

**Annual Report**  
**2015 – 2016**



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Registered Office & Factory : Kaltapara, P.O. Bishka, P.S. : Gouripur, Mymensingh  
Corporate Office : 254-B Khilgaon Chowdhury Para, Dhaka 1219

### **Notice of 36th Annual General Meeting**

Notice is hereby given that the 36th Annual General Meeting of the shareholders of Delta Spinners Limited will be held at the Registered Office of the Company situated at its factory premises at Kaltapara, Gouripur, Mymensingh on Tuesday, the 20th December, 2016 at 12:00 noon (p.m.) to transact the following businesses:

#### **AGENDA:**

1. To confirm the proceedings of the 35th Annual General Meeting held on the 30th December, 2015 at 11:30 a.m.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30th June, 2016 together with the report of Auditors and Directors thereon.
3. To declare a Dividend as recommended by the Board of Directors.
4. To elect Directors.
5. To appoint Auditors for the year 2016-2017 and to fix their remuneration.
6. To transact any other business with the permission of the Chair.

Dated, Dhaka  
The 31st October, 2016

by Order of the Board  
Sd/-  
Masudur Rahman  
Executive Director & Company Secretary

#### **Notes :**

1. The "RECORD DATE" for both the EGM & AGM will be 21st November, 2016.
2. Any shareholder of the Company entitled to attend and vote may appoint another shareholder as his/her Proxy. The Proxy Form must be stamped with revenue stamp of Tk. 10.00 and be deposited at the Registered Office or at the Corporate Office of the Company not later than 48 hours before the time appointed for the Meeting.

# Delta Spinners Limited

## Particulars of the Company

### **The Board of Directors :**

Mr. R A Howlader	Chairman
Mr. Mostafa Jamal Haider	Managing Director
Mrs. Dina Jabin	Director
Mr. Md. Khalid Hossain	BDBL Director Nominated by Bangladesh Development Bank Limited (BDBL)
Mr. Md. Shamsul Haque	Independent Director

### **Company Secretary :**

Mr. Masudur Rahman	Executive Director & Company Secretary
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### **Chief Financial Officer :**

Mr. Ziaur Rahman	Chief Financial Officer
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### **Bankers :**

Agrani Bank Limited, Amin Court Branch	62-63, Motijheel C.A., Dhaka 1000
Agrani Bank Limited, Choto Bazar Branch	Mymensingh
Southeast Bank Ltd., Corporate Branch	52-53 Dilkusha C.A., Dhaka-1000
Export Import Bank of Bangladesh Ltd., Motijheel Branch	56-57, Motijheel C.A., Dhaka 1000
Bangladesh Development Bank Limited	8, Rajuk Avenue, Dhaka 1000
Sonali Bank Limited, Shambhugonj Branch	Mymensingh

### **Auditors :**

M/s Ahmed Zaker & Co.  
Chartered Accountants  
Saiham Tower (2<sup>nd</sup> Floor)  
45, Shaheed Syed Nazrul Islam Sarani  
Bijoy Nagar, Dhaka 1000

### **Registered Office & Factory :**

Kaltapara, P.O. Bishka  
P.S. Gouripur, Mymensingh

### **Corporate Office :**

254-B Khilgaon Chowdhury Para  
Dhaka 1219

**Delta Spinners Limited**  
**THIRTY-SIXTH ANNUAL GENERAL MEETING OF THE COMPANY**  
**Report of the Directors**  
**TO THE SHAREHOLDERS**

**Bismillahir Rahmanir Rahim**

Assalamu Alaikum

I, on behalf of the Board of Directors of our Company welcome you all to this Thirty-sixth Annual General Meeting. It is a great pleasure to note that you have kindly made it convenient to attend this meeting.

I shall now present the operational performances of the Company for the year 2015-2016.

**PRODUCTION PERFORMANCES OF 2015-2016**

The main product of the Company is cotton yarn. In the table below, year-wise production of the factory and its capacity utilization figures for the five years from 2011-2012 to 2015-2016 have been furnished. From the year 2012-2013, the Company shifted its production program towards higher counts of yarn which automatically reduces actual production quantity because spinning machinery utilizes higher machine capacity to produce higher counts. Thus during the years 2012-2013 & 2013-2014, the production figures though show lower quantity, but in reality, the capacity utilization had been higher. It is to be stated here that the operational performance during the second and third quarters of the financial year 2014-2015 was significantly low due to political turmoil that prevailed in the country. During the period of second to fourth quarter of the financial year 2015-2016, the capacity utilization came down due to the fact that many production machineries had to be laid down for replacement with better parts, as the factory underwent BMRE process. Consequently, capacity utilization had been about 79%. The production figure, however, did not come down as because of production of medium count of yarn during the year. In the table below, actual production as well as capacity utilization has been shown to provide a comparative picture of production performance during the last five years.

**Year-wise Production of Cotton Yarn**

Year	Production Quantity Actual (in lac kg)	Capacity Utilization (in %)
2015-2016	25.36	79%
2014-2015	24.80	82%
2013-2014	24.98	91%
2012-2013	25.39	93%
2011-2012	44.71	91%

**RAW MATERIALS UTILIZATION**

The cost of raw material consumed during the year has decreased due to lower capacity utilization. I shall request you to kindly refer to the Sl. No. 25.01 and 25.02 of the Notes to the Accounts to review the raw material consumption and procurement during the period under review. The Company has been procuring raw material from local market mostly on the basis of immediate requirement so that in case of any big fall of price of raw cotton in the international market, it would not get stuck-up with a big stock of high valued raw material. We have seen in the recent past occurrence of such unfortunate situations in case of some other spinning mills.

## FINANCIAL PERFORMANCE

The financial results of the Company for the year 2015-2016 are shown as below along with the previous four years' performance : (consolidated wherever is applicable)

### COMPARATIVE FINANCIAL RESULTS OF THE COMPANY

Taka in '000' wherever is applicable

Description	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Turnover	1,076,811	1,348,800	1,663,987	1,665,803	1,451,818
Cost of Goods Sold	920,020	1,148,434	1,394,571	1,396,103	1,213,980
Gross Profit	156,791	200,366	269,416	269,700	237,838
Operating Expenses:	133,357	168,043	174,388	195,850	157,820
Net Profit before WPP **	23,434	32,323	95,039	73,857	81,105
Net Profit before tax	55,235	80,533	90,558	70,382	77,327
Net profit after tax	46,773	72,149	65,005	47,893	93,532
EPS*	0.34	0.52	0.82	1.04	2.04
NAV Per Share * (including revaluation)	15.50	15.93	27.26	26.82	25.76
NOCFPS*	2.65	1.23	2.98	(0.05)	2.61

\* Calculation of EPS, NAV Per Share and NOCFPS for the years 2013-2014, 2014-2015 and 2015-2016 have been made on the basis of adjustment due to increase of share capital by Tk. 91.73 crores and share's face value of Tk. 10.00 each. The EPS and NAV per share for the year 2014-2015 has been restated from Tk. 0.58 to Tk. 0.52 for EPS and from Tk. 15.89 to Tk. 15.93 for NAV per share.

\*\* Net Profit before WPP includes non-operating income also.

### COST OF GOODS SOLD, GROSS PROFIT, NET PROFIT, EPS, NAV, NOCFPS AND SIGNIFICANT DEVIATIONS FROM THE LAST YEAR'S OPERATING RESULTS

During the year 2015-2016, the sales turn-over has decreased significantly than the previous year. As stated in the previous paragraphs, the operational performance during the last three quarters has been rather low due to the fact that production machinery underwent BMRE process and many of the machineries remained in laid-off condition during the BMRE work.

The Company has been doing a limited trading operation of its subsidiary company, namely, Delta Ceramics Limited. The subsidiary company also contributed, though marginally, to the net profit of its parent company, i.e., Delta Spinners Limited.

Premier Leasing Finance Limited (PLFL) rescheduled our loan accounts favourably; it did not charge any interest during the financial year 2015-2016. This has contributed to a better financial result of the Company.

A substantial amount of Taka Three & half crores has been earned as bank interest on FDRs. The principal amount has been originated from the Rights Issue Fund which could not be fully utilized for project investment during the year 2015-2016 and therefore, has been kept under FDR. The Company received approval from Bangladesh Securities and Exchange Commission (BSEC) in January, 2016 towards its

proposal for setting-up an 100% Export Oriented Textile Spinning Unit instead of setting-up a Weaving factory and consequently, major portion of Rights Issue Fund could not be invested during the period under review.

## **INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS**

The textile industry in Bangladesh is one of the most important sectors. It is the largest employer in the country. The export earnings from readymade garments (RMG), knit products and other textile items constitutes about 80% of the total export products of the country. More than 90% of the domestic requirements of cloth are met by local production.

Delta Spinners Limited is a textile spinning mill and the local spinning factories meet the substantial portion of demand of yarn by the textile & knitting factories of the country. There is still a shortfall in the supply of higher quality/specialized yarn which is met by imports.

The future prospect of the spinning industry in our country can no doubt be termed as bright. Textile spinning industry meets the basic raw material requirements of RMG sector. The readymade garments & knitting factories are labour-intensive and the cost of labour is comparatively low in Bangladesh than other major readymade garments exporting countries. To take advantage of this lower wages leading to lower cost of production, the RMG sector is expanding and new spinning factories are still being set up in Bangladesh to meet their raw material requirements. It may be stated here that the visit of the Chinese Prime Minister during the middle of October, 2016 has ushered in a new era in investments in the country. The textile business of Bangladesh as a whole will not be deprived of its due share of the advantages that will derive. There are possibilities that Chinese Garment Industries along with its back-ward linkages, namely, knitting, weaving & spinning will find its place in Bangladesh which will expand the garments export manifold.

Thus, increase in the volume of exports of readymade garments & knit products will lead to the increased demand for local fabrics and naturally of yarn. Besides, with the increase in the population and per capita income, the domestic demand for cloths will continue to increase.

So, the demand for the yarn will rise with the increase in the demand for cloths / fabrics for export and domestic markets. If the capacity for production of yarn is not enhanced, the shortfall will have to be met by import involving huge amount of foreign exchange. So, obviously our home made cotton yarn industries have a bright prospect.

## **RISKS AND MANAGEMENT PERCEPTION**

Quite naturally, all business houses operate under some risks, both internal and external. Some of the risks of the Company and the management perception towards them may be discussed as below:

The textile spinning industry is competitive and our Company is competing with a large number of other spinning mills within the country. The global textile trade is now almost free from quota restriction and our textile industry is now facing competition from India, China, Sri Lanka, Indonesia, Vietnam, Pakistan, etc. which are quite strong in the production of textile goods. Especially, if the Western buyers come-up with incentive schemes to Myanmar to augment its production capacity, Bangladesh may face severe competition in RMG sector in the near future.

The spinning industry is fully dependent on import of raw cotton, the main raw material. There is an occasional ups & downs in the price of raw cotton in the international market which puts this industry in trundle.

Sometimes, our Company faces market risks due to adverse market condition such as falling demand affecting sales and profitability.

The Company may face technology related risks due to the innovation of new and cost-effective technology which may make obsolete the current technology of the Company having negative impact.

Any abrupt and adverse changes in the taxation policy and rules adopted by any regulatory organizations of the Government may pose risks for the Company. The performance of the Company may be affected by the political and economic instability both in Bangladesh & worldwide.

Downturn of economic activity or uncertainty in the economy may cause lower demand for the products of the industry. Shortage of gas / power supply, labour unrest, natural calamities such as flood, cyclone & earth quake may disrupt the production of the Company with adverse impact on the profitability of the Company.

The political scenario may become volatile again and if it happens, economic activities of the country may suffer and the textile sector would be no exception.

#### **MANAGEMENT PERCEPTION TOWARDS RISKS**

The management of the Company is well-aware of the above risks and is constantly taking steps to avoid those risks and to minimize their adverse impacts on the Company. Some of these steps are stated below:

The yarn producers of the country, through its trade association, namely, Bangladesh Textile Mills Association (BTMA), always endeavor to convince the policy makers of the Government for adopting favorable terms & conditions for the textile sector as a whole. The management of the Company is quite conscious about the adverse impact of political & economic turmoil locally and internationally and try to take appropriate steps to avoid / minimize such adverse impacts whenever possible.

