexure -A)

5. Capital Work In progress		
Opening Balance	184,646,812	184,646,812
Closing Balance	184,646,812	184,646,812
6. Investment in Fixed deposits		
Opening Balance	85,254,529	87,831,237
Addition this Period	36,587	1,100,029
Add Interest this Period	4,336,923	6,333,080
Less: Realised this year	(88,491,423)	(10,009,817)
Closing Balance	1,136,616	85,254,529

7. Stocks and stores

7.1 The make-up is as below:

	December 31,2024		June 30,2024	
	In Kg	Taka	In Kg	Taka
7.2 Stock of Yarn	148,868	68,705,400	149,382	68,674,473
7.3 Stock of Dyes and Chemicals	153,484	45,339,424	177,941	42,263,973
7.4 Stock of Work-in-Process		174,865,835		162,385,379
7.5 Stock of Finished Goods		111,303,242		60,518,261
Stock of Accessories		24,134,824		10,560,217
Goods in Transit		23,780,261		15,684,754
		448,128,986		360,087,057
Stock of Spares		26,969,127		12,843,774
		475,098,113		372,930,831

7.2 Stock of Yarn

Stock of Yarn	148,868	68,705,400	149,382	68,674,473
	148,868	68,705,400	149,382	68,674,473

7.3 Stock of Dyes and Chemicals

Dyes	26,722	23,584,570	16,915	14,999,779
Chemicals	126,762	21,754,854	161,026	27,264,194
	153,484	45,339,424	177,941	42,263,973

7.4 Stock in Work in Process

Stock of Work In Process		174,865,835		162,385,379
		174,865,835		162,385,379

7.5 Stock of Finished Products

Finished Garments	72,178	25,256,658	143,236	42,545,240
Knitted Fabrics	-	86,046,584	-	17,973,021
	72,178	111,303,242	143,236	60,518,261

8. Trade and Others Debtors

	December 31,2024		June 30,2024	
	US\$	Taka	US\$	Taka
Export Sales Receivable (Below 180 Days)	4,150,320	505,924,008	4,502,549	535,353,127
Other Debtors	509,533	54,520,000	509,533	54,520,000
	4,659,853	560,444,008	5,012,082	589,873,127

These include a sum of Tk,54,520,000 (2022;Tk.54,520,000) due from Associates Companies, expected to be realized /adjusted within a year from the financial statement end date.
These are unsecured but considered good.

9. Export Incentive Receivable

Opening Balance
Add: for the period

Less: Received for the period
Closing Balance

December 31,2024	June 30,2024
Taka	Taka
47,845,516	-
19,594,295	51,823,512
67,439,811	51,823,512
(6,377,833)	(3,977,996)
61,061,978	47,845,516

10. Deferred Revenue Expenditure

Opening Balance
Interest during the year
Closing Balance

153,180,675	-
114,619,453	153,180,675
267,800,128	153,180,675

11. Advances, Deposits and Prepayments**Advances :**

Salary Advance
Advance Tax
LC Margin
Factory Insurance Advance
Advance against Land
IPDC Finance Ltd.
Operational Advance
Eltech Engineering Co Ltd
Tax deducted at source

2,255,000	1,737,000
1,585,000	1,585,000
-	8,465,000
2,035,881	397,923
248,000,000	248,000,000
8,709,484	8,709,484
6,565,845	6,545,810
6,600,000	6,600,000
38,319,914	34,740,378
314,071,124	316,780,595

Deposits :

Security Deposits
Bank Guarantee Margin

17,381,571	17,381,571
17,797,900	17,797,900
35,179,471	35,179,471
349,250,595	351,960,066

The advances are unsecured but considered good.

12. Cash and Bank Balances**Cash at Banks with Banks/Financial Institutions on Current Account:**

Brac Bank Ltd, Dhanmondi Branch, CD A/c
Mutual Trust Bank Ltd, Gulshan Branch, CD A/c
Mutual Trust Bank Ltd, Gulshan Branch, Fund bulup A/c
Mutual Trust Bank Ltd, Gulshan Branch, Dollar A/c
Mutual Trust Bank Ltd, Gulshan Branch, ERQ A/c
HSBC, Anchor Tower Branch, MDA Margin A/c
HSBC, Anchor Tower Branch, FCY A/c
HSBC, Anchor Tower Branch, CD A/c
Trust Bank Ltd, SKB Branch, Dollar A/c
Trust Bank Ltd, SKB Branch, FCAD A/c
Trust Bank Ltd, SKB Branch, CD A/c
Meghna Bank PLC, Principal Bank, CD A/c
AL-Arafah Islami Bank Ltd, Head Office Corporate Branch, CD A/c
AL-Arafah Islami Bank Ltd, Head Office Corporate Branch, ERQ A/c
AL-Arafah Islami Bank Ltd, Head Office Corporate Branch, Exporter A/c
AL-Arafah Islami Bank Ltd, Head Office Corporate Branch, Fc Hold A/c
Dutch Bangla Bank Ltd, Gulsgan Branch, CD A/c
AB Bank Ltd, Motijheel Branch, CD A/c
AB Bank Ltd, Motijheel Branch, Notice A/c

