



**KDS Accessories Ltd.**

BANGLADESH | CHINA | HONG KONG | UK

# Financial Statements (Un-audited)

## As at and for the period ended 31 March 2023

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**KDS ACCESSORIES LIMITED**  
**Statement of Financial Position (Un-audited)**  
**As at 31 March 2023**

		31 Mar 2023	30 June 2022
	Note(s)	Taka	Taka
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	11	1,185,935,392	1,230,753,540
Intangible assets	12	-	94,880
Capital work-in-progress	13	7,290,073	25,146,785
Investment in SKYS Securities Limited	14	30,377,066	30,377,066
Other investment	15	4,922,480	4,880,832
<b>Total Non-current Assets</b>		<b>1,228,525,011</b>	<b>1,291,253,103</b>
<b>Current Assets</b>			
Inventories	16	926,906,473	866,281,364
Trade receivables	17	1,279,426,789	1,614,767,904
Other receivables	18	1,603,383	298,495
Advances, deposits and prepayments	19	119,884,269	88,234,598
Due from affiliated company	20	1,025,020,585	514,520,973
Short term investment	21	2,307,941	2,300,000
Cash and cash equivalents	22	115,176,697	270,139,607
<b>Total Current Assets</b>		<b>3,470,326,137</b>	<b>3,356,542,941</b>
<b>Total Assets</b>		<b>4,698,851,148</b>	<b>4,647,796,044</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share capital	23	711,823,610	711,823,610
Share premium		120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		780,798,411	774,546,730
<b>Total Shareholders' Equity</b>		<b>1,827,013,724</b>	<b>1,820,762,043</b>
<b>Non-current Liabilities</b>			
Long term borrowings	24	111,048,366	101,676,544
Defined benefit obligation- gratuity	25	126,885,338	119,456,593
Deferred tax liability	26	22,964,537	23,656,041
<b>Total Non-current Liabilities</b>		<b>260,898,241</b>	<b>244,789,178</b>
<b>Current Liabilities</b>			
Trade and other payables	27	1,708,674,449	2,359,435,822
Unclaimed Dividend	28	834,662	861,655
Current portion of long term borrowings	24	8,478,306	33,870,307
Current tax liability	29	67,547,091	39,094,407
Short term bank loan	30	739,017,541	76,098,256
Provision for WPPF and Welfare Fund	31	86,387,134	72,884,376
<b>Total Current Liabilities</b>		<b>2,610,939,183</b>	<b>2,582,244,823</b>
<b>Total Equity and Liabilities</b>		<b>4,698,851,148</b>	<b>4,647,796,044</b>
<b>Net Assets Value Per Share</b>	32	<b>25.67</b>	<b>25.58</b>

  
 Chairman

  
 Managing Director

  
 Director

  
 CFO

  
 Company Secretary





**KDS ACCESSORIES LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income (Un-audited)**  
**For the period from 01 July 2022 to 31 March 2023**

Note(s)	Nine Months Results		Quarterly Results	
	01 July 2022 to 31 Mar 2023	01 July 2021 to 31 Mar 2022	01 Jan 2023 to 31 Mar 2023	01 Jan 2022 to 31 Mar 2022
	Taka	Taka	Taka	Taka
Revenue	2,135,696,994	2,375,864,284	664,038,582	849,982,235
Cost of goods sold	(1,783,283,603)	(2,013,664,709)	(543,489,566)	(738,945,667)
<b>Gross Profit</b>	<b>352,413,392</b>	<b>362,199,575</b>	<b>120,549,016</b>	<b>111,036,568</b>
<b>Operating expenses</b>				
Administrative expenses	(98,128,041)	(128,607,332)	(14,372,869)	(39,252,520)
Selling and distribution expenses	(53,456,144)	(59,610,194)	(6,937,105)	(16,338,528)
<b>Operating Profit</b>	<b>200,829,207</b>	<b>173,982,049</b>	<b>99,239,042</b>	<b>55,445,520</b>
Finance cost	(46,353,494)	(49,603,703)	(18,052,814)	(13,397,590)
Finance income	(1,679,946)	38,639,214	(30,810,553)	17,004,703
<b>Profit before other income</b>	<b>152,795,767</b>	<b>163,017,559</b>	<b>50,375,675</b>	<b>59,052,633</b>
Other income	2,893,327	2,373,756	1,302,777	1,079,473
<b>Profit before income tax and distribution of WPPF and WF</b>	<b>155,689,094</b>	<b>165,391,315</b>	<b>51,678,452</b>	<b>60,132,106</b>
Workers' Profit Participation and Welfare Fund	(7,784,455)	(8,269,566)	(2,583,923)	(3,006,605)
<b>Profit before income tax</b>	<b>147,904,640</b>	<b>157,121,749</b>	<b>49,094,529</b>	<b>57,125,501</b>
Provision for income tax:				
-Current tax	(28,452,684)	(25,632,894)	(9,311,426)	(8,575,339)
-Deferred tax	691,504	(1,806,193)	(947,420)	(2,982,580)
<b>Profit after Income Tax</b>	<b>120,143,460</b>	<b>129,682,662</b>	<b>38,835,683</b>	<b>45,567,582</b>
<b>Total Comprehensive Income</b>	<b>120,143,460</b>	<b>129,682,662</b>	<b>38,835,683</b>	<b>45,567,582</b>
<b>Earnings Per Share (Basic)</b>	<b>1.69</b>	<b>1.82</b>	<b>0.55</b>	<b>0.64</b>