The Company produces its own electricity from its gas fired full time generators and does not depend on PDB/REB. To avoid labour trouble and outward movement of labour, the labourers are provided with good benefit packages. The project of the Company is situated on a high land free from flood. The factory building has strong RCC foundation, RCC floor, mostly RCC Roof and partially pre-fabricated structures which can withstand wind, storm, heavy rain, etc. The risks from these factors are also covered through insurance.

As stated earlier, the Company has been procuring raw material from local market mostly on the basis of immediate requirement so that in case of any big fall of price of raw cotton in the international market, it would not get stuck-up with a big stock of high valued raw material.

The Company is setting-up a state-of-the-art 100% Export Oriented Textile Spinning Unit with an investment outlay of Tk. 82.16 crores. This project is expected to off-set some technological related risks that has been discussed above.

Regarding political scenario, it may be stated that Bangladesh has seen various kinds of political problems in the past, all of which proved to be rather short lived.

The Company has successfully obtained restructuring & rescheduling of its over-due loans from Premier Leasing & Finance Limited (PLFL), Bangladesh Development Bank Limited (BDBL) and Agrani Bank Limited which was effective from the last financial year. This has benefited the Company as mentioned below :

A. Premier Leasing & Finance Limited (PLFL) used to charge higher rates of interest ranging from 18% to 20% on the loans. Because of application of high rates of interest, the total loan liabilities with PLFL, in spite of our periodical payments, continued to increase. We took up this issue with PLFL and urged them to reduce the rate of interest and to stop charging interest for a certain period.

Premier Leasing & Finance Limited considered our proposal favourably and re-structured our total outstanding loan of Tk. 46.45 crores which envisages the following benefit for the Company :

- i) No interest will be charged for 18 months from July, 2015 to December, 2016.
- ii) For the remaining period interest rate has been fixed at 12% per annum instead of 18% - 20%.



B. Bangladesh Development Bank Limited (BDBL) has rescheduled the total loan by extending the repayment period up to 31<sup>st</sup> December, 2021 from the previous repayment period of 31<sup>st</sup> December, 2019. The interest rate has been reduced to 14% against the previous 15%.

C. Agrani Bank Limited rescheduled our over-due LIM accounts interest rate at 15% instead of 22%.

#### **EXTRA-ORDINARY GAIN OR LOSS**

An amount of Tk. 3.45 crores has been earned as interest from the FDR against the Rights Issue Fund which could not be utilized during the period of 2015-2016. As stated earlier, during the period of second to fourth quarter of the financial year 2015-2016, the capacity utilization came down due to the fact that many production machinery had to be laid down for replacement with better parts, as the factory underwent BMRE process. Consequently, capacity utilization had been about 79%.

#### **RELATED PARTY TRANSACTIONS**

Kindly refer to Sl. No. 30.00 of the Notes to the Accounts to review the Related Party Transactions.

#### **SUBSIDIARY COMPANY**

The audited accounts of the subsidiary company, namely, Delta Ceramics Limited has been furnished at the end of the accounts of the parent Company itself.

#### **WORKING CAPITAL FACILITIES**

In December, 2014 Agrani Bank Limited, Amin Court Branch, Dhaka renewed the Working Capital Limit (C.C. Hypo and C.C. Pledge) of Tk. 24.00 crores. The revolving L/C limit of Tk. 20.00 crores for import of raw materials / spare parts was also renewed. No change was thus made from the previous year. The working capital loan of Southeast Bank Limited is to the tune of Tk. 5.00 crores. No further change has been effected to it.

#### **DIVIDEND**

The Board of Directors proposed a 10% Stock Dividend for all the shareholders of the Company for the year 2015-2016. We hope that the valued shareholders will kindly accord their consent to this proposal.

#### **TERM LOAN SERVICING**

The Company has repaid a total amount of Tk. 9.00 crores to Bangladesh Development Bank Limited, Premier Leasing Finance Limited and Southeast Bank Limited for servicing Term Loans during the year 2015-2016 as shown below. The last year's figure was Tk. 25.89 crores only.

a) Bangladesh Development Bank Limited (BDBL)	: Tk. 2.15 Crores
b) Premier Leasing & Finance Limited (PLFL)	: Tk. 4.36 Crores
c) Southeast Bank Limited (SEBL)	: <u>Tk. 2.49 Crores</u>
<b>Total</b>	<b>: <u>Tk. 9.00 Crores</u></b>

#### **DIRECTORS REMUNERATION**

There has not been any change in remunerations paid to the Directors which had been Tk. 18.00 lacs, both during the year under review as well as during the previous year.

## **UTILIZATION OF THE RIGHTS ISSUE FUND INCLUDING POST BALANCE SHEET DEVELOPMENTS**

Dear Shareholders, you are aware that the Company raised Tk. 91.73 crores by issuance of Rights Shares in August, 2014. You have also took resolutions in the EGM held on 10<sup>th</sup> January, 2015 to (a) Invest the fund in BMRE of the existing project, (b) Setting-up a modern 100% export oriented Textile Spinning Unit, and (c) Partial repayment of loan of financial institutions / banks. We requested Bangladesh Securities and Exchange Commission in January, 2015 to accord its approval to the revised utilization program, we received their approval in January of 2016.

Till 30<sup>th</sup> June, 2016, the Company has invested Tk. 15.01 crores towards Balancing, Modernization and Replacement which was Tk. 12.40 crores till 30-06-2015. While benefit from this investment has started to accrue slowly, some more machineries are becoming technically obsolete and will be taken-up for gradual replacement.

For the 100% export oriented unit with an equity investment of Tk. 46.85 crores, an amount of Tk. 43.47 crores has already been invested towards the project. An additional amount of Tk. 7.50 crores will be invested by the Company from its own resources and another Tk. 28.00 crores will be required as bank loan to complete this 100% export Oriented Unit. The Company has already applied to BDBL for a term loan of Tk. 28.00 crores which is expected to be approved by the Bank shortly.

The Board is pleased to inform its valued shareholders that by repaying Tk. 28.50 crores out of Rights Issue Fund and another amount of Tk. 4.35 crores out of accrued interest to the banks and financial institutions, the Company's term loans have been re-scheduled / re-structured at a lower interest rates and in some cases, even without interest as has been mentioned in earlier paragraph which has served the greater interest of the Company.

## **REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE**

The Board of Directors would like to state that the Company has complied to all the provisions of Corporate Governance.

## **DIRECTORS' RETIREMENT AND RE-ELECTION**

In pursuance of Clause 143 of the Articles of Association of the Company, Mr. Mostafa Jamal Haider, being the Managing Director of the Company is not liable to retire by rotation. The Independent Director Mr. Md. Shamsul Haque who was appointed by the Board of Directors in its meeting held on 27<sup>th</sup> May, 2013 which was confirmed by the General Shareholders in the 33<sup>rd</sup> Annual General Meeting held on 28<sup>th</sup> December, 2013 is not to retire by rotation. Nor the BDBL Director, Mr. Md. Khalid Hossain who has been inducted on 19-10-2016 is to retire.

In pursuance to Clause 132, Chairman & Director of the Company, Mr. R. A. Howlader will retire and being eligible, he seeks re-election. Mr. R. A. Howlader joined the Company in March, 1997. He was a former banker and was Managing Director of National Bank Limited for a long time.

## **APPOINTMENT OF AUDITORS**

M/s Ahmed Zaker & Co., Chartered Accountants have completed auditing for the year 2015-2016. The valued shareholders may appoint Auditors for the financial year 2016-2017 at the same fee of Tk. 1,00,000.00 (Taka One lac) only.

## **ACKNOWLEDGMENTS**

We take this opportunity to express our heartfelt thanks and gratitude to the esteemed Shareholders for the cooperation extended by them. We also acknowledge the cooperation of various Govt. Agencies, Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Bangladesh Textile Mills Association, Banks, the Suppliers, Customers, Selling Agents and our well wishers.

We are grateful to Agrani Bank, Amin Court Branch, Dhaka for extending to us the required Working Capital loan. Southeast Bank Ltd. has also extended working capital loan and term loan facilities to us. Bangladesh Development Bank Ltd. and Premier Leasing & Finance Limited have been extending their kind cooperation in repayment of the Company's dues to them.

Last but not the least, the Board of Directors places on records their deep sense of appreciation for the dedicated services and dutifulness of all the Executives, Officers, Staff and Workers who maintained an excellent working atmosphere conducive to high level of performance of the Company.

#### **CONCLUSIONS**

The Board of Directors now presents the Accounts and Auditors Reports for the year 2015-2016 and request to the magnanimity of our valued shareholders to kindly accept the Annual Accounts for which we shall remain ever grateful to you.

I again express my thanks to you for attending this Annual General Meeting. May Allah, in His infinite mercy grant peace and happiness to us all.

With regards,

**On behalf of the Board of Directors**  
**Sd/-**  
**R A Howlader**  
**Chairman**

Dated : 31<sup>st</sup> October, 2016

# ডেলটা স্পিনার্স লিমিটেড

কোম্পানীর ৩৬তম বাৎসরিক সাধারণ সভা

পরিচালক মণ্ডলীর রিপোর্ট

সম্মানিত শেয়ারহোল্ডারবৃন্দ

বিসমিল্লাহির রাহমানির রাহিম

আসসালামু আলাইকুম

কোম্পানীর পরিচালনা পর্যদের পক্ষ থেকে আমি আপনাদের সকলকে এই ৩৬তম বাৎসরিক সাধারণ সভায় স্বাগতম জানাচ্ছি। আপনারা সকলে অনুগ্রহ করে এই সভায় অংশগ্রহণ করেছেন সে জন্য আমরা আনন্দিত। এখন আমি কোম্পানীর ২০১৫-২০১৬ সালের কার্যক্রম উপস্থাপন করছি।

## ২০১৫-২০১৬ সালের উৎপাদন কার্যক্রম

কোম্পানীর প্রধান উৎপাদিত দ্রব্য হচ্ছে তুলা থেকে প্রস্তুত সুতা। বিগত ২০১২-২০১৩ বছর থেকে কোম্পানী উচ্চ কাউন্টের সুতা বেশী উৎপাদন করছে, ফলে পরিমাণগত ভাবে উৎপাদন কম হলেও উৎপাদন ক্ষমতার ব্যবহার কমে নাই কেননা উচ্চ কাউন্টের সুতা উৎপাদন করতে মেশিনের ক্ষমতার ব্যবহার বেশী করতে হয়। অবশ্য ২০১৪-২০১৫ সালের দ্বিতীয় এবং তৃতীয় কোয়ার্টারে দেশে বিরাজমান রাজনৈতিক অস্থিতিশীলতার কারণে উৎপাদন ক্ষমতার ব্যবহার ব্যাহত হয়েছিল। আলোচ্য আর্থিক বছরে, অর্থাৎ ২০১৫-২০১৬ সালে কারখানার বি.এম.আর.ই. কার্যক্রম শুরু হওয়ায় বিভিন্ন পুরানো যন্ত্রপাতিসমূহ বন্ধ রেখে নতুন যন্ত্রপাতি স্থাপন করা হচ্ছিল, ফলে স্বাভাবিক ভাবেই উৎপাদন কম হয়েছে যদিও মিডিয়াম কাউন্টের সুতা উৎপাদিত হওয়ার কারণে পরিমাণগত ভাবে সুতার উৎপাদন বেশী হয়েছে।

## বৎসর ভিত্তিক সুতা উৎপাদন

বৎসর	উৎপাদনের পরিমাণ (লক্ষ কেজি)	উৎপাদন ক্ষমতার ব্যবহার (শতকরা)
২০১৫-২০১৬	২৫.৩৬	৭৯%
২০১৪-২০১৫	২৪.৮০	৮২%
২০১৩-২০১৪	২৪.৯৮	৯১%
২০১২-২০১৩	২৫.৩৯	৯৩%
২০১১-২০১২	৪৪.৭১	৯১%