26,594	27,579
683,468	673,239
11,686,267	6,377,514
2,046,382	1,980,792
26,662	26,378
23,447,502	22,716,753
2,558,931	2,477,522
2,333,479	1,942,618
-	281,025
468	453
4,602	365,143
23,097	9,425
95,520	564,702
1,767,248	8,680,769
14,032	-
1,357,180	2,941,156
69,546	227,629
24,352	25,202
618,970	624,016
46,784,300	49,941,915

With Bank on Short Term Deposit Account:

Trust Bank Ltd, SKB Branch, SND A/c
Southeast Bank Ltd, Principal Branch, STD A/c

37,223	38,208
52,832	53,987
90,055	92,195

Cash at Banks
Cash in Hand

46,874,355	50,034,110
2,684,680	2,370,755
49,559,035	52,404,865

13. Share Capital

13.1 Authorized:

100,000,000 Ordinary Shares of Tk 10 each	1,000,000,000	1,000,000,000
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13.2 Issued, Subscribed and Paid-up:

29,221,500 Ordinary Shares of Tk 10 each fully paid-up	29,221,500	29,221,500
14,000,000 Ordinary Shares of Tk 10 each fully paid-up in cash	140,000,000	140,000,000
11,300,000 Ordinary Shares of Tk 10 each issued as fully paid-up bonus shares	113,000,000	113,000,000
1,265,000 Ordinary Shares of Tk 10 each issued as fully paid-up bonus shares	12,650,000	12,650,000
2,656,500 Ordinary Shares of Tk 10 each issued as fully paid-up bonus shares	26,565,000	26,565,000
	<u>292,215,000</u>	<u>292,215,000</u>

13.3 Composition of Shareholdings:

Classes of Holdings	December 31, 2024		June 30, 2024	
	No. of Shares	%	No. of Shares	%
Sponsors	14,093,947	48.23	14,093,947	48.23
Financial Institutions	3,094,382	10.59	2,137,911	7.32
General Public	12,033,171	41.18	12,989,642	44.45
	<u>29,221,500</u>	<u>100</u>	<u>29,221,500</u>	<u>100</u>

Distribution schedule-Disclosures Under the Listing Regulations of Stock Exchanges:

The distribution schedule showing the number of shareholders and their share holdings in percentage has been disclosed below as a requirement of the Stock Exchanges (Listing) Regulations, 2015.

Shareholdings range in number of Shares	December 31, 2024			June 30, 2024		
	No. of Shareholders	No. of Shares	Holdings %	No. of Shareholders	No. of Shares	Holdings %
0000000001-00000000499	6,858	1,918,611	6.57	6,658	1,876,611	6.42
0000000500-00000000500	3,682	1,841,000	6.30	3,620	1,831,000	6.27
0000000501-00000002000	763	1,678,600	5.74	758	1,703,600	5.83
0000002001-00000005000	324	915,948	3.14	313	905,948	3.10
0000005001-00000010000	112	823,424	2.82	104	834,424	2.86
0000010001-000000050000	35	1,260,000	4.31	34	1,239,000	4.24
0000050001-00000100000	21	1,455,163	4.98	19	1,466,163	5.02
00000100001-00000250000	14	2,250,548	7.70	13	2,286,548	7.82
00000250001-00000500000	5	1,905,857	6.52	5	1,905,857	6.52
0000020500001 and above	8	15,172,349	51.92	8	15,172,349	51.92
Total	11,822	29,221,500	100.00	11,532	29,221,500	100.00

13.4 Year wise break-up of the issue:

Date	Particulars	Shares	2024 (Taka)	2024 (Taka)
3/12/1984	Subscribed Capital as per Memorandum and Articles of Association at the time on Incorporation (40,000 of Tk. 10 each)	40,000	400,000	400,000
25/06/1987	281,000 Bonus Shares of Tk 10 each issued	281,000	2,810,000	2,810,000
10/2/1995	15,000 Bonus Shares of Tk 10 each issued	15,000	150,000	150,000
27/03/1995	3,664,000 Bonus Shares of Tk 10 each issued	3,664,000	36,640,000	36,640,000
6/4/1995	4,000,000 Bonus Shares of Tk 10 each issued	4,000,000	40,000,000	40,000,000
14/12/1995	2,000,000 Bonus Shares of Tk 10 each issued	2,000,000	20,000,000	20,000,000
19/12/1996	10,000,000 shares issued through Public offering (10,000,000 Shares of Tk 10 each)	10,000,000	100,000,000	100,000,000
28/03/2011	10% Shares issued as Bonus (2,000,000 Shares of Tk. 10 each)	2,000,000	20,000,000	20,000,000
29/03/2012	15% Shares issued as Bonus (3,300,000 Shares of Tk. 10 each)	3,300,000	33,000,000	33,000,000
24/01/2022	5% Shares issued as Bonus (1,265,000 Shares of Tk. 10 each)	1,265,000	12,650,000	12,650,000
18/01/2023	10% Shares issued as Bonus (2,656,500 Shares of Tk. 10 each)	2,656,500	26,565,500	26,565,000
	Total	29,221,500	292,215,500	292,215,000

13.5 Option on unissued shares:

There is no option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid up capital through the issuance of new shares.