  
Chairman

  
Managing Director

  
Director

  
CFO

  
Company Secretary



**KDS ACCESSORIES LIMITED**  
**Statement of Changes in Equity (Un-audited)**  
**For the period from 01 July 2022 to 31 March 2023**

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2021	711,823,610	120,000,000	214,391,703	715,594,869	1,761,810,182
Cash dividend for the year 2020-2021	-	-	-	(106,773,542)	(106,773,542)
Net Profit after tax for the period	-	-	-	129,682,662	129,682,662
<b>Balance as at 31 March 2022</b>	<b>711,823,610</b>	<b>120,000,000</b>	<b>214,391,703</b>	<b>738,503,988</b>	<b>1,784,719,301</b>
Balance as on 01 July 2022	711,823,610	120,000,000	214,391,703	774,546,730	1,820,762,043
Cash dividend for the year 2021-2022	-	-	-	(113,891,778)	(113,891,778)
Net Profit after tax for the period	-	-	-	120,143,460	120,143,460
<b>Balance as at 31 March 2023</b>	<b>711,823,610</b>	<b>120,000,000</b>	<b>214,391,703</b>	<b>780,798,411</b>	<b>1,827,013,724</b>

  
Chairman

  
Managing Director

  
Director

  
CFO

  
Company Secretary



**KDS ACCESSORIES LIMITED**  
**Statement of Cash Flows (Un-audited)**  
**For the period from 01 July 2022 to 31 March 2023**

	01 July 2022 to 31 Mar 2023	01 July 2021 to 31 Mar 2022
	Taka	Taka
<b>A. Operating activities</b>		
Received from customers	2,570,435,795	2,101,369,432
Received from other sources	1,723,327	876,445
Paid to suppliers	(2,598,941,984)	(1,301,011,362)
Paid for operating expenses	(111,848,287)	(173,668,923)
<b>Cash generated by operations</b>	<b>(138,631,149)</b>	<b>627,565,593</b>
Interest paid (net)	625,195	(16,299,951)
Income Tax Paid	(26,946,995)	(23,487,209)
<b>Net cash flows from operating activities</b>	<b>(164,952,949)</b>	<b>587,778,434</b>
<b>B. Investing activities</b>		
Acquisition of property, plant and equipment	(12,726,027)	(42,625,223)
Proceed from sale of non-current assets	4,277	1,330,164
Increase in investments	(49,588)	(2,251,246)
<b>Net cash flows from investing activities</b>	<b>(12,771,339)</b>	<b>(43,546,305)</b>
<b>C. Financing activities</b>		
Dividend Paid	(113,918,771)	(106,732,867)
Receipt / (Repayment) of long term borrowings	(16,020,179)	(10,398,718)
Receipt/(Repayment) of short term borrowings	662,919,285	(114,950,364)
Short term loan Receipt/ (Repayment) from/to affiliated companies	(510,499,612)	(113,397,690)
<b>Net cash flows from financing activities</b>	<b>22,480,722</b>	<b>(345,479,639)</b>
<b>D. Net changes of cash and cash equivalents (A+B+C)</b>	<b>(155,243,566)</b>	<b>198,752,490</b>
<b>E. Cash and cash equivalents at the beginning of the period</b>	<b>270,139,607</b>	<b>232,483,367</b>
<b>F. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>280,655</b>	<b>547,523</b>
<b>G. Cash and cash equivalents at the end of the period (D+E+F)</b>	<b>115,176,696</b>	<b>431,783,381</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(2.32)</b>	<b>8.26</b>