## কাঁচামালের ব্যবহার

উৎপাদন ক্ষমতা হ্রাসের কারণে কাঁচামাল ব্যবহারও কম হয়েছে। আলোচ্য বছরের কাঁচামাল সংগ্রহ ও ব্যবহারের পর্যালোচনার জন্য আমি হিসাব প্রতিবেদনের সঙ্গে সংযোজিত ২৪.১ এবং ২৪.০১.০১ নোট দুটির প্রতি আপনাদের দৃষ্টি আকর্ষণ করছি। আমরা স্থানীয় বাজার থেকে তুলা সংগ্রহ করি যেন বিশ্ববাজারে কাঁচা তুলার দাম বেশী কমে গেলে উচ্চমূল্যে কাঁচা মালের মজুত নিয়ে বিপাকে পড়তে না হয়, কেননা সাম্প্রতিক কালে কতিপয় স্পিনিং মিল এমনি ঘটনার শিকার হয়েছে।

## আর্থিক ফলাফল

কোম্পানীর ২০১৫-২০১৬ সালের অর্থনৈতিক কার্যক্রমসহ পূর্ববর্তী ৪ বৎসরের ফলাফল নিম্নরূপ :

### বিগত বৎসরের আর্থিক ফলাফল

‘০০০’ টাকায় (প্রযোজ্য ক্ষেত্রে)

বিবরণ	২০১৫-২০১৬	২০১৪-২০১৫	২০১৩-২০১৪	২০১২-২০১৩	২০১১-২০১২
বিক্রয় মূল্য	১,০৭৬,৮১১	১,৩৪৮,৮০০	১,৬৬৩,৯৮৭	১,৬৬৫,৮০৩	১,৪৫১,৮১৮
বিক্রয় খরচ	৯২০,০২০	১,১৪৮,৪৩৪	১,৩৯৪,৫৭১	১,৩৯৬,১০৩	১,২১৩,৯৮০
মোট আয়	১৫৬,৭৯১	২০০,৩৬৬	২৬৯,৪১৬	২৬৯,৭০০	২৩৭,৮৩৮
নির্বাহী খরচ	১৩৩,৩৫৭	১৬৮,০৪৩	১৭৪,৩৮৮	১৯৫,৮৫০	১৫৭,৮২০
ডব্লিউ.পি.পি ফান্ড পূর্ববর্তী আয় **	২৩,৪৩৪	৩২,৩২৩	৯৫,০৩৯	৭৩,৮৫৭	৮১,১০৫
আয়কর পূর্ববর্তী আয়	৫৫,২৩৫	৮০,৫৩৩	৯০,৫৫৮	৭০,৩৮২	৭৭,৩২৭
আয়কর পরবর্তী আয়	৪৬,৭৭৩	৭২,১৪৯	৬৫,০০৫	৪৭,৮৯৩	৯৩,৫৩২
ই.পি.এস. *	০.৩৪	০.৫২	০.৮২	১.০৪	২.০৪
এন.এ.ভি. প্রতি শেয়ার *	১৫.৫০	১৫.৯৩	২৭.২৬	২৬.৮২	২৫.৭৬
এন.ও.সি.এফ.পি.এস. *	২.৬৫	১.২৩	২.৯৮	(০.০৫)	২.৬১

\* ২০১৩-২০১৪, ২০১৪-২০১৫ ও ২০১৫-২০১৬ বছরের ই.পি.এস./এস.এ.ভি. প্রতি শেয়ার/ এন.ও.সি.এফ.পি.এস. হিসাব করার জন্য কোম্পানীর শেয়ার ক্যাপিটাল ৯১.৭৩ কোটি টাকা বৃদ্ধি ধরা হয়েছে এবং প্রতি শেয়ারের অভিহিত মূল্য ১০.০০ টাকা হারে ধরা হয়েছে।

\*\* ডব্লিউ.পি.পি. ফান্ড পূর্ববর্তী আয় এর মধ্যে নন-অপারেটিং আয় ধরা হয়েছে।

বিক্রিত দ্রব্যের উৎপাদন খরচ, গ্রোস প্রফিট মার্জিন, নিট প্রফিট মার্জিন, ই.পি.এস., এন.এ.ভি., পূর্ববর্তী বছরের অপারেটিং ফলাফল হতে বিশেষ পরিবর্তনসমূহ ইত্যাদি।

আলোচ্য বছরের বিক্রয় বিগত বছরের তুলনায় বেশ কিছুটা কম হয়েছে। পূর্বেই বলা হয়েছে যে, বি.এম.আর.ই. কার্যক্রম গ্রহণ করার ফলে আলোচ্য আর্থিক বছরের তিনটি কোয়ার্টারে উৎপাদন ও বিক্রয় উভয় কার্যক্রমই ব্যাহত হয়েছিল। বি.এম.আর.ই. কার্যক্রম গ্রহণ করার ফলে উৎপাদনে নিয়োজিত অনেক গুলো মেশিনকে পর্যায়ক্রমে বন্ধ রাখতে হয়েছিল, ফলে সামগ্রিক উৎপাদন এবং বাৎসরিক বিক্রয় বিগত বছরের তুলনায় কম ছিল। কোম্পানীর সহযোগী প্রতিষ্ঠান ডেল্টা সিরামিক্স লিমিটেড সীমিত পরিমানে বানিজ্যিক কার্যক্রমের ফলে ডেল্টা স্পিনার্স লিমিটেডের নিট মুনাফা বৃদ্ধিতে সামান্য অবদান রেখেছে।

এখানে উল্লেখ্য যে, প্রিমিয়ার লিজিং এন্ড ফাইন্যান্স লিমিটেড (পি.এল.এফ.এল.)-কে দেয় আমাদের কোম্পানীর বিভিন্ন লোন একাউন্ট একীভূত করেছে এবং এই প্রক্রিয়ায় পি.এল.এফ.এল. আলোচ্য বছরে সুদ আরোপন বন্ধ রেখেছিল – ফলে আমাদের পরিচালনা ব্যয় কিছুটা হ্রাস পায় এবং সামগ্রিক নিট মুনাফা বৃদ্ধিতে সহায়ক ভূমিকা পালন করে।

রাইট শেয়ার ফান্ডের টাকা এফ.ডি.আর.-এ থাকার ফলে প্রায় সাড়ে তিন কোটি টাকার সুদ আয় হয়েছে। এই এফ.ডি.আর. এর উৎপত্তি হয়েছে রাইট শেয়ারের অর্থ থেকে। প্রকাশ থাকে যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নিকট রাইট শেয়ারের টাকায় বন্ধ কলের পরিবর্তে একটি ১০০% রপ্তানীমুখী সুতা কল স্থাপনের জন্য কোম্পানী অনুমোদন চেয়েছিল, যা জানুয়ারী, ২০১৬তে পাওয়া গেছে। ফলে রাইট শেয়ারের অধিকাংশ অর্থই খরচ করা যায়নি এবং তা এফ.ডি.আর.-এ রক্ষিত ছিল।

### বস্ত্র শিল্পের বর্তমান অবস্থা ও এর ভবিষ্যৎ

বস্ত্র শিল্প বাংলাদেশের অত্যন্ত গুরুত্বপূর্ণ এবং দেশের বৃহত্তম কর্মসংস্থানকারী শিল্পখাত। এই শিল্পখাত, অর্থাৎ তৈরী পোশাক, নিট-পোশাক ও অন্যান্য পোশাক দ্রব্য দেশের মোট রপ্তানী আয়ের প্রায় ৮০% যোগান দেয়। এছাড়া এই শিল্পখাত দেশের কাপড়ের অভ্যন্তরীণ চাহিদার প্রায় ৯০% ভাগ পূরণ করে। দেশের বস্ত্রশিল্প ও নিটিং ফ্যাক্টরীসমূহের সুতার চাহিদার সিংহভাগই দেশীয় সুতাকলগুলি সরবরাহ করে।

ডেলটা স্পিনার্স লিমিটেড কটন সুতা প্রস্তুতকারী একটি শিল্প প্রতিষ্ঠান। দেশের বস্ত্র শিল্পের সামগ্রিক চাহিদার সিংহভাগই দেশীয় সুতা সরবরাহের উপর নির্ভরশীল। অবশ্য কিছু বিশেষায়িত সুতার জন্য দেশকে এখনও বাইরের বাজারের মুখাপেক্ষী থাকতে হচ্ছে।

আমাদের দেশের বস্ত্র শিল্প তথা সুতা-শিল্পের ভবিষ্যত নিঃসন্দেহে উজ্জ্বল, বর্তমানে সুতার চাহিদা ও সরবরাহের মধ্যে যথেষ্ট পার্থক্য বিদ্যমান। তৈরী পোশাক শিল্প ও নিটিং ফ্যাক্টরী প্রধানত শ্রমঘন শিল্প। বাংলাদেশে শ্রমমূল্য অন্যান্য প্রধান তৈরী-পোশাক রপ্তানীকারক দেশ সমূহের তুলনায় কম। এই সুবিধা গ্রহণ করার সাথে সাথে তৈরী পোশাক ও নিট কাপড়ের রপ্তানী বৃদ্ধি পাবে এবং স্থানীয় কাপড়ের চাহিদা বাড়বে যার ফলে স্পিনিং এর সংখ্যাও বাড়বে। তাছাড়া জনসংখ্যা ও মাথাপিছু আয় বৃদ্ধির সাথে সাথে কাপড়ের অভ্যন্তরীণ চাহিদাও বৃদ্ধি পাবে। সুতরাং আভ্যন্তরীণ ও রপ্তানীর জন্য কাপড়ের চাহিদা বৃদ্ধির সঙ্গে সঙ্গে সুতার চাহিদাও বৃদ্ধি পাবে। বিগত অক্টোবর, ২০১৬ এর মাঝামাঝি সময়ে চীনের প্রধান মন্ত্রীর বাংলাদেশ সফরের মধ্য দিয়ে টেক্সটাইল জগতে নতুন ইনভেস্টমেন্টের দ্বার উন্মোচিত হওয়ার সম্ভাবনা দেখা দিয়েছে। যদি স্থানীয়ভাবে সুতার উৎপাদন ক্ষমতা বৃদ্ধি না করা হয় তবে বৈদেশিক মুদ্রা খরচ করে সুতা আমদানী করতে হবে। সুতরাং দেখা যাচ্ছে যে, সুতা প্রস্তুতকারী শিল্পের ভবিষ্যৎ অতি উজ্জ্বল।

### ঝুঁকি ও কর্তৃপক্ষের ধারণা

এটা স্বতঃসিদ্ধ যে প্রত্যেক ব্যবসা প্রতিষ্ঠান ঝুঁকির মধ্যে কাজ করে। এই সব ঝুঁকি ভিতরের অথবা বাইরেরও হতে পারে। বস্ত্র শিল্পের ঝুঁকি মোকবেলার ক্ষেত্রে কর্তৃপক্ষের কিছু চিন্তা-ভাবনা নিম্নে আলোচনা করা হলো :

বর্তমানে দেশের রাজনৈতিক পরিস্থিতি যদিও ভাল, তথাপি অবস্থা অস্থিতিশীল হলে দেশের সার্বিক অর্থনৈতিক কর্মকাণ্ডের সঙ্গে সঙ্গে বস্ত্র শিল্পেরও ক্ষতি হবে।