14. General Reserve

Opening and Closing Balance	6,956,752	6,956,752
	<u>6,956,752</u>	<u>6,956,752</u>

	December 31,2024 Taka	June 30,4 Taka
15. Tax Holiday Reserve		
Opening and Closing Balance	22,378,988	22,378,988
	<u>22,378,988</u>	<u>22,378,988</u>
16. Dividend Equalisation Reserve		
Opening and Closing Balance	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
17. Revaluation Surplus		
Revaluation Surplus	649,179,158	650,075,370
Revaluation reserve realised	(448,106)	(896,212)
Closing Balance	<u>648,731,052</u>	<u>649,179,158</u>

M/S. Ahmad and Akhtar & Co. Chartered Accountants , Dhaka, Bangladesh (the valuer) revalued the Factory Lands & Building as of December 31,2018 at "Current Cost Accounting Method (CCA)". Due to the revaluation , a net revaluation surplus amounting to Tk.686,195,360.00 arose and accounted for.

18. Retained earnings		
Balance as on June 30,2024	(354,379,413)	225,970,540
Prior adjustment of Interest on non-Convertible callable Zero coupon Bond		968,424
Total Comprehensive income for the year:		
Profit for the year	(81,050,730)	(574,808,760)
Revaluation reserve realised	527,184	1,054,368
	<u>(434,902,959)</u>	<u>(346,815,428)</u>
	-	(7,563,985)
Final dividend for previous year (Cash)	<u>(434,902,959)</u>	<u>(354,379,413)</u>
Balance as on September 30,2024		

19. Long-term Loan -Secured Future Maturity		
Mutual Trust Bank Ltd.,Gulshan Branch	19.1	714,599,413
IPDC Finance Ltd., Hosna Centre (4th Floor),106 Gulshan Avenue, Dhaka	19.2	666,386,399
United Commercial Bank Ltd., Gulshan Corporate Branch, Dhaka	19.3	207,790,547
AL-Arafah Islami Bank Ltd. , Head Office Corporate Branch	19.4	276,961,425
		1,844,513,378
		<u>1,729,893,925</u>
		<u>2,969,235,123</u>
		<u>2,881,032,296</u>

19.1 The movement of loan is as follows:

Opening Balance	666,386,399	602,567,269
Received this year	-	-
Add. Interest this Period	48,213,014	72,337,618
Total	<u>714,599,413</u>	<u>674,904,887</u>
Paid during the period	-	(8,518,488)
Closing Balance	<u>714,599,413</u>	<u>666,386,399</u>

The loan has been taken from Mutual Trust Bank Ltd,Gulshan Branch for import of Plant and machinery.The loan carries interest at 14.50% and is repayable in 16 Quartly installments,starting from 11 July, 2021.The loan is secured by hypothecation of stock, machinery, equipment and book debts.

19.2 The movement of loan is as follows:

Opening Balance	207,790,547	343,210,208
Received this year	-	-
Add: Interest	31,500,673	45,299,930
Total	<u>239,291,220</u>	<u>388,510,138</u>
Current Maturity	(90,359,796)	(180,719,591)
Closing Balance	<u>148,931,424</u>	<u>207,790,547</u>

The term loan facility has been taken from IPDC Finance Limited, Head office : Hosna Centre (4th Floor),106 Gulshan Avenue, Dhaka-1212, Bangladesh, for construction of effluent treatment plant. The loan carries interest at 14.50% and is repayable in 72 equal monthly installments, starting from 25 November 2019.

19.3 The movement of loan is as follows:

Opening Balance	276,961,425	328,722,028
Accrued Interest	36,253,181	52,286,792
Total	<u>313,214,606</u>	<u>381,008,820</u>
Current Maturity	(52,023,698)	(104,047,395)
Closing Balance	<u>261,190,908</u>	<u>276,961,425</u>

The loan has been taken from United Commercial Bank Ltd, Corporate Branch, Plot CWS (A)1, Road 34, Gulshan Avenue, Dhaka-1212 for Working Capital requirement.The loan carries interest at 14.50% and is repayable in 44 months .The loan is secured by hypothecation of stock, machinery, equipment and book debts.

19.4 The movement of loan is as follows:

	December 31,2024 Taka	June 30,2024 Taka
Opening Balance	1,729,893,925	1,236,320,250
Loan received this period	-	341,700,000
Add: Interest	114,619,453	153,180,675
	1,844,513,378	1,731,200,925
Less: Paid this period		(1,307,000)
Closing Balance	1,844,513,378	1,729,893,925

The loan has been taken from Al-Arafah Islami Bank Ltd,Head office corporate branch,63 Purana Palton, Dhaka to pay-off the term loan of Mutual Trust bank Limited .The loan carries interest at 14.50% and is repayable for a period of 7 years (without 1 years gracee period).The loan is secured by hypothecation of stock, machinery, land & factory Building,equipment and book debts.

20. Non-Convertible Callable Zero-coupon Bond

Received this year	25,453,504	24,254,358
Prior year adjustment of Interest	-	(968,424)
Add:Interest	1,019,247	2,167,570
Closing Balance	26,472,751	25,453,504

The Bond amount was received pursuant to BSEC Sanction No.BSEC/CI/DS-146/2021/454 Date15 July 2021.