Note-34

  
Chairman

  
Managing Director

  
Director

  
CFO

  
Company Secretary



**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)  
As at and for the period ended 31 March 2023**

**1 Formation and Legal Status**

KDS Accessories Limited was incorporated on 21 April 1991 as a private limited company by shares (Registration no- C-H-C-862/154 of 1991) under Companies Act 1913 (since replaced and substituted by the Companies Act 1994 which was amended in 2020) with the Registrar of Joint Stock Companies & Firms. The company was converted from Private Limited Company to Public Limited Company through an Extra-Ordinary General Meeting held on 17 April 2012 and was subsequently approved by RJSC on 26 November 2012. The Company commenced its commercial production on 01 July 1991. Its Registered Office is located at 255, Nasirabad I/A, Chittagong and factory & corporate office is located at 191-192 Baizid Bostami Road, Nasirabad I/A, Chittagong and the Company established its 2nd unit at Mirzapur, Gazipur at Dhaka in the year 2009.

The company refixed the face value of its shares from Tk 100 to Tk 10 each and enhanced its Authorized Share Capital from Tk 200,000,000 to Tk 2,000,000,000 with approval of the shareholders through an Extra-Ordinary General Meeting held on 10 August 2010.

**2 Nature of Business**

The principal activities of the Company are producing different types of standard cartons & display cartons, woven & smart labels, hanger, offset, silk screen, web, thermal printing, button and cold peel, hot peel, puff, glitter, image & sublimation transfers and marketing thereof.

**3 Reporting**

The half yearly financial report has been prepared based on International Accounting Standard (IAS) - 34 "Interim Financial Reporting". This interim financial statements should be read in conjunction with the audited financial statement for the year ended 30 June 2022, as they provide an update to previously reported information.

**4 Accounting policies and method of computations**

The accounting policies and presentation used are consistent with those used in the Audited Financial Statements for the period ended 30 June 2022.

**5 Statement of compliance**

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh.

**6 Application of Accounting Standards**

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IASs and IFRSs are applied to preparation of the financial statements for the year under report:

**Accounting Standards**

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rate





IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-26	Accounting and Reporting by Retirement Benefit Plans
IAS-28	Investments in Associates and Joint Ventures
IAS-33	Earnings Per Share
IAS-34	Interim Financial Reporting
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contract with Customers
IFRS-16	Leases

## 7 Earnings Per Share

Earnings Per Share (EPS) has been calculated based on number of shares outstanding for the period ended 31 March 2023 and profit for the same period. The number of shares outstanding for the period was 71,182,361. Earnings per share for the same period of preceding year has also been calculated based on same number of shares.

## 8 Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

## 9 Impairment of assets

With reference to the paragraph 9 of BAS-36, there was no such indication of impairment observed relating to property plant and equipment till the end of 31 March 2023.

## 10 General

**10.01** Wherever considered necessary, prior period's figures and phrases have been re-arranged to conform to this period's presentation.

**10.02** The amounts in these financial statements have been rounded off to the nearest taka.

**10.03** Bracket figures denotes negative balance.





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)**  
As at and for the period ended 31 March 2023