সুতা উৎপাদনকারী শিল্পকে প্রতিযোগিতার মধ্য দিয়ে চলতে হয় এবং আমাদের প্রতিষ্ঠানকে অনেক দেশীয় সুতা উৎপাদনকারী শিল্পের সঙ্গে প্রতিযোগিতা করতে হয়। বর্তমান বিশ্বে বস্ত্র শিল্প কোটামুক্ত এবং আমাদের শিল্পকে ভারত, চীন, শ্রীলংকা, ইন্দোনেশিয়া, ভিয়েতনাম, পাকিস্তান প্রভৃতি দেশের সঙ্গে প্রতিযোগিতার সম্মুখীন হতে হচ্ছে। এই দেশ সমূহ বস্ত্র উৎপাদনে বেশ শক্ত অবস্থানে আছে। বিশেষতঃ বিদেশী ক্রেতারা যদি মিয়ানমার অথবা ভিয়েতনামের এর উৎপাদন ক্ষমতা বৃদ্ধির লক্ষ্যে সেখানে বিনিয়োগ করে তবে বাংলাদেশের বস্ত্র শিল্প শক্ত প্রতিযোগিতার মধ্যে পড়বে। এছাড়া, মাঝে মধ্যে আমাদের প্রতিষ্ঠানকে বাজার ঝুঁকি যেমন হ্রাসমান চাহিদা এবং সে কারণে বিক্রি ও লাভ কমে যাওয়ার ঝুঁকি মোকাবেলা করতে হয়। সুতার মিলগুলি কাঁচা তুলার সরবরাহের জন্য আমদানীর উপর সম্পূর্ণভাবে নির্ভরশীল। বিশ্ব-বাজারে কাঁচা তুলার মূল্য মাঝে মধ্যে হ্রাস-বৃদ্ধি হলে এই শিল্প সংকটে পতিত হয়।

নতুন নতুন প্রযুক্তি উদ্ভাবনের ফলে আমাদের কোম্পানীকে প্রযুক্তিগত ঝুঁকির মুখোমুখি হতে হয়। এই সব নতুন প্রযুক্তির ফলে উৎপাদন ব্যয় হ্রাস পায়, যার ফলে চলতি প্রযুক্তি অচল হয়ে যায় এবং কোম্পানীর উপর এর নেতিবাচক প্রভাব পড়ে। সরকারকর্তৃক কর নীতি এবং অন্যান্য নিয়ন্ত্রনকারী সংস্থা কর্তৃক বিধিমালা জটিল ও বিরূপ পরিবর্তন কোম্পানীর জন্য ঝুঁকিপূর্ণ হতে পারে। দেশে এবং বিদেশে আর্থিক ও রাজনৈতিক অস্থিতিশীল পরিস্থিতি কোম্পানীর কার্যক্রমের উপর ক্ষতিকারক প্রভাব ফেলতে পারে। দেশের অর্থনৈতিক অবস্থার অবনতি হলে দ্রব্যের চাহিদা কমে যায়। বিদ্যুৎ প্রবাহে ঘাটতি, শ্রমিক অসন্তোষ, প্রাকৃতিক দুর্যোগ যেমন - ঝড়, বন্যা, ভূমিকম্প প্রভৃতি কোম্পানীর উৎপাদন ব্যবস্থা ও লাভের উপর বিরূপ প্রভাব ফেলতে পারে। এছাড়া আরও বিভিন্ন অস্থিতিশীলতার কারণে এই শিল্প মাঝে মাঝে সমস্যার সম্মুখীন হতে পারে।

### ঝুঁকি ব্যবস্থাপনায় কর্তৃপক্ষের চিন্তাধারা

কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ উপরে বর্ণিত ঝুঁকি সম্পর্কে সম্পূর্ণ ওয়াকিবহাল এবং এসব ঝুঁকির ক্ষতিকারক প্রভাব সহনীয় পর্যায়ে রাখার জন্য সর্বদা প্রয়োজনীয় পদক্ষেপ গ্রহণ করছেন। নিম্নে কিছু পদক্ষেপের বিবরণ দেয়া হলো:

দেশের সুতা উৎপাদনকারীরা তাদের সমিতি বাংলাদেশ টেক্সটাইল মিল্‌স এ্যাসোসিয়েশন-এর মাধ্যমে সরকারের নীতি নির্ধারকদেরকে সমগ্র বস্ত্র-শিল্পের জন্য সহায়ক নীতি গ্রহণ করার পরামর্শ দিয়ে থাকে। কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ অভ্যন্তরীণ ও আন্তর্জাতিক পর্যায়ে রাজনৈতিক ও অর্থনৈতিক গোলযোগ সৃষ্টির ফলে যে সব ক্ষতিকর সমস্যার উদ্ভব হয় সে

সম্পর্কে সম্পূর্ণ সজাগ এবং এসব ক্ষতিকর প্রভাব দূর করার জন্য অথবা তা নিম্ন পর্যায়ে রাখার জন্য ব্যবস্থা গ্রহণ করে থাকে। পি. ডি. বি/আর. ই. বি. - এর উপর নির্ভরশীল না থেকে কোম্পানী গ্যাস থেকে নিজস্ব জেনারেটরের মাধ্যমে বিদ্যুত উৎপাদন করে থাকে। শ্রমিকদের কাজ-কর্মের ধারাবাহিকতা রক্ষার স্বার্থে উন্নত কর্ম-পরিবেশ নিশ্চিত করা হয়। কোম্পানীর ফ্যাক্টরীটি বন্যামুক্ত উঁচু স্থানে অবস্থিত। ফ্যাক্টরী বিল্ডিং আর.সি.সি. ভিত্তির উপর স্থাপিত। মেঝে ও ছাদ আর.সি.সি. নির্মিত ও কিছু অংশ প্রি-ফ্যাব্রিকেটেড; যা বাতাস, ঝড় ও মুষল ধারে বৃষ্টি ঠেঁকাতে সক্ষম। অধিকন্তু এসব ক্ষতির বিপরীতে ইন্সুরেন্স করা আছে।

কোম্পানী ৮২.১৬ কোটি টাকা ব্যয়ে একটি ১০০% রপ্তানীমুখী অত্যাধুনিক সুতাকল স্থাপনের জন্য প্রকল্প গ্রহণ করেছে। এই প্রকল্প স্থাপন করা হলে উপরে বর্ণিত বিভিন্ন প্রকার প্রযুক্তিগত ঝুঁকির মোকাবেলা করা আরো ভাল করে সম্ভব হবে।

রাজনৈতিক অস্থিরতার কারণে যে সমস্ত সমস্যার উদ্ভব হয় অতীতে দেখা গেছে তার বেশীর ভাগই ক্ষণস্থায়ী। কোম্পানী তার ঋণসমূহ পুনঃতফশিল করে প্রিমিয়ার লিজিং এন্ড ফাইন্যান্স লিমিটেড (পি.এল.এফ.এল.), বাংলাদেশ ডেভেলপমেন্ট ব্যাংক লিমিটেড (বি.ডি.বি.এল.) এবং অগ্রণী ব্যাংক লিমিটেড থেকে বেশ কিছু বিশেষ আর্থিক সুবিধা আদায় করতে পেরেছে যা নিম্নে বর্ণিত হল :

ক) অতীতে প্রিমিয়ার লিজিং এন্ড ফাইন্যান্স লিমিটেড (পি.এল.এফ.এল.) তাঁদের ঋণের উপর ১৮% - ২০% হারে সুদ আরোপ করত যার ফলে আমরা ঋণের অনেক কিস্তি পরিশোধ করা সত্ত্বেও চড়া সুদের কারণে ঋণের পরিমাণ কমাতে অনেক ক্ষেত্রেই ব্যর্থ হতাম। এই অবস্থার অবসান কল্পে আমরা উপরোক্ত লিজিং কোম্পানীকে সুদ কমাতে এবং ঋণ পুনঃ তফশিলীকরণের জন্য বিশেষ অনুরোধ জানালে তারা বিষয়টি সহানুভূতির সঙ্গে বিবেচনা করে ৪৬.৪৫ কোটি টাকায় ঋণ পুনঃতফশিল করে, যথা : (১) জুলাই, ২০১৫ থেকে ডিসেম্বর, ২০১৬ পর্যন্ত অর্থাৎ এই আঠারো মাসে ঋণের উপর কোন প্রকার সুদ আরোপিত হবে না। (২) পরবর্তী সময়ের জন্য ঋণের উপর ১৮%-২০% স্থলে ১২% হারে সুদ আরোপিত হবে।

খ) বাংলাদেশ ডেভেলপমেন্ট ব্যাংক লিমিটেড (বি.ডি.বি.এল.) তাঁদের ঋণের পরিশোধ সময়সীমা ডিসেম্বর, ২০১৯ এর স্থলে ডিসেম্বর, ২০২১ পর্যন্ত বর্ধিত করার ফলে আমাদের ঋণের চাপ সহনীয় পর্যায়ে নেমে এসেছে। এছাড়া তাঁরা ঋণের উপর সুদের হারও ১৫% এর স্থলে ১৪% -এ নামিয়ে এনেছে।

গ) অগ্রণী ব্যাংক লিমিটেড কর্তৃক তাঁদের প্রায় ২৪ কোটি টাকার লিম ঋণের পরিশোধ সময়সীমা পুনঃতফশিল করে এর উপর আরোপিত সুদের হার ২২% থেকে ১৫% -এ নামিয়ে এনেছে।

#### অস্বাভাবিক লাভ-লোকসান

পূর্বেই বলা হয়েছে, রাইট ইস্যুর টাকা এফ.ডি.আর. -এ রক্ষিত থাকার ফলে আলোচ্য আর্থিক বছরে প্রায় সাড়ে তিন কোটি টাকার সুদ অর্জিত হয়েছে। এছাড়া প্রিমিয়ার লিজিং এন্ড ফাইন্যান্স লিমিটেড (পি.এল.এফ.এল.)-কে দেয় আমাদের কোম্পানীর বিভিন্ন লোন একাউন্টের প্রায় ৪৬.৪৫ কোটি টাকার উপর সুদ আরোপন সারা বৎসরের জন্য বন্ধ রেখেছিল। ফলে আমাদের পরিচালনা ব্যয় বেশ কিছুটা হ্রাস পায় এবং সামগ্রিক নীট মুনাফা বৃদ্ধিতে সহায়ক ভূমিকা পালন করে। আলোচ্য অর্থ বৎসরের অধিকাংশ সময় ধরেই কারখানার বি.এম.আর.ই. কার্যক্রম পরিচালনার কারণে বহু উৎপাদনমুখী যন্ত্রপাতি বন্ধ রাখতে হয়েছিল ফলে উৎপাদন ক্ষমতার ব্যবহার ৭৯% হয়েছে।

#### সহযোগী পার্টার লেনদেন

সহযোগী পার্টার লেনদেন এর পরিমাণ দেখার জন্য “হিসাব প্রতিবেদনের” ৩০.০০ নং নোটের প্রতি দৃষ্টি আকর্ষণ করা হচ্ছে।

#### সাবসিডিয়ারী প্রতিষ্ঠান

ডেল্টা স্পিনার্স লিমিটেড -এর সাবসিডিয়ারী প্রতিষ্ঠান, যথা ডেল্টা সিরামিক্স লিমিটেড -এর ২০১৫-২০১৬ সালের নিরীক্ষিত হিসাবও কোম্পানীর নিরীক্ষিত হিসাবের শেষে সংযোজন করা হয়েছে।

## চলতি মূলধন প্রসঙ্গ

অগ্রনী ব্যাংক লি: আমিন কোর্ট কর্পোরেট শাখা ২০১৪ সালের ডিসেম্বর মাসে ২৪.০০ কোটি টাকার চলতি মূলধন ঋণসীমা (সি. সি. হাইপো ও সি. সি. প্লোজ) নবায়ন করে। এছাড়া কাঁচামাল আমদানীর উদ্দেশ্যে ২০.০০ কোটি টাকার আমদানি ঋনপত্র (আবর্তিত) ও নবায়ন করা হয়। ফলে পূর্ববর্তী বছরের ঋনসীমার কোনো পরিবর্তন হয় নাই। সাউথ ইস্ট ব্যাংকের চলতি মূলধন ঋনসীমা ৫.০০ কোটি টাকা। এই ব্যাংক কর্তৃক প্রদত্ত ৫.০০ কোটি টাকার আমদানি ঋনপত্রও (আবর্তিত) আলোচ্য আর্থিক বছরে কোনো পরিবর্তন হয় নাই।