21. Provision for Gratuity

Opening Balance	15,958,298	22,008,828
Contribution during this year	994,038	1,610,904
	16,952,336	23,619,732
Paid during this year	(5,554,525)	(7,661,434)
Closing Balance	11,397,811	15,958,298

22. Provision for Deferred Taxation

Opening Balance	94,239,450	90,721,566
Charged to profit or loss account during the year	973,912	3,676,040
Adjustment for depreciation of revalued assets	(79,078)	(158,156)
Closing balance	95,134,284	94,239,450

A. Property, Plant and Equipment (PPE)

WDV of Accounting Base	1,915,506,913	1,975,679,513
WDV of Tax Base	1,477,467,892	1,539,572,761
Taxable temporary difference	438,039,021	436,106,752
Tax rate	15%	15%
Deferred tax liability (asset)	65,705,853	65,416,014

B. Deferred Tax on Gratuity Position

Opening balance of deferred tax liability for gratuity provision	(2,393,744)	(3,301,324)
Addition during the year	684,073	907,580
Deferred tax liability (asset)	(1,709,671)	(2,393,744)

C. Calculation of deferred Tax

Revalued value of land	644,020,625	644,020,625
Revalued value of other than land	35,848,527	36,375,711
Tax Rate		
On land	4%	4%
On other than land	15%	15%
Deferred tax liabilities		
For land	25,760,825	25,760,825
For other than land	5,377,279	5,456,355
Deferred tax liability (asset)	31,138,104	31,217,180
Total (A+B+C)	95,134,284	94,239,450

Calculation of deferred tax charged on Profit and Loss Account:

Deferred tax liability other than revalued asset as on June 30,2024	63,022,270	59,346,230
Deferred tax liability other than revalued asset as on September 30,2024	63,996,182	63,022,270
	973,912	3,676,040

23. Short-term loans	December 31,2024	June 30,2024
	Taka	Taka
Bank Overdrafts	23.01 56,265,388	52,514,653
Time Loan	23.02 86,506,958	80,753,300
Current Maturity of Long-term loans	23.03 551,511,891	480,056,002
	<u>694,284,237</u>	<u>613,323,955</u>

23.01 Bank Overdrafts

AL-Arafah Islami Bank Ltd. , Head Office Corporate Branch	56,265,388	52,514,653
	<u>56,265,388</u>	<u>52,514,653</u>

These are secured.

23.02 Time Loan : The movement of loan is as follows

Opening Balance	80,753,300	25,169,353
Add: received this year		51,592,644
Add: Interest during the period	5,753,658	6,033,903
Total	<u>86,506,958</u>	<u>82,795,900</u>
Less: Paid during the period	-	(2,042,600)
Closing Balance	<u>86,506,958</u>	<u>80,753,300</u>

The loan has been taken from Trust Bank PLC, Sena Kalyan Bhaban Branch,195 Motijheel C/A , Dhaka-1000 for working Capital requirement . The loan carries interest at 14.50% and is repayable in 36 Months.

23.03 Current Maturity of long-term loans

Mutual Trust Bank Ltd. Gulshan Branch, Dhaka	23.04.01	-	-
IPDC Finance Limited, Hosna Centre (4th Floor), 106, Gulshan Avenue, Dhaka	23.04.02	291,393,403	271,961,212
United Commercial Bank Ltd, Corporate Branch, , Dhaka-1212	23.04.03	260,118,488	208,094,790
		<u>551,511,891</u>	<u>480,056,002</u>

23.04.01 The movement of loanis as follows:

Opening Balance	-	27,845,637
Current Maturity this period	-	-
	-	<u>27,845,637</u>
Paid during this period	-	(27,845,637)
Closing Balance	-	<u>-</u>

The loan has been taken from Mutual Trust Bank Ltd.Gulshanl Branch for import of Plant and machinery.The loan carries interest at 14.50% and is repayable in 16 Quartly installments,starting from 11 June, 2021.The loan is secured by hypothecation of stock, machinery, equipment and book debts.

23.04.02 The movement of loan is as follows:

Opening Balance	271,961,212	101,251,438
Current Maturity this year	90,359,796	180,719,591
Total	<u>362,321,008</u>	<u>281,971,029</u>
Paid during this year	(70,927,605)	(10,009,817)
Closing Balance	<u>291,393,403</u>	<u>271,961,212</u>

The term loan facility has been taken from IPDC Finance Limited, Head office : Hosna Centre (4th Floor),106 Gulshan Avenue, Dhaka-1212, Bangladesh, for construction of effluent treatment plant. The loan carries interest at 14.50% and is repayable in 72 equal monthly installments, starting from 25 November 2019.

23.04.03 The movement of loan is as follows:

Opening Balance	208,094,790	104,047,395
Current Maturity	52,023,698	104,047,395
Closing Balance	<u>260,118,488</u>	<u>208,094,790</u>

The loan has been taken from United Commercial Bank Ltd, Corporate Branch, Plot CWS (A)1, Road 34, Gulshan Avenue, Dhaka-1212 for Working Capital requirement.The loan carries interest at 14.50% and is repayable in 44 months .The loan is secured by hypothecation of stock, machinery, equipment and book debts.