	31 March 2023	30 June 2022
	Taka	Taka
<b>11.00 Property, plant &amp; equipment (at cost less accumulated depreciation)</b>		
Land and Land Development	431,214,704	431,214,704
Plant and Machineries	437,110,477	457,609,635
Administrative Building	26,222,062	27,473,014
Factory Building	251,274,906	269,341,466
Office Equipment	3,927,981	4,429,352
Electric Installation	23,313,572	27,889,471
Furniture & Fixture	1,550,653	1,899,722
Computer Equipment	3,492,479	3,994,658
Motor Vehicle	7,828,558	6,901,518
	<b>1,185,935,392</b>	<b>1,230,753,541</b>
<b>12.00 Intangible assets (at cost less accumulated amortization)</b>		
Software	-	94,880
	-	<b>94,880</b>
<b>13.00 Capital Work In Progress</b>		
Factory building	3,894,848	3,727,898
Plant & machinery	-	18,033,662
Land & Development	10,000	-
Electric equipment and installations	3,385,225	3,385,225
	<b>7,290,073</b>	<b>25,146,785</b>
<b>14.00 Investment in SKYS Securities Limited</b>	<b>30,377,066</b>	<b>30,377,066</b>
<p>KDS Accessories Limited ("KDSAL") currently hold only 15.59% shares in SKYS Securities Limited and "KDSAL" has no representation in the Board of Directors of SKYS Securities Limited ("SKYS"). As per IAS-28, Investments in Associates and Joint Ventures has to be treated as associate, if it has got significant influence over the investee i.e. SKYS Securities Limited. On the other hand, an investor is considered to have significant influence, if it has 20% or more voting power, representation in Board, participation in policy making, material transactions between the investor and investee etc. As criteria for considering an investment as "Investment in Associate" no longer exists, investment in SKYS Securities Limited is no longer required to report as investment in associate under IAS-28. Hence, as stipulated in IAS-28, recognition of investment under equity method is discontinued and the fair value of the investment in "SKYS" is recognized on initial recognition as a financial asset in accordance with IFRS 9.</p>		
<b>15.00 Other investment</b>		
Investment in Fixed Deposit (1 to 3 years)	4,922,480	4,880,832
	<b>4,922,480</b>	<b>4,880,832</b>
<b>16.00 Inventories</b>		
Raw materials	747,781,659	665,996,119
Work-in-process	29,198,943	30,519,075
Finished goods	10,743,947	13,860,659
Stores & spares	76,503,403	82,471,375
Goods in transit	62,678,521	73,434,136
	<b>926,906,473</b>	<b>866,281,364</b>
<b>17.00 Trade receivables</b>	<b>1,279,426,789</b>	<b>1,614,767,904</b>
<b>18.00 Other receivables</b>		
Rent receivable	1,170,000	-
Accrued interest income on FDR	433,383	298,495
	<b>1,603,383</b>	<b>298,495</b>
<b>19.00 Advances, deposits and prepayments</b>		
Advances	102,491,356	70,786,349
Security deposits	13,220,652	13,718,249
Prepayments	4,172,262	3,730,000
	<b>119,884,269</b>	<b>88,234,598</b>
<b>20.00 Due from affiliated companies</b>		
KDS Poly Industries Limited	297,616,496	58,844,458
KDS Thread Limited	727,404,089	455,676,515
	<b>1,025,020,585</b>	<b>514,520,973</b>
<b>21.00 Short term investment</b>		
Investment in Fixed Deposit (less than 1 year)	2,307,941	2,300,000
	<b>2,307,941</b>	<b>2,300,000</b>
<b>22.00 Cash and cash equivalents</b>		
Cash in hand	1,275,846	727,429
Cash at bank	113,900,851	269,412,178
	<b>115,176,697</b>	<b>270,139,607</b>