## ডিভিডেন্ড

বোর্ড অব ডাইরেক্টরস ২০১৫-২০১৬ বছরের জন্য সকল শেয়ারহোল্ডারদের জন্য ১০% স্টক ডিভিডেন্ড প্রস্তাব করছে। আশা করি সম্মানিত শেয়ারহোল্ডারগণ অনুগ্রহ করে এই প্রস্তাবে সম্মতি প্রদান করবেন।

## মেয়াদী ঋন-পরিশোধ

কোম্পানী আলোচ্য বছরে নিম্নে বর্ণিত মোট ৯.০০ কোটি টাকা মেয়াদী ঋন পরিশোধ করেছে। প্রকাশ থাকে যে, বিগত আর্থিক বছরে এই পরিশোধের পরিমাণ ছিল মাত্র ২৫.৮৯ কোটি টাকা।

ক) বাংলাদেশ ডেভেলপমেন্ট ব্যাংক লিমিটেড	ঃ ৳. ২.১৫ কোটি
খ) প্রিমিয়ার লিজিং এন্ড ফাইন্যান্স লিমিটেড	ঃ ৳. ৪.৩৬ কোটি
গ) সাউথ ইস্ট ব্যাংক লিমিটেড	ঃ ৳. ২.৪৯ কোটি

মোট টাকা : ৳. ৯.০০ কোটি

## পরিচালকদের পারিশ্রমিক

পরিচালকদের পারিশ্রমিক ২০১৫-২০১৬ সালে ১৮.০০ লক্ষ টাকা রয়েছে যা ২০১৪-২০১৫ সালেও একই ছিল।

## রাইট শেয়ার এর অর্থের ব্যবহার এবং ব্যালান্সশীট পরবর্তী কার্যক্রম

সম্মানিত শেয়ার হোল্ডারবৃন্দ, আপনারা জানেন যে, বিগত আগস্ট, ২০১৪ সালে শেয়ার বাজার থেকে কোম্পানী ৯১.৭৩ কোটি টাকা রাইট শেয়ারের মাধ্যমে উত্তোলন করেছিল। পরবর্তীতে, অর্থাৎ ১০ই জানুয়ারী, ২০১৫ তারিখে কোম্পানীর এক বিশেষ সাধারণ সভায় উপরোক্ত অর্থ (ক) বি.এম.আর.ই. প্রকল্পে (খ) ১০০% রপ্তানীমুখী একটি সুতাকলে এবং (গ) ব্যাংক ও আর্থিক প্রতিষ্ঠানের কিয়দংশ ঋণ পরিশোধ কল্পে আপনারা সিদ্ধান্ত গ্রহণ করেছিলেন। উক্ত সিদ্ধান্ত অনুযায়ী আমাদের রাইট শেয়ার এর উত্তোলনকৃত অর্থ উপরোক্ত প্রকল্প সমূহে বিনিয়োগ করার জন্য বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের অনুমোদন চেয়ে বিগত জানুয়ারী, ২০১৫-তে আমরা যে পত্র দিয়েছিলাম, তার অনুমোদনপত্র আমরা জানুয়ারী, ২০১৬-তে হাতে পেয়েছি।

কোম্পানী অবশ্য উপরোক্ত অর্থ দিয়ে বি.এম.আর.ই. প্রকল্পে ৩০শে জুন, ২০১৬ তারিখ পর্যন্ত ১৫.০১ কোটি টাকা বিনিয়োগ করেছে, যার পরিমাণ ৩০-০৬-২০১৫ পর্যন্ত ছিল ১২.৪০ কোটি টাকা। এই বিনিয়োগের জন্য আমরা কিছু সুফল পাচ্ছি যা অদূর ভবিষ্যতে আরও ভালভাবে বাড়াতে পারে আশা করছি।

১০০% রপ্তানীমুখী সুতাকলের জন্য রাইট শেয়ারের অর্থ বিনিয়োগ হবে আনুমানিক ৪৬.৮৫ কোটি টাকা – এর মধ্যে ৩০শে জুন, ২০১৬ পর্যন্ত ৪৩.৪৭ কোটি টাকা বিনিয়োগ হয়েছে। এই প্রকল্প সম্পূর্ণ শেষ করতে কোম্পানীর নিজস্ব তহবিল থেকে ৭.৫০ কোটি টাকা এবং আরও ২৮.০০ কোটি টাকার ব্যাংক ঋণের জন্য ইতোমধ্যে আবেদন করা হয়েছে যা এখনও ব্যাংকে প্রক্রিয়াধীন রয়েছে। এই প্রকল্প থেকে লাভ অন্তত: আরও এক বছর পর পাওয়া যাবে।

ইতোমধ্যে কোম্পানী রাইট শেয়ার ফান্ড থেকে ২৮.৫০ কোটি টাকা ব্যাংক এবং লিজিং কোম্পানীকে পরিশোধ করেছে, যা ইতোপূর্বে আলোচিত হয়েছে। এর ফলে বড় অংকের বাৎসরিক সুদ প্রদানও এড়ানো যাচ্ছে।



## কর্পোরেট গভর্নেন্স পরিপালন

কর্পোরেট গভর্নেন্স -এর সকল ধারা সমূহ পরিপালন করা হয়েছে।

### পরিচালকবৃন্দের অবসরগ্রহণ এবং পুনঃ নির্বাচন

কোম্পানীর আর্টিকেলস অব এ্যাসোসিয়েশন এর ১৪৩ ধারা অনুসারে ব্যবস্থাপনা পরিচালক-কে পর্যায়ক্রমে অবসরে যেতে হয় না। যেহেতু জনাব মোস্তফা জামাল হায়দার, ব্যবস্থাপনা পরিচালক হিসাবে দায়িত্ব পালন করছেন সেহেতু তিনি পর্যায়ক্রমে অবসরে যাবেন না। কোম্পানী ২৭শে মে, ২০১৩ তারিখের পরিচালনা পর্ষদের সভায় জনাব মোঃ শামসুল হক-কে নতুন ইন্ডিপেন্ডেন্ট ডাইরেক্টর হিসেবে নিয়োগ প্রদান করেন এবং কোম্পানীর ৩৩তম বার্ষিক সাধারণ সভায় নিশ্চিত করা হয়েছিল। তাঁকে পর্যায়ক্রমে অবসরে যেতে হবে না। বাংলাদেশ ডেভেলপমেন্ট ব্যাংক লিমিটেড তাঁদের মহাব্যবস্থাপক জনাব মোঃ খালিদ হোসেনকে তাদের প্রতিনিধি হিসেবে আমাদের কোম্পানীর পরিচালক পদে মনোনয়ন প্রদান করেছেন। তিনি বিগত ১৯-১০-২০১৬ তারিখের বোর্ড সভায় কোম্পানীর পরিচালক হিসেবে নিয়োগ প্রাপ্ত হয়েছেন। ১৩২ ধারা অনুসারে জনাব আর.এ. হাওলাদার অবসরে যাবেন এবং যোগ্য বিধায় পুনঃ নির্বাচিত হওয়ার ইচ্ছা প্রকাশ করেছেন। তিনি একজন অবসরপ্রাপ্ত ব্যাংকার এবং ন্যাশনাল ব্যাংক লিমিটেড-এ দীর্ঘদিন ব্যবস্থাপনা পরিচালক হিসেবে দায়িত্ব পালন করেছেন।

### হিসাব নিরীক্ষক নিয়োগ

মেসার্স আহমেদ জাকের এন্ড কোং, চাটার্ড এ্যাকাউন্টেন্টস্ আমাদের কোম্পানীর ২০১৫-২০১৬ সালের হিসাব নিরীক্ষক ছিলেন। ২০১৬-২০১৭ সালের জন্য ১.০০ লক্ষ টাকা ফি-র বিপরীতে হিসাব নিরীক্ষক নিয়োগ দিতে হবে।

### কৃতজ্ঞতা জ্ঞাপন

আজকের এই শুভ মুহূর্তে আমরা আমাদের সম্মানিত শেয়ারহোল্ডারবৃন্দকে তাঁদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি। আমরা বিভিন্ন সংস্থা, যেমন, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ষ্টক এক্সচেঞ্জ লি., চিটাগাং ষ্টক এক্সচেঞ্জ লি., বাংলাদেশ টেক্সটাইলস মিলস এ্যাসোসিয়েশন, ব্যাংকসমূহ, সরবরাহকারী, গ্রাহক, বিক্রয় প্রতিনিধি ও আমাদের শুভাকাঙ্খীদের সহযোগিতার কথা কৃতজ্ঞচিত্তে স্মরণ করছি।

প্রয়োজনীয় চলতি মূলধন যোগান দেয়ার জন্য আমরা অগ্রনী ব্যাংক লি: আমিন কোর্ট কর্পোরেট শাখার নিকট কৃতজ্ঞ। সাউথ ইস্ট ব্যাংক লি: আমাদের চলতি ও মেয়াদী মূলধন প্রদান করেছেন। বাংলাদেশ ডেভেলপমেন্ট ব্যাংক লি: এবং প্রিমিয়ার লিজিং ও ফাইন্যান্স লি: তাদের ঋণ পরিশোধের ক্ষেত্রে আমাদেরকে বিশেষ সহযোগিতা দিয়েছেন - তাঁদের সবাইকে জানাচ্ছি আন্তরিক ধন্যবাদ।

পরিশেষে পরিচালনা পর্ষদ কোম্পানীর সকল নির্বাহী কর্মকর্তা, কর্মচারী ও শ্রমিকদের নিরলস সেবা ও কর্তব্যপরায়ণতার মাধ্যমে সুন্দর কাজের পরিবেশ বজায় রেখে কোম্পানীর সাফল্যে সহযোগিতার কথা বিশেষ ভাবে স্মরণ করছে।

### উপসংহার

আমি এখন পরিচালনা পর্ষদের পক্ষ থেকে ২০১৫-২০১৬ সালের নিরীক্ষা প্রতিবেদন এবং বাৎসরিক হিসাব আপনাদের কাছে পেশ করছি। সম্মানিত শেয়ারহোল্ডারগণ এই হিসাব অনুমোদন করে আমাদেরকে বাধিত করবেন।

পরিশেষে, বাৎসরিক সাধারণ সভায় যোগদানের জন্য আমি আপনাদের সবাইকে আবার আন্তরিক ধন্যবাদ জানাচ্ছি। পরম করুণাময় আল্লাহ তায়ালা আমাদের সকলের সহায় হোন।

ধন্যবাদান্তে,

তারিখ : ৩১শে অক্টোবর, ২০১৬

পরিচালনা পর্ষদের পক্ষে

স্বা/-

আর. এ. হাওলাদার

চেয়ারম্যান

The following is an Addendum to the Report of the Directors to the Shareholders as well as status of compliance with the conditions imposed by Bangladesh Securities & Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 Dated 7<sup>th</sup> August, 2012 and amendments thereof issued under Section 2CC of Bangladesh Securities and Exchange Ordinance, 1969 :

**REPORT UNDER CONDITION NO. 7.(i i)**

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks / Reply (if any)
		Complied	Not Complied	
1.	BOARD OF DIRECTORS :			
1.1	Board's Size	✓		5 Members
1.2	Independent Directors	✓		1 Independent Director
1.3	Qualification of Independent Director (ID)	✓		Qualified
1.4	Chairman of the Board and Chief Executive Officer	✓		Different individuals
1.5	<b>Directors' Report to Shareholders</b>			
	The Board of Directors of Delta Spinners Limited would like to include the following additional statements in its Report prepared under section 184 of the Companies Act, 1994 :			
1.5(i)	Industry outlook and possible future developments in the industry	✓		Provided in the Main Report of the Board of Directors
1.5(ii)	Segment-wise or product-wise performance	✓		as above
1.5(iii)	Risks and concerns	✓		as above
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		as above
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		as above
1.5(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	✓		as above
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	✓		as above
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	✓		as above
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance in their Annual Report	✓		as above
1.5(x)	Remuneration to directors including independent directors	✓		as above