24. Trade and Other Creditors

	As at Decemner 31,2024		As at June 30,2024	
	US\$	Taka	US\$	Taka
For Import Purchases	<u>1,011,464</u>	123,297,441	<u>1,317,507</u>	157,832,535
For Local Purchases		6,584,587		10,009,150
For Staff Income Tax		325,450		428,540
		<u>130,207,478</u>		<u>168,270,225</u>

These are unsecured but creditors for import purchases are against back to back L/Cs.

	December 31, 2024	June 30, 2024
	Taka	Taka
25. Unclaimed Dividend Account		
Opening Balance	3,412,517	6,785,277
Addition during the year	-	7,563,777
	<u>3,412,517</u>	<u>14,349,054</u>
Less: Transfer to Capital Market Stabilization Fund (CMSF)	-	(4,304,756)
Paid this Period	(2,288)	(6,631,781)
Closing Balance	<u><u>3,410,229</u></u>	<u><u>3,412,517</u></u>
26. Accrued Expenses		
Gas Expenses (Factory)	10,955,152	5,318,720
Electricity Bill	272,460	328,037
Salaries, Wages and Allowances	14,548,547	19,029,006
Legal Fee	30,000	60,000
Auditors' Fee (including Vat)	230,000	460,000
AGM Expenses	105,000	220,000
Closing Balance	<u><u>26,141,159</u></u>	<u><u>25,415,763</u></u>
27. Provision for Current Taxation		
Opening balance	37,573,632	67,079,066
Addition during the year	3,579,536	10,641,870
Total	<u>41,153,168</u>	<u>77,720,936</u>
Paid during the year	-	(40,147,304)
Closing Balance	<u><u>41,153,168</u></u>	<u><u>37,573,632</u></u>
28. Workers' Participation/Welfare Funds		
Opening Balance	3,142,145	5,469,446
Payment during this year	(1,654,650)	(2,546,520)
	<u>1,487,495</u>	<u>2,922,926</u>
Contributions for the year	-	-
Interest during the year	70,781	219,219
Closing Balance	<u><u>1,558,276</u></u>	<u><u>3,142,145</u></u>
Interest has been provided on the funds balance in terms of the Bangladesh		
29. Net Assets Value (NAV) per Share		
Total Assets	4,544,373,350	4,494,172,270
Total Liabilities	(3,998,994,517)	(3,867,821,785)
A. Net Assets	<u><u>545,378,833</u></u>	<u><u>626,350,485</u></u>
B. Number of ordinary of shares	<u><u>29,221,500</u></u>	<u><u>29,221,500</u></u>
Net Assets Value (NAV) per Share (A/B)	<u><u>18.66</u></u>	<u><u>21.43</u></u>

30. Sales	July 1,2024 to December 31,2024			July 1,2023 to December 31,2023		
	Quantity	USD	Taka	Quantity	USD	Taka
Export sales:						
Knit Fabrics (Kgs)	231,783	1,596,982	193,075,142	145,377	1,026,361	112,386,558
Garments (pcs)	423,531	1,393,416	168,464,044	1,026,910	3,292,785	360,559,958
Total		2,990,399	361,539,186		4,319,146	472,946,516

31. Export Incentives

Cash Incentive

July 1,2024 to December 31,2024	July 1,2023 to December 31,2023
Taka	Taka
19,594,295	48,846,580
19,594,295	48,846,580

32. Cost of Goods Sold

32.1 The break-up is as follows:-

Materials Consumed - Note 32.2	198,053,341	282,697,233
Salary, Wages and Allowances - Note 32.3	69,308,780	70,446,511
Tiffin & Entertainment Expenses	175,242	352,855
Depreciation - Annexure-A	45,524,838	42,079,734
Stores and Spares Consumed	265,872	325,753
Factory Conveyance	132,459	285,155
Power and Gas	40,035,767	17,208,924
Gratuity	618,573	728,484
Vehicle expenses	357,457	514,852
Repairs and Maintenance	496,598	325,421
Packing & Loading Expenses	250,983	353,230
Import Landing, Clearing and Insurance	151,658	365,983
Factory Stationery Expenses	236,595	345,468
Carriage Inward and Outward	345,860	558,965
Knitting, Sewing & Processing Charge	163,845	571,543
Factory Insurance	1,739,754	1,688,856
Miscellaneous	45,040	45,980
Total Manufacturing Costs for the year	357,902,662	418,894,947
Add Opening Work in Process	162,385,379	193,481,154
Total Manufacturing Costs	520,288,041	612,376,101
Less Closing Work in Process	174,865,835	185,946,186
Cost of Goods Manufactured	345,422,206	426,429,915
Add Opening Finished Goods	60,518,261	155,150,760
Cost of Goods available for use	405,940,467	581,580,675
Less Closing Finished Goods	111,303,242	154,968,394
Cost of Goods Sold	294,637,225	426,612,281