**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)  
As at and for the period ended 31 March 2023**

	<u>31 March 2023</u>	<u>30 June 2022</u>
	Taka	Taka
<b>23.00 Share capital</b>		
<b>Authorized Capital</b>		
200,000,000 Ordinary Shares of Tk. 10 each	2,000,000,000	2,000,000,000
	<u><b>2,000,000,000</b></u>	<u><b>2,000,000,000</b></u>
<b>Issued, subscribed and paid-up Capital</b>		
1,000 Ordinary Shares of Tk. 10 each as at 21 April 1991	10,000	10,000
2,100,000 Ordinary Shares of Tk. 10 each as at 17 June 2004	21,000,000	21,000,000
10,505,000 Ordinary Shares of Tk. 10 each as at 30 June 2010	105,050,000	105,050,000
17,522,340 Ordinary Shares of Tk. 10 each as at 6 March 2012	175,223,400	175,223,400
9,871,660 Ordinary Shares of Tk. 10 each as at 8 June 2013	98,716,600	98,716,600
12,000,000 Ordinary Shares of Tk.10 each issued through IPO 10 September 2015	120,000,000	120,000,000
5,200,000 Ordinary Shares of Tk. 10 each as at 01 September 2016 (Bonus share)	52,000,000	52,000,000
2,860,000 Ordinary Shares of Tk. 10 each as at 07 November 2017 (Bonus share)	28,600,000	28,600,000
3,003,000 Ordinary Shares of Tk. 10 each as at 04 November 2018 (Bonus share)	30,030,000	30,030,000
3,153,150 Ordinary Shares of Tk. 10 each as at 13 November 2019 (Bonus share)	31,531,500	31,531,500
4,966,211 Ordinary Shares of Tk. 10 each as at 30 November 2020 (Bonus share)	49,662,110	49,662,110
<u><b>71,182,361</b></u> Ordinary Shares of Tk. 10 each	<u><b>711,823,610</b></u>	<u><b>711,823,610</b></u>
<b>24.00 Long term borrowings</b>		
Due within one year	8,478,306	33,870,307
Due after one year	111,048,366	101,676,544
	<u><b>119,526,672</b></u>	<u><b>135,546,851</b></u>
<b>25.00 Defined benefit obligation- gratuity</b>	<u><b>126,885,338</b></u>	<u><b>119,456,593</b></u>

**26.00 Deferred tax liability**

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position method for gratuity obligation and investment in SKYS Securities Limited.

	<u>31 March 2023</u>	<u>30 June 2022</u>
	Taka	Taka
Opening balance	23,656,041	29,610,661
Provided during the year		
Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land)	2,589,078	(5,635,044)
Provision for Gratuity	(3,280,582)	(319,576)
	(691,504)	(5,954,620)
<b>Closing balance</b>	<u><b>22,964,537</b></u>	<u><b>23,656,041</b></u>

Reconciliation of deferred tax liabilities /(assets) are as follows :

	Carrying Amount	Tax Base	Tax Rate	Taxable /(Deductible) Temporary Difference	Deferred tax liabilities/ (assets)
	Taka	Taka	Percentage	Taka	Taka
Property, plant & equipment (excluding land)	754,720,688	445,621,416	12.00%	309,099,272	37,091,913
Gratuity	(126,885,338)		12.00%	(126,885,338)	(15,226,241)
Investment in associates	30,377,066		15% - 20%	6,972,066	1,098,865
<b>Net taxable temporary difference</b>				<u><b>189,185,999</b></u>	<u><b>22,964,537</b></u>





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)  
As at and for the period ended 31 March 2023**

	<u>31 March 2023</u>	<u>30 June 2022</u>
	<u>Taka</u>	<u>Taka</u>
<b>27.00 Trade and other payables</b>		
Trade payable	1,490,825,519	2,157,704,215
For revenue expenses	217,542,314	200,065,673
For other finance	306,616	1,665,935
	<u><b>1,708,674,449</b></u>	<u><b>2,359,435,822</b></u>
<b>28.00 Unclaimed Dividend</b>		
Opening Balance	861,655	870,788
Add: Cash dividend declared during the year	113,891,778	106,773,541
Less: Paid/adjusted during the year	(113,918,771)	(106,782,674)
	<u><b>834,662</b></u>	<u><b>861,655</b></u>
<b>29.00 Current tax liability</b>	<u><b>67,547,091</b></u>	<u><b>39,094,407</b></u>
<b>30.00 Short term bank loan</b>		
Bank Overdraft	86,517,571	-
Local Documentary Bill Purchase (LDBP)	83,720,788	76,098,256
Demand and Time Loan	568,779,181	-
	<u><b>739,017,541</b></u>	<u><b>76,098,256</b></u>
<b>31.00 Provision for WPPF and Welfare Fund</b>	<u><b>86,387,134</b></u>	<u><b>72,884,376</b></u>
<b>32.00 Calculation of Net Asset Value (NAV) per ordinary share of Tk 10 each:</b>		
A. Total equity of the company	1,827,013,724	1,820,762,043
B. Total number of outstanding ordinary shares at the end of the period	<u>71,182,361</u>	<u>71,182,361</u>
C. Net Asset Value (NAV) per ordinary share (A/B) rounded off upto two decimal places	<u><u><b>25.67</b></u></u>	<u><u><b>25.58</b></u></u>





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)  
As at and for the period ended 31 March 2023**