Contd. . . p/ii

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks / Reply (if any)
		Complied	Not Complied	
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		Yes
1.5(xii)	Proper books of account of the issuer company have been maintained	√		Yes
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		Yes
1.5(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	√		Yes
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		Yes
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	√		There are no significant doubts upon the Company's ability to continue as a going concern.
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	√		Provided in the Main Report of the Board of Directors.
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		as above
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	√		10% Stock Dividend declared for all the Shareholders.
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed	√		06 Board Meetings held and a cumulative number of 30 Directors attended the meetings.
1.5(xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by	√		Stated separately at Annexure II
1.5(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		as above

Contd. . . p/iii

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks / Reply (if any)
		Complied	Not Complied	
1.5(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	✓		Stated separately at Annexure II
1.5(xxi) c)	Executives	✓		as above
1.5(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	✓		as above
1.5(xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders	✓		Provided in the main report of the Board of Directors.
1.5(xxii) a)	A brief resume of the director	✓		as above
1.5(xxii) b)	Nature of his/her expertise in specific functional areas	✓		as above
1.5(xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		as above
2.	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS)			
2.1	Appointment	✓		All are appointed
2.2	Requirement to attend the Board Meetings	✓		Chief Financial Officer and Company Secretary attend Board Meetings
3. (i,ii&iii)	AUDIT COMMITTEE	✓		
3.1(i,ii,iii&iv)	Constitution of the Audit Committee	✓		
3.2 (i & ii)	Chairman of the Audit Committee	✓		
3.3 (i to x)	Role of Audit Committee	✓		
3.4	Reporting of the Audit Committee	✓		
3.4.1(i&ii,a,b,c,d)	Reporting to the Board of Directors	✓		
3.4.2	Reporting to the Authorities	✓		not applicable
3.5	Reporting to the Shareholders and General Investors	✓		not applicable
4. (i to ix)	EXTERNAL/STATUTORY AUDITORS	✓		Provisions met
5. (i-v)	SUBSIDIARY COMPANY	✓		as above
6.	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)			
6(i) (a & b)		✓		Duly reviewed and certified
6(ii)		✓		as above
7.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE			
7(i)		✓		Obtained and furnished
7(ii)		✓		Duly stated

Sd/-  
R A Howlader  
Chairman

**THE PATTERN OF SHAREHOLDINGS, ETC.**

- i) Shareholdings in Parent / Subsidiary / Associated companies and other related parties :

The Company has a subsidiary company in the name & style of “Delta Ceramics Limited” in which it holds 80% shares and some of the sponsors hold 20% shares.

- ii) Shareholding by the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit, their spouses & minor children and other major sponsor shareholders (name wise details) :

	<u>Delta Spinners Ltd.</u>	<u>Delta Ceramics Ltd.</u>
	Shares of Tk. 10 each	Shares of Tk. 10 each
1. Mr. R A Howlader, Chairman	41,55,750 shares	25,000 shares
2. Mr. Mostafa Jamal Haider Managing Director & CEO Wife : Mrs. Jowshan Ara Rashid	63,42,300 shares 4,46,640 shares	25,000 shares Nil
3. Mrs. Dina Jabin, Director	28,52,100 shares	25,000 shares
4. Mr. Md. Shamsul Haque Non-Shareholding Independent Director and Chairman, Audit Committee	Nil	Nil
5. Mr. Md. Khalid Hossain (Director Nominated by BDBL)	Nil	Nil
6. Mr. Mostafa Zakaria Haider Head of Internal Audit	9,28,350 shares	25,000 shares
7. Mrs. Umme Zarin	25,50,150 shares	Nil
8. Mr. Nazrul Islam General Manager (H R & Admn)	Nil	Nil
9. Mr. Ziaur Rahman, Chief Financial Officer	Nil	Nil
10. Mr. Masudur Rahman, Executive Director & Company Secretary	7,920 shares	Nil

- iii) Executives : Nil

- iv) Shareholders holding ten percent (10%) or more voting interest in the Company : Nil

- v) Related Party : The subsidiary company, namely, Delta Ceramics Limited with which the parent company, Delta Spinners Limited has financial transactions.

Sd/-  
R A Howlader  
Chairman

**AUDIT COMMITTEE REPORT  
For the Year 2015-2016**

The Audit Committee consists of the following members :

Mr. Md. Shamsul Haque, Independent Director      -- Chairman

Mrs. Dina Jabin, Director                                  -- Member

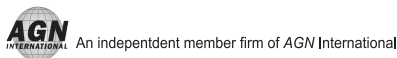
Mr. Md. Khalid Hossain, BDBL Director              -- Member

Mr. Md. Khalid Hossain, General Manager, BDBL (appointed BDBL Director in the Company) has been inducted as a Member of the Audit Committee as decided in the Board Meeting held on 19<sup>th</sup> October, 2016.

Activities carried out during the year :

During the year 2015-2016, the Committee reviewed the internal audit report, financial statements and the external audit report. The Committee met in a total number of 4 (four) meetings. The Committee did not find any material deviation, discrepancies or any adverse finding / observation in the areas of reporting.

Sd/-  
( Md. Shamsul Haque )  
Chairman  
Audit Committee



BGIC Tower (4th Floor), 34 Topkhana Road  
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E-Mail: mh@mahfelhuq.com, Web: www.mahfelhuq.com

**CERTIFICATE ON COMPLIANCE OF CONDITIONS  
OF CORPORATE GOVERNANCE  
To the shareholders of Delta Spinners Limited**

We have examined the accompanying compliance to the BSEC guidelines on Corporate Governance by **Delta Spinners Limited** for the year ended 30 June 2016. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 of the Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance under Section 2CC of the Securities and Exchange Ordinance 1969.

Such compliance of conditions of Corporate Governance guidelines is the responsibility of the management. Our examination was limited to the procedures and implementation thereof as adopted by the management in ensuring compliance to the conditions of Corporate Governance guidelines. It is neither an audit nor an expression of opinion on the financial statements of the company

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance Guidelines as stipulated in the above mentioned guidelines as issued by BSEC Notification dated August 07, 2012.

Place -Dhaka.  
Date- November 17, 2016

Sd/-

**Mahfel Huq & Co**  
Chartered Accountants

# BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: CM-2016/034

Date of issue : 15<sup>th</sup> February 2016

## Renewed Certificate

*This is to certify that*

DELTA SPINNERS LIMITED

*is a Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.*

*This certificate remains current until 31<sup>st</sup> December 2016.*



  
Secretary-General





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**AHMED ZAKER & CO.**

**Chartered Accountants**  
(A Member Firm of Morison KSi)  
Green City Edge (Level- 10)  
89, Kakrail, Dhaka-1000, Bangladesh.

**Since-1979**  
**Corporate Head Office :**  
Telephone : 88-2-8300504-8  
Fax : 88-2-8300509  
E-mail : azcbangladesh@gmail.com  
Web : www.ahmed-zaker.com

## **Auditors' Report to the Shareholders Of Delta Spinners Limited**

We have audited the accompanying consolidated financial statements of Delta Spinners Limited (the "Company") which comprise the consolidated and the separate Statement of Financial Position as at June 30, 2016 and Statement of Profit or Loss and other comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements of the company in accordance with Bangladesh Financial Reporting Standards (BFRSs), The Securities and Exchange Rules 1987, the Companies Act 1994 along with other applicable rules & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these consolidated financial statements of the company based on our audit. The assets and liabilities as at June 30, 2016 and revenue and expenses for the year ended June 30, 2016 of the company's one subsidiary namely Delta Ceramics Ltd. has been consolidated and accounted for in the consolidated financial statements. The financial statements of the subsidiary audited by other auditors whose reports have been furnished to us and our opinion is as so far as it relates to the amounts included in respect of the company's subsidiary based on the reports. In addition, we have performed our audit procedure for consolidated purpose, based on which the financial statements of the subsidiary have been consolidated. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements of the company are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements of the company. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements of the company, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements of the company in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements of the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the Consolidated financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) give a true and fair view of the Financial Position of the company as at June 30, 2016 and of the results of its Statement of Profit or Loss and other Comprehensive Income and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**We also report that**

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the company's Consolidated Statement of Financial position, Consolidated Statement of Profit or Loss and other Comprehensive Income and Consolidated Statement of Cash flows dealt with by the report are in agreement with the books of accounts;
- d) the expenditure incurred and payments made were for the purposes of the company's business for the year.

Dated: October 31, 2016  
Place: Dhaka

Sd/-  
**Ahmed Zaker & Co.**  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at June 30, 2016

PARTICULARS	NOTES	Amount in Taka	
		June 30, 2016	June 30, 2015
<b>ASSETS</b>			
<b>Non-Current Assets:</b>		<b>1,727,024,459</b>	<b>1,344,006,678</b>
Property, Plant & Equipment	3.A	1,259,508,340	1,344,006,678
Capital Work-in Progress	4.00	467,516,119	-
<b>Current Assets:</b>		<b>1,824,412,779</b>	<b>2,226,032,759</b>
Inventories	6.00	840,606,490	914,688,413
Accounts and Other Receivable	7.A	366,561,327	487,551,443
Advances, Deposits & Prepayments	8.A	372,495,624	306,797,337
Cash & Cash Equivalents	9.A	244,749,337	516,995,566
<b>Total Assets</b>		<b>3,551,437,238</b>	<b>3,570,039,437</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>			
<b>Shareholders Equity:</b>		<b>2,133,067,385</b>	<b>2,191,114,325</b>
Share Capital	10.00	1,375,884,000	1,375,884,000
Revaluation Reserve	11.00	387,115,202	465,112,492
Retained Earnings	12.A	370,068,183	350,117,833
Non-Controlling Interest		2,459,127	2,420,054
<b>Total Equity</b>		<b>2,135,526,512</b>	<b>2,193,534,379</b>
<b>Long Term Liabilities:</b>		<b>528,341,275</b>	<b>625,058,526</b>
Long Term Borrowings / Loan	13.00	445,749,887	579,018,015
Deferred Tax	14.00	82,591,388	46,040,511
<b>Current Liabilities :</b>		<b>887,569,451</b>	<b>751,446,532</b>
Short Term Borrowings	15.00	427,125,765	425,021,405
Current portion of Long Term Borrowings	16.00	262,641,807	212,169,722
Interest payable to BDBL	17.00	61,728,163	18,707,326
Accounts and Other Payables	18.00	9,098,849	5,046,376
Workers Profit Participation Fund	19.00	2,777,150	1,731,033
Unclaimed Dividend	20.00	65,988,500	41,902,153
Provision for Current Tax	21.A	45,458,715	35,352,415
Liabilities for expenses	22.A	12,750,503	11,516,102
<b>Total Equity &amp; Liabilities</b>		<b>3,551,437,238</b>	<b>3,570,039,437</b>
<b>Net Asset Value Per Share with revaluation</b>	29.A	<b>15.50</b>	<b>15.93</b>

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Sd/- R.A Howlader Chairman	Sd/- Mostafa Jamal Haider Managing Director	Sd/- Masudur Rahman Executive Director & Company Secretary	Sd/- Ziaur Rahman Chief Financial Officer
----------------------------------	---------------------------------------------------	---------------------------------------------------------------------	-------------------------------------------------

Signed in terms of our separate report of even date.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
**Ahmed Zaker & Co.**  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
For the year ended June 30, 2016