32.2 Materials Consumed

Yarn

Dyes

Chemicals

Accessories

Total Materials Consumption

July 2024 to December 31,2024		July 2023 to December 31,2023	
Quantity (Kg.)	Taka	Quantity (Kg)	Taka
355,190	139,685,677	482,893	189,514,086
28,261	20,154,658	37,315	26,611,850
103,154	22,125,482	137,799	29,556,452
	16,087,524		37,014,845
	198,053,341		282,697,233

32.3 Salaries, Wages and Allowances

Employees drawing Tk. 12,500 or more per month

Employees drawing less than Tk. 12,500 per month

Total

No. of Employees	Taka	No. of Employees	Taka
1,115	69,308,780	1,153	70,446,511
-	-	-	-
1,115	69,308,780	1,153	70,446,511

33. Administrative, Selling and General Expenses**33.1 The break-up is as below:**

	July 1,2024 to December 31,2024	July 1,2023 to December 31,2023
	Taka	Taka
Directors' Remuneration-Note 33.2	1,300,000	1,300,000
Salaries and Allowances Note 33.3	17,569,854	23,844,837
Depreciation - Annexure -A	15,174,946	14,026,578
Electricity Expenses	2,003,994	2,066,884
Postage, Courier, Telephone and Fax	254,210	412,535
Form & Stamp	115,482	285,456
Gratuity	375,465	455,879
Travelling and Conveyance	124,877	305,667
Legal and Professional Expenses	30,000	30,000
Auditors' Fee-Note 33.2	230,000	86,250
A.G.M Expenses	115,500	105,842
Registration and Fees	508,450	315,320
Staff welfare	105,424	125,850
Stationery Expenses	185,463	314,822
Office Repairs and Maintenance	166,586	278,520
Vehicle Expenses	282,543	355,649
Entertainment Expenses	123,582	265,845
Central fund for RMG	38,207	157,675
Buying House Commission	-	220,000
Garments Testing & Inspection Charges	-	458,031
Miscellaneous	32,330	86,985
	38,736,913	45,498,625

33.2 No remuneration or fee, other than that specified in note 33.1, was paid to directors and auditors.

33.3 Salaries and Allowances:

	No of Employees	Taka	No of Employees	Taka
Employees drawing Tk.12,500 or more per month	132	17,569,854	153	23,844,837
Employees drawing less than Tk.12,500 per month	-	-	-	-
	132	17,569,854	153	23,844,837

34. Financial Expenses

Interest Expenses	126,561,289	117,635,364
Bank Charges	3,019,315	3,638,299
	129,580,604	121,273,663

34.1 Interest expense is as follows:

Interest on Workers' Participation/Welfare Funds	70,781	49,321
Interest on Long Term Loans	84,466,195	90,726,353
Interest on Bills Discounted	-	1,833,743
Interest on Bank Overdraft	3,750,735	5,179,526
Interest on Time Loan	5,753,658	1,302,542
Interest on Lease Finance	31,500,673	17,071,521
Interest on ZCB	1,019,247	1,472,358
	126,561,289	117,635,364

35. Other Income

Interest in FDR	4,336,923	2,925,828
Rental Income	522,000	-
Exchange Fluctuation Gain/(Loss)	465,056	1,475,972
	5,323,979	4,401,800

35.01 Exchange Fluctuation Gain/(Loss)

Unrealised gain/(loss) on receivables	385,462	1,568,458
Unrealised gain/(loss) on payables	(156,248)	(387,976)
Unrealised gain/(loss) FC accounts balances	235,842	295,490
	465,056	1,475,972

36. Declaration of dividend & authorised for issue:

The financial statements have been authorized by the Board of Directors of the Company in its meeting held on December 23, 2024 (2023: 11 November, 2023) recommended 0% cash dividend i.e. Tk.0.00 per share of Tk. 10.00 each (2023 : 5% cash dividend for general share holders) for general shareholders of the company subject to their approval in the AGM.

	July 1,2024 to December 31,2024	July 1,2023 to December 31,2023
	Taka	Taka
37. Current Tax		
A. Regular Tax		
Profit before tax	(76,497,282)	(68,853,373)
Depreciation as per Accounting base	60,699,784	56,106,312
Depreciation as per Tax base	(15,797,498)	(12,747,061)
Provision for Gratuity for the Year	(62,104,869)	(51,100,128)
Other Income	(77,902,367)	(63,847,189)
Payment for Grauity	994,038	1,184,363
Tax Rate @ 15%	(76,908,329)	(62,662,826)
B. Minimum tax on Gross receipt %.30%	5,323,979	4,401,800
C. Tax Deducted at Sources U/S -52	(71,584,350)	(58,261,026)
Current Tax Expenses (Higer of A,B C)	(5,554,525)	(2,885,420)
	(77,138,875)	(61,146,446)
	-	-
	695,876	2,028,913
	3,579,536	6,352,004
	3,579,536	6,352,004

38. Remuneration/Payments to Directors/Officers:

38.1 The aggregate amount paid/provided during the period in respect of directors and officers of the Company as defined in the Securities and Exchange Rules, 1987 are disclosed below :