	01 July 2022 to 31 Mar 2023	01 July 2021 to 31 Mar 2022
	Taka	Taka
<b>33.00 Calculation of first quarterly Earnings Per Share (EPS) per ordinary share of Tk 10 each:</b>		
A. Net profit after tax	120,143,460	129,682,662
B. Total number of outstanding ordinary shares at the end of the period	71,182,361	71,182,361
<b>C. Basic Earnings Per Share (EPS)</b>	<b>1.69</b>	<b>1.82</b>
	<hr/>	<hr/>
	01 July 2022 to 31 Mar 2023	01 July 2021 to 31 Mar 2022
	Taka	Taka
<b>34.00 Calculation of Net Operating Cash Flows Per Share (NOCFPS) per ordinary share of Tk 10 each:</b>		
A. Net cash (used in)/generated from operating activities	(164,952,949)	587,778,434
B. Total number of outstanding ordinary shares at the end of the period	71,182,361	71,182,361
<b>C. Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(2.32)</b>	<b>8.26</b>
	<hr/>	<hr/>
<b>35.00 Reconciliation of cash (used in)/generated from operations-Indirect Method</b>		
Profit before income tax	147,904,640	157,121,749
Depreciation charged	75,396,611	75,475,634
Amortization charged	94,880	239,712
(Gain)/loss on sale of property, plant and equipment	-	(327,311)
Finance Income	1,679,946	(38,639,214)
Finance Cost	46,353,494	49,603,703
Increase/(Decrease) in Inventory	(60,625,109)	(283,503,017)
(Increase)/ Decrease in Trade Receivables (after adjusting foreign currency fluctuation gain)	434,738,801	(274,494,852)
(Increase)/ Decrease in other receivables	(1,170,000)	(1,170,000)
(Increase) / Decrease in Advances, Deposits and Pre-payments	(4,702,676)	(14,353,595)
Increase/ (Decrease) in Trade and Other payables (after adjusting foreign currency fluctuation loss)	(799,233,238)	940,203,660
Increase in provision of WPPF and WF	13,502,758	12,410,240
Increase in provision of gratuity	7,428,745	4,998,882
<b>Cash (used in)/generated from operations</b>	<b>(138,631,149)</b>	<b>627,565,592</b>
Interest paid (net)	625,195	(16,299,951)
Income tax paid (net)	(26,946,995)	(23,487,209)
<b>Reconciled net income</b>	<b>(164,952,949)</b>	<b>587,778,433</b>
<b>Net cash (used in)/generated from operating activities as per direct method</b>	<b>(164,952,949)</b>	<b>587,778,433</b>
<b>Difference</b>	<b>-</b>	<b>-</b>





**Selected Explanatory Notes to the Interim Financial Statements (Un-audited)  
As at and for the period ended 31 March 2023**

**37.00 Reconciliation of effective tax rate**

	01 Jul 2022 to 31 Mar 2023		01 Jul 2021 to 31 Mar 2022	
Profit before tax	147,904,640		157,121,749	
Total income tax expense	(28,452,684)		(25,632,894)	
<b>Factors affecting the tax charge:</b>	<b>Rate</b>	<b>Taka</b>	<b>Rate</b>	<b>Taka</b>
Tax using the applicable rate	20.00%	29,580,928	22.50%	35,352,394
Difference between accounting and fiscal depreciation	4.86%	7,185,814	4.25%	2,768,424
Inadmissible expenses	0.77%	1,143,661	0.63%	931,652
Difference between WPPF & WF provision and payment	1.05%	1,556,891	1.18%	1,860,652
Difference between gratuity provision and payment	1.00%	1,485,749	0.40%	1,124,748
Rebate on income generated from export sales	-8.45%	(12,500,359)	-11.90%	(16,404,976)
	<b>19.24%</b>	<b>28,452,684</b>	<b>17.06%</b>	<b>25,632,895</b>

**38.00 Note on decrease of Earnings Per Share (EPS):**

- 1) Profitability has been decreased due to decrease of Sales.

**39.00 Note on decrease of Net Operating Cash Flows Per Share (NOCFPS):**

The reason of decrease of Net Operating Cash Flows Per Share (NOCFPS) is as follows:

- 1) Due to increase of payment to suppliers.

**40.00 Note on increase of Net Asset Value (NAV):**

- 1) Due to increase of Net profit.