PARTICULARS	NOTES	Amount in Taka	
		2015-2016	2014-2015
Sales	23.A	1,076,811,212	1,348,800,252
Cost of Sales	24.A	(920,020,221)	(1,148,434,114)
<b>Gross Profit</b>		<b>156,790,991</b>	<b>200,366,138</b>
Administrative and selling Expenses	25.A	(32,826,376)	(55,309,153)
<b>Profit from Operations</b>		<b>123,964,614</b>	<b>145,056,985</b>
Financial Expenses	26.A	(100,530,336)	(112,734,053)
Non Operating Income	27.00	34,546,763	49,715,505
<b>Profit before Contribution to WPPF</b>		<b>57,981,041</b>	<b>82,038,437</b>
Contribution to WPPF	19.00	(2,746,117)	(1,505,493)
<b>Net Profit Before Tax</b>		<b>55,234,924</b>	<b>80,532,944</b>
<b>Provision for Tax</b>		<b>(8,461,785)</b>	<b>(8,383,832)</b>
Current Tax	21.01.A	(20,656,300)	(12,239,146)
Deferred Tax	14.00	12,194,515	3,855,314
<b>Net Profit after Tax</b>		<b>46,773,139</b>	<b>72,149,112</b>
<b>Other Comprehensive Income:</b>		-	-
Total Comprehensive Income		<b>46,773,139</b>	<b>72,149,112</b>
<b>Attributable to:</b>			
Shareholders of the company		46,734,066	72,060,666
Non Controlling interest		39,073	88,447
		<b>46,773,139</b>	<b>72,149,112</b>
Earning Per Share (EPS)	28.A	<b>0.34</b>	<b>0.58</b>
Earning Per Share (EPS)-Restated	28.A		<b>0.52</b>

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Sd/- <b>R.A Howlader</b> Chairman	Sd/- <b>Mostafa Jamal Haider</b> Managing Director	Sd/- <b>Masudur Rahman</b> Executive Director & Company Secretary	Sd/- <b>Ziaur Rahman</b> Chief Financial Officer
-----------------------------------------	----------------------------------------------------------	----------------------------------------------------------------------------	--------------------------------------------------------

Signed in terms of our separate report of even date.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
**Ahmed Zaker & Co.**  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHARE HOLDERS' EQUITY**

For the year ended 30 June 2016

Particulars	Amount in Taka				
	Share Capital	Revaluation Reserve	Retained Earnings	Non-Controlling Interest	Total
Opening Balance as on 01-07-2015	1,375,884,000	465,112,492	350,117,833	2,420,054	2,193,534,379
Net profit after tax for the year	-	-	46,734,066	39,073	46,773,139
Transferred to Retained Earnings	-	(29,251,899)	29,251,899	-	-
Related Deferred Tax	-	(48,745,391)	-	-	(48,745,391)
Dividend for the year 2014-2015	-	-	(56,035,615)	-	(56,035,615)
<b>AS AT 30 JUNE, 2016</b>	<b>1,375,884,000</b>	<b>387,115,202</b>	<b>370,068,183</b>	<b>2,459,127</b>	<b>2,135,526,512</b>

For the year ended 30 June 2015.

Particulars	Amount in Taka				
	Share Capital	Revaluation Reserve	Retained Earnings	Non-Controlling Interest	Total
Opening Balance as on 01-07-2014	458,628,000	511,745,700	277,286,758	2,331,607	1,249,992,065
Net profit after tax for the year	-	-	72,060,666	88,447	72,149,113
Transferred to Retained Earnings	-	(46,633,208)	46,633,208	-	-
Issue of Right share	917,256,000	-	-	-	917,256,000
Dividend for the year 2014	-	-	(45,862,800)	-	(45,862,800)
<b>AS AT 30 JUNE, 2015</b>	<b>1,375,884,000</b>	<b>465,112,492</b>	<b>350,117,833</b>	<b>2,420,054</b>	<b>2,193,534,379</b>

Sd/-  
R.A.Howlader  
Chairman

Sd/-  
Mostafa Jamal Haider  
Managing Director

Sd/-  
Masudur Rahman  
Executive Director &  
Company Secretary

Sd/-  
Ziaur Rahman  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
Ahmed Zaker & Co.  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the year ended 30 June 2016

Particulars	Amount in taka	
	2015-2016	2014-2015
<b>Cash Flow from Operating Activities</b>		
Collection from Customers	1,197,801,328	1,320,648,887
Non Operating Income	34,546,763	49,715,505
Payment for Cost and Expenses	(856,538,682)	(1,187,843,820)
Income tax paid	(10,550,000)	(13,169,420)
<b>Net Cash Flow from Operating Activities</b>	<b>365,259,409</b>	<b>169,351,152</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment	(6,190,074)	(124,571,352)
Capital Work-in-Progress under property, plant and equipment	(462,816,853)	-
<b>Net Cash Flow from/(Used) in Investing Activities</b>	<b>(469,006,927)</b>	<b>(124,571,352)</b>
<b>Cash Flow From Financing Activities</b>		
Short Term Loan Increase/(Decrease)	3,754,360	(56,468,704)
Long Term loan Increase/(Decrease)	(82,796,043)	(248,836,203)
Issue of Right Share	-	917,256,000
Financial Expenses	(57,507,760)	(124,355,791)
Dividend Paid	(31,949,268)	(45,862,800)
<b>Net Cash Flow from/(Used) in Financing Activities</b>	<b>(168,498,711)</b>	<b>441,732,502</b>
Increase/(Decrease) in Cash and Cash Equivalent	<b>(272,246,229)</b>	<b>486,512,302</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>516,995,566</b>	<b>30,483,264</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>244,749,337</b>	<b>516,995,566</b>
<b>Operating Cash flow per share (Taka)</b>	<b>2.65</b>	<b>1.23</b>

Sd/-  
R.A Howlader  
Chairman

Sd/-  
Mostafa Jamal Haider  
Managing Director

Sd/-  
Masudur Rahman  
Executive Director &  
Company Secretary

Sd/-  
Ziaur Rahman  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
Ahmed Zaker & Co.  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

As at June 30, 2016

PARTICULARS	NOTES	Amount in Taka	
		June 30, 2016	June 30, 2015
<b>ASSETS</b>			
<b>Non-Current Assets:</b>		<b>1,730,187,957</b>	<b>1,345,693,204</b>
Property, Plant & Equipment	3.00	1,119,646,384	1,204,124,971
Capital Work-in Progress	4.00	467,516,119	-
Investment in Delta Ceramics Ltd.	5.00	143,025,454	141,568,233
<b>Current Assets:</b>		<b>1,816,190,873</b>	<b>2,219,590,056</b>
Inventories	6.00	840,606,490	914,688,413
Accounts and Other Receivable	7.00	362,548,701	484,124,072
Advances, Deposits & Prepayments	8.00	369,505,743	304,717,837
Cash & Cash Equivalents	9.00	243,529,938	516,059,733
<b>Total Assets</b>		<b>3,546,378,830</b>	<b>3,565,283,259</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>			
<b>Shareholders Equity:</b>		<b>2,131,230,875</b>	<b>2,189,434,110</b>
Share Capital	10.00	1,375,884,000	1,375,884,000
Revaluation Reserve	11.00	387,115,202	465,112,492
Retained Earnings	12.00	368,231,673	348,437,618
<b>Long Term Liabilities:</b>		<b>528,341,275</b>	<b>625,058,526</b>
Long Term Borrowings / Loan	13.00	445,749,887	579,018,015
Deferred Tax	14.00	82,591,388	46,040,511
<b>Current Liabilities :</b>		<b>886,806,681</b>	<b>750,790,622</b>
Short Term Borrowings	15.00	427,125,765	425,021,405
Current portion of Long Term Borrowings	16.00	262,641,807	212,169,722
Interest payable to BDBL	17.00	61,728,163	18,707,326
Accounts and Other Payables	18.00	9,098,849	5,046,376
Workers Profit Participation Fund	19.00	2,777,150	1,731,033
Unclaimed Dividend	20.00	65,988,500	41,902,153
Provision for Current Tax	21.00	44,731,652	34,742,572
Liabilities for expenses	22.00	12,714,795	11,470,035
<b>Total Equity &amp; Liabilities</b>		<b>3,546,378,830</b>	<b>3,565,283,259</b>
<b>Net Asset Value Per Share with revaluation</b>	<b>29.00</b>	<b>15.49</b>	<b>15.91</b>

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
<b>R.A Howlader</b>	<b>Mostafa Jamal Haider</b>	<b>Masudur Rahman</b>	<b>Ziaur Rahman</b>
Chairman	Managing Director	Executive Director & Company Secretary	Chief Financial Officer

Signed in terms of our separate report of even date.

Place: Dhaka  
 Date: October 31, 2016

Sd/-  
**Ahmed Zaker & Co.**  
 Chartered Accountants

**DELTA SPINNERS LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended June 30, 2016

PARTICULARS	NOTES	Amount in Taka	
		2015-2016	2014-2015
Sales	23.00	1,070,694,212	1,338,885,252
Cost of Sales	24.00	(914,647,492)	(1,139,645,632)
<b>Gross Profit</b>		<b>156,046,720</b>	<b>199,239,620</b>
Administrative and selling Expenses	25.00	(32,396,432)	(54,892,441)
<b>Profit from Operations</b>		<b>123,650,287</b>	<b>144,347,179</b>
Financial Expenses	26.00	(100,528,597)	(112,731,820)
Non Operating Income	27.00	34,546,763	49,715,505
<b>Profit before Contribution to WPPF</b>		<b>57,668,453</b>	<b>81,330,864</b>
Contribution to WPPF	19.00	(2,746,117)	(1,505,493)
<b>Net Profit Before Tax</b>		<b>54,922,336</b>	<b>79,825,371</b>
<b>Provision for Tax</b>			
Current Tax	21.01	(20,539,080)	(11,973,806)
Deferred Tax	14.00	12,194,515	3,855,314
<b>Net Profit after Tax</b>		<b>46,577,771</b>	<b>71,706,879</b>
Other Comprehensive Income:		-	-
<b>Total Comprehensive Income</b>		<b>46,577,771</b>	<b>71,706,879</b>
Earning Per Share (EPS)	28.00	<b>0.34</b>	<b>0.57</b>
Earning Per Share (EPS) (Re-stated)	28.00	-	<b>0.52</b>

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
<b>R.A Howlader</b>	<b>Mostafa Jamal Haider</b>	<b>Masudur Rahman</b>	<b>Ziaur Rahman</b>
<b>Chairman</b>	<b>Managing Director</b>	<b>Executive Director &amp; Company Secretary</b>	<b>Chief Financial Officer</b>

Signed in terms of our separate report of even date.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
**Ahmed Zaker & Co.**  
Chartered Accountants



**DELTA SPINNERS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2016

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Opening Balance as on 01-07-2015	1,375,884,000	465,112,492	348,437,618	2,189,434,110
Net profit after tax for the year	-	-	46,577,771	46,577,771
Transferred to Retained Earnings	-	(29,251,899)	29,251,899	-
Related Deferred Tax	-	(48,745,391)	-	(48,745,391)
Dividend for the year 2014-2015	-	-	(56,035,615)	(56,035,615)
<b>AS AT 30 JUNE, 2016</b>	<b>1,375,884,000</b>	<b>387,115,202</b>	<b>368,231,673</b>	<b>2,131,230,875</b>

For the year ended 30 June 2015.