Particulars	2024		2023	
	Directors	Officers	Directors	Officers
Remuneration	1,300,000	-	1,300,000	-
Basic salary		10,542,695		14,226,548
House Rent Allowance		5,265,845		6,987,421
Other benefits and perquisites		1,761,314		2,630,868
	1,300,000	17,569,854	1,300,000	23,844,837

38.2 No compensation was allowed by the Company to its Managing Director.

38.3 No amount of money was spent by the Company for compensating any member of the Board for services rendered except as stated

39. Earnings per share

39.1. Basic earnings per share

Earnings Per Share (EPS) is calculated in accordance with Bangladesh Accounting Standard (BAS) 33 : Earnings Per Share. The composition of EPS is given below:

A. Earnings attributable to the Ordinary Shareholders (net Profit after tax)	(81,050,730)	(74,788,686)
B. Number of ordinary of shares outstanding during the year	29,221,500	29,221,500
Earning Per Share (EPS) (A/B)	(2.77)	(2.56)

39.2. Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year.

40. Net Operating Cash Flows per Share (NOCFPS):

Cash flows from Operating Activities:

Cash received from Sales . Export incentives and Others	397,346,138	672,197,978
Receipts from Other Income	5,088,137	4,106,310
Cash paid for goods and services	(529,673,104)	(571,409,230)
Cash from operation	(127,238,829)	104,895,058
Interest paid	(126,561,289)	(117,635,364)
Income tax paid/deducted at sources	(3,579,536)	(6,352,004)
Net Cash inflows from operating activities	(257,379,654)	(19,092,310)
Divided by number of ordinary of shares	29,221,500	29,221,500
Net operating cash flows per share (NOCFPS)	(8.81)	(0.65)

NOCFPS became significantly positive mainly due to increased collections from Sales and Export Incentive.

41. Reconciliation of net operating cash flow

	July 1,2024 to	July 1,2023 to
	December 31,2024	December 31,2023
	Taka	Taka
Profit after tax	(81,050,730)	(74,788,686)
Depreciation	60,699,784	56,106,312
Changes in:		
Stock and Stores	(102,167,282)	2,445,855
Trade and other Debtors	29,429,119	195,999,866
Cash Incentive Receivable	(13,216,462)	(45,594,984)
Deferred Revenue Expenditure	(114,619,453)	-
Advance Deposit and Prepayments	2,709,471	(5,706,041)
Trade Creditors	(37,771,405)	(137,685,596)
Accrued Expenses	725,396	(11,134,929)
Provision for Current Taxation	3,579,536	6,352,004
Provision for Gratuity	(4,560,487)	(1,701,057)
Workers' Participation /Welfare Funds	(1,583,869)	(2,441,179)
Provision for Deferred Taxation	894,834	(495,769)
Decrease, Revaluation Surplus	(448,106)	(448,106)
Net cash provided (used) by operating activities	(257,379,654)	(19,092,310)

42. Related Parties Disclosures

A. The Company in normal course of business carried out a number of transactions with other entities that fall within the definition of "related Party" contained in Bangladesh Accounting Standard 24. "Related party Disclosures" Total exposure with the related parties during the year ended as at, June 30,2021 is as under.

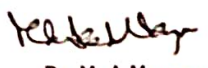
Name of the related party	Relationship	Nature of Transaction	Amount in Taka	
			December 31,2024	December 31,2023
Fashion Knit Garments Ltd	Common Director	Sale of Finished Fabrics	193,075,142	112,355,558
		Receivable	54,520,000	54,520,000
Pride Limited	Common Director			
Dacca Textiles Limited	Common Director			
Pride Spinning Limited	Common Director			

Approval for receivable in Fashion Knit Garments Limited will be taken in next Annual General Meeting interns of BSEC Notification No.

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

Name of Directors	Designation	Monthly Remuneration	Bonus during	December 31,2024	December 31,2023
Dr. Mohammad Abdul Moyeen	Chairman	-	-	-	-
Mr. Mohammad Abdul Moyeed	Managing	200,000	100,000	1,300,000	1,300,000
Mr. Mohammad Abdul Momen	Director	-	-	-	-
Ms. Ruhey Rawa	Director	-	-	-	-
Ms. Sumbal Azwad Momen	Director	-	-	-	-
Ms. Sana Kainat Moyeen	Director	-	-	-	-
Dr. A.H.M. Habibur Rahman	Independent Director	-	-	-	-
Dr. Md. Zakir Hossain Bhuiyan	Independent	-	-	-	-
Total		200,000	100,000	1,300,000	1,300,000


Mr. M. A. Moyeed
Managing Director


Dr. M. A. Moyeen
Director


Mr. M. A. Momen
Director


Md. Abu Amur Naheel
CFO, HF & A


Mr. Md. Wali Ullah
Company Secretary

H.R Textile Mills Limited
Schedule of Property ,Plant and Equipment
As at December 31,2024

Particulars	Cost or valuation			Depreciation			(Amount in Taka)
	As on July 01, 2024	Addition/ (Deletion)	As on December 31, 2024	As on July 01, 2024	During the Year	As on December 31, 2024	Written Down Value As on December 31, 2024
Factory Land and Development	8,479,375	-	8,479,375	-	-	-	8,479,375
Factory Building	1,008,563,010	-	1,008,563,010	167,327,320	12,607,038	179,934,358	828,628,652
Factory Shed	6,823,475	-	6,823,475	6,823,470	-	6,823,470	5
Plant and Machinery	2,264,223,777	-	2,264,223,777	1,204,800,934	45,061,312	1,249,862,246	1,014,361,531
Electric Installation	36,482,818	-	36,482,818	36,482,808	-	36,482,808	10
Gas Installation	7,826,035	-	7,826,035	7,826,025	-	7,826,025	10
Water Installation	9,753,520	-	9,753,520	9,753,510	-	9,753,510	10
Steam Installation	2,563,352	-	2,563,352	2,563,342	-	2,563,342	10
Furniture and Fixtures	11,174,967	-	11,174,967	11,174,957	-	11,174,957	10
Telephone Installation	1,027,861	-	1,027,861	1,027,851	-	1,027,851	10
Motor Vehicles	46,192,122	-	46,192,122	46,192,112	-	46,192,112	10
Office Equipment	41,317,547	-	41,317,547	41,317,537	-	41,317,537	10
Loose Tools	183,875	-	183,875	183,865	-	183,865	10
Factory Equipment	14,817,242	-	14,817,242	14,817,232	-	14,817,232	10
A. Total	3,459,428,976	-	3,459,428,976	1,550,290,963	57,668,350	1,607,959,313	1,851,469,663
Intangible Assets							
Software Installation	71,550,000	-	71,550,000	5,008,500	2,504,250	7,512,750	64,037,250
B. Total	71,550,000	-	71,550,000	5,008,500	2,504,250	7,512,750	64,037,250
Revaluation							
Factory Land and Development	644,020,625	-	644,020,625	-	-	-	644,020,625
Factory Building	42,174,735	-	42,174,735	5,799,024	527,184	6,326,208	35,848,527
C. Total	686,195,360	-	686,195,360	5,799,024	527,184	6,326,208	679,869,152
Total (A+B+C) as on September 30,2024	4,217,174,336	-	4,217,174,336	1,561,098,487	60,699,784	1,621,798,271	2,595,376,065

Allocation of depreciation

Particulars	Notes	July 24 to December 24	July 23 to December 23
Cost of Goods Sold		45,524,838	42,079,734
Administrative, Selling and General Expenses		15,174,946	14,026,578
Total		60,699,784	56,106,312

H.R Textile Mills Limited
Schedule of Property ,Plant and Equipment
As at December 31,2023

(Amount in Taka)

Particulars	Cost or valuation			Depreciation			Written Down Value
	As on July 01, 2023	Addition/ (Deletion)	As on December 31, 2023	As on July 01, 2023	During the Year	As on December 31, 2023	As on December 31, 2023
Factory Land and Development	8,479,375	-	8,479,375	-	-	-	8,479,375
Factory Building	1,008,563,010	-	1,008,563,010	142,113,245	12,607,038	154,720,283	853,842,727
Factory Shed	6,823,475	-	6,823,475	6,823,470	-	6,823,470	5
Plant and Machinery	1,931,488,527	-	1,931,488,527	1,107,203,399	38,347,381	1,145,550,780	785,937,747
Electric Installation	36,482,818	-	36,482,818	34,298,126	1,824,140	36,122,266	360,552
Gas Installation	7,826,035	-	7,826,035	7,093,892	106,433	7,200,325	625,710
Water Installation	9,753,520	-	9,753,520	9,753,510	-	9,753,510	10
Steam Installation	2,563,352	-	2,563,352	2,563,342	-	2,563,342	10
Furniture and Fixtures	11,174,967	-	11,174,967	11,045,078	6,542	11,051,620	123,347
Telephone Installation	1,027,861	-	1,027,861	1,027,851	-	1,027,851	10
Motor Vehicles	46,192,122	-	46,192,122	44,227,989	1,645,220	45,873,209	318,913
Office Equipment	41,317,547	-	41,317,547	40,393,247	493,584	40,886,831	430,716
Loose Tools	183,875	-	183,875	183,865	-	183,865	10
Factory Equipment	14,817,242	-	14,817,242	14,268,442	548,790	14,817,232	10
A. Total	3,126,693,726	-	3,126,693,726	1,420,995,456	55,579,128	1,476,574,584	1,650,119,142

Intangible Assets

Software Installation	71,550,000	-	71,550,000	-	-	-	71,550,000
B. Total	71,550,000	-	71,550,000	-	-	-	71,550,000

Revaluation

Factory Land and Development	644,020,625	-	644,020,625	-	-	-	644,020,625
Factory Building	42,174,735	-	42,174,735	4,744,656	527,184	5,271,840	36,902,895
C. Total	686,195,360	-	686,195,360	4,744,656	527,184	5,271,840	680,923,520
Total (A+B+C) as on December 31,2023	3,884,439,086	-	3,884,439,086	1,425,740,112	56,106,312	1,481,846,424	2,402,592,662

Allocation of depreciation

Particulars	Notes	July 23 to December 23	July 22 to December 22
Cost of Goods Sold		42,079,734	49,394,159
Administrative, Selling and General Expenses		14,026,578	12,348,539
Total		56,106,312	61,742,698