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Opening Balance as on 01-07-2014	458,628,000	511,745,700	275,960,331	1,246,334,031
Net profit after tax for the year	-	-	71,706,879	71,706,879
Transferred to Retained Earnings	-	(46,633,208)	46,633,208	-
Issue of Right share	917,256,000	-	-	917,256,000
Dividend for the year 2014	-	-	(45,862,800)	(45,862,800)
<b>AS AT 30 JUNE, 2015</b>	<b>1,375,884,000</b>	<b>465,112,492</b>	<b>348,437,618</b>	<b>2,189,434,110</b>

Sd/-  
**R.A.Howlader**  
Chairman

Sd/-  
**Mostafa Jamal Haider**  
Managing Director

Sd/-  
**Masudur Rahman**  
Executive Director &  
Company Secretary

Sd/-  
**Ziaur Rahman**  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
**Ahmed Zaker & Co.**  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**STATEMENT OF CASH FLOWS**  
For the year ended 30 June 2016

Particulars	Amount in taka	
	2015-2016	2015-2016
<b>Cash Flow from Operating Activities</b>		
Collection from Customers	1,192,269,583	1,312,017,295
Non Operating Income	34,546,763	49,715,505
Payment for Cost and Expenses	(848,183,282)	(1,176,607,626)
Income tax paid	(10,550,000)	(13,169,420)
<b>Net Cash Flow from Operating Activities</b>	<b>368,083,065</b>	<b>171,955,754</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment	(6,190,074)	(124,571,352)
Capital Work-in-Progress under property, plant and equipment	(462,816,853)	-
Investment in Delta Ceramics Ltd.	(1,457,221)	(1,007,363)
<b>Net Cash Flow from/ (Used) Investing Activities</b>	<b>(470,464,148)</b>	<b>(125,578,715)</b>
<b>Cash Flow From Financing Activities</b>		
Short Term Loan Increase/(Decrease)	2,104,360	(56,468,704)
Long Term loan Increase/(Decrease)	(82,796,043)	(248,836,203)
Issue of Right Share	-	917,256,000
Financial Expenses Paid	(57,507,760)	(124,355,791)
Dividend Paid	(31,949,268)	(45,862,800)
<b>Net Cash Flow from Financing Activities</b>	<b>(170,148,711)</b>	<b>441,732,502</b>
Increase/(Decrease) in Cash and Cash Equivalent	<b>(272,529,795)</b>	<b>488,109,541</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>516,059,733</b>	<b>27,950,192</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>243,529,938</b>	<b>516,059,733</b>
<b>Operating Cash flow per share (Taka)</b>	<b>2.68</b>	<b>1.25</b>

Sd/-  
R.A Howlader  
Chairman

Sd/-  
Mostafa Jamal Haider  
Managing Director

Sd/-  
Masudur Rahman  
Executive Director &  
Company Secretary

Sd/-  
Ziaur Rahman  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: October 31, 2016

Sd/-  
**Ahmed Zaker & Co.**  
Chartered Accountants

**DELTA SPINNERS LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 30 June, 2016**

**1.00 Reporting Entity and its Activities**

**1.01 Legal forms of the Entity**

Delta Spinners Limited was incorporated as a private Limited Company under the name & style "Delta Millers Limited" on 23 July, 1979. It was converted into a Public Limited Company on 14 March, 1991. The Name of the Company was changed to "Delta Spinners Limited" on 7 March, 2004. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

Delta Spinners holds 80% shares of subsidiary Company "Delta Ceramics Limited" (DCL) which was incorporated as a Public Limited Company with the Registrar of Joint Stock Companies and Firms under the Companies Act 1994 with the issuance of incorporation certificate no C-91948/11 on 11 April 2011.

The registered office of the Company is located at 254-B Khilgoan Chowdhury Para Dhaka-1219. The industrial unit is located at Gouripur, Kalta para, Mymensing which is 140 KM away from Dhaka "0" point.

**1.02 Nature of Business Activities**

The nature and principal business activities of the Company throughout the year were concentrated on the manufacturing of cotton yarn of different counts and marketing the same. Nature of the business activities of its subsidiary company "Delta Ceramics Limited" is to manufacture various kinds of ceramics wares. The company did not start the commercial operation of Delta Ceramics Ltd. except carried on some trading activities of sanitary wares.

**2.00 Significant Accounting Policy for the presentation of the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate Financial Statements**

This comprises Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and explanatory notes covering accounting policies. This is prepared under the historical cost convention and in accordance with the requirements of the Securities and Exchange Rules, 1987 and the Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

**2.02 Use of Estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and underlying assumptions are reviewed on a going concern basis.

**2.03 Going Concern**

The company has adequate resources to continue its operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

#### 2.04 Foreign Currency Translation

Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction.

#### 2.05 Basis of Consolidation

The consolidated financial statements include the financial statements of Delta Spinners Limited and its subsidiary Delta Ceramics Limited for the year covering the period from 01-07-2015 to 30-06-2016. The consolidated financial statements are prepared to a common financial year ending 30 June, 2016.

##### (a) Subsidiaries

Subsidiaries are entities controlled by the group. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from date on which control is transferred to the group. They are de-consolidated from the date on which control ceases.

Name of Subsidiary	% of controlling interest	% of non- controlling interest	Total
Delta Ceramics Limited	80%	20%	100%

The accounting policies of the subsidiary has been changed when necessary to align them with the policies adopt by the group. During the year statement of financial position, statement of Profit or Loss and Other comprehensive income and statement of cash flows have been consolidated on the basis of audited Financial Statements which was audited by A. Matin & Co. Chartered Accountants.

##### (b) Transactions eliminated on consolidation

The financial statements of the subsidiaries have been consolidated with those of Delta Spinners Limited in accordance with BAS 27 "Consolidated and Separate Financial Statements". Intra-group balances and transactions are eliminated in preparing consolidated financial statements.

#### 2.06 Reporting Period

The financial statements cover one financial year from 1st July to 30th June of following year consistently.

#### 2.07 Segmental Reporting:

No segmental reporting is applicable for the company as required by BAS 14: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

#### 2.08 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-1 and BFRS for fair presentation of financial statements.

#### 2.09 Comparative Information and Re-arrangement thereof

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 period's financial statements. Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the income and value of assets and liabilities as reported in the Financial Statements.

#### 2.10 Events after the Reporting date

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.

## 2.11 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Statement of Cash Flows
BAS 10	Events after the Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 27	Consolidated and Separate Financial Statement
BAS 33	Earnings Per Share
BAS 34	Interim Financial Reporting
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BFRS 10	Consolidated Financial Statements

The related BFRSs are also complied for the preparation of these financial statements.

## 2.12 Net Income Before Tax

**Net Income Before Tax for the year were not materially affected by:**

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years ; and
- (d) Changes in accounting policies.

## 2.13 Recognition and measurement of Tangible Fixed Assets

Tangible assets have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

## 2.14 Property, Plant & Equipment (PPE)

### 2.14.1 Revaluation of Property, Plant & Equipment (PPE)

PPE have been stated at revalued amounts in accordance with BAS : 16 Property , Plant & Equipment.

- i) Effective date of revaluation to the Financial Statements 30-06-2012.
- ii) PPE has been revalued by A. Matin & Co. Chartered Accountants an independent valuer.
- iii) Revaluation surplus has been transferred to Revaluation Reserve and distribution of such surplus to the shareholders is restricted.

### 2.14.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition on the basis of when it is available for use. Depreciation of an asset has been ceased when it is classified as held for sale.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Land & Land Development	Nil
Buildings	7.50%
Plant and Machinery	10%
Furniture and Fixtures	10%
Office Equipment	15%
Vehicles	20%
Electric Sub-Station and power connection	15%
Air conditioner	15%
Books and Periodicals	10%
Electrical Equipment	15%

During the year durability, productivity and physical conditions of the existing Plant and Machinery of the company have been reviewed by WASO Engineers & Consultants (BD) Ltd. Which also certified that the future life of all the installed machinery shall be approximately 10-12 years, and if necessary maintenance would be done as per manufacturers recommendation. Based on this certification the Board of Directors of the company has decided to charge depreciation on the existing value of the plant and machinery for 10 years. Therefore, for depreciation on plant and machinery has been charged @ 10%. Changing method of depreciation as per Bangladesh Accounting Standard is a change of accounting estimate which need not to give any retrospective effect.

### 2.14.3 Impairment of assets

All assets have been reviewed according to BAS-36 and it was confirmed that no such assets has been impaired during the year and for this reason no provision has been made for Impairment of assets.

### 2.15 Inventories

Inventories are measured at the lower of cost and net realizable value as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-process, cost includes an appropriate allocation of production overheads based on normal operation capacity.

Nature of Inventories	Basis of valuation
Raw Materials	Weighted Average Cost
Work-in Process	Material cost Plus Proportionate conversion cost based on percentage of completion.
Chemicals, Stores & Spares	Weighted Average Cost
Finished Goods	Valued at cost or net realizable value whichever is lower

### 2.16 Trade Debtors

Trade debtors are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

## 2.17 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows ' cash comprises of cash in hand, demand deposits and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balances have been treated as Cash & Cash Equivalents.

## 2.18 Income Tax

### 2.18.1 Current Tax

Provision for taxation has been made as per rates prescribed in Finance Act, 2015 and the Income Tax Ordinance, 1984 on the profit made by the company. As per BAS-12 Income Tax provision has been made during the year due to earned taxable income.

### 2.18.2 Deferred Tax

The company recognized deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS). Deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective Income Tax rate.

## 2.2 Revenue Recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per BAS-18. Revenue is recognized when the significant risks and reward 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 sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoices to customers.

## 2.21 Employee Benefit

### Workers Profit Participation Fund ( WPPF)

During the year under review the Company engaged WPPF and made a provision @ 5% on the profit towards 'Workers Profit Participation Fund as per Section-234 of Bangladesh Labor Act, 2006.

## 2.22 Financial expenses

Finance expenses comprise interest expenses on bank loan, finance lease and other borrowings. All borrowing cost is recognized in the Statement of Profit or Loss and other Comprehensive Income based on the statement received from Financial Institutions.

## 2.23 Statement of Cash Flow

Statement of Cash Flows has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.

## 2.24 Provisions

In accordance with the guidelines as prescribed by BAS-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.

### 2.25 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share has been calculated by the profit attributable to ordinary equity holders of the Company (parent entity) by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

### 2.26 Components of Financial Statements

The financial statements comprise the following;

- Statement of Financial Position as on 30th June 2016,
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2016,
- Statement of Changes in Equity for the year ended 30th June 2016,
- Statement of Cash Flows for the year ended 30th June 2016,
- Accounting Policies and explanatory notes to the Financial Statements .



		Amounts in Taka	
		2015-2016	2014-2015
<b>3.00</b>	<b>Property, Plant &amp; Equipment:</b>		
	<b>Cost:</b>		
	Opening balance at cost	2,229,737,524	2,105,166,172
	Add : Addition during the year	6,190,074	124,571,352
		<b>2,235,927,598</b>	<b>2,229,737,524</b>
	Less : Disposed / Sold during the year	-	-
	Total	<b>2,235,927,598</b>	<b>2,229,737,524</b>
	<b>Depreciation:</b>		
	Opening balance	1,490,725,046	1,414,854,653
	Charged during the year	61,416,760	75,870,393
		<b>1,552,141,807</b>	<b>1,490,725,045</b>
	Less : Adjusted during the year	-	-
		<b>1,552,141,807</b>	<b>1,490,725,045</b>
	Total ( a)	<b>683,785,791</b>	<b>739,012,479</b>
	<b>Revaluation:</b>		
	Opening balance	743,336,499	743,336,499
	Add : Prior year adjustment	-	-
		<b>743,336,499</b>	<b>743,336,499</b>
	Add : Disposed / Sold during the year	-	-
	Total	<b>743,336,499</b>	<b>743,336,499</b>
	<b>Depreciation:</b>		
	Opening balance	278,224,008	231,590,799
	Charged during the year	29,251,899	46,633,208
		<b>307,475,906</b>	<b>278,224,008</b>
	Adjusted during the year	-	-
		<b>307,475,906</b>	<b>278,224,008</b>
	Total (b)	<b>435,860,593</b>	<b>465,112,491</b>
	<b>Written Down Value (WDV) (a+b)</b>	<b>1,119,646,384</b>	<b>1,204,124,971</b>
	<b>Details have been shown in annexure -A</b>		
	This represents the written down value of revalued assets and the above assets includes a plot of land measuring 4 kathas (6.60 decimals) and building thereon at 254/B, Khilgaon Chowdhury Para, valuing Tk. 97,90,000 has been mortgaged to Bangladesh Development Bank Limited by the Company. But the property is in the name of the some Sponsors/Directors who, vide a Notarized declaration, stated that afore mentioned Land & Building will be transferred to the Company. The value of land and buildings Taka 97,90,000 only were paid in year 2006-07 to the sponsors concerned.The Land could not be transferred to the company as clearance from BDBL could not be obtained yet. Necessary correspondences have been made with BDBL in this regard for an early settlement of the issue.		
<b>3.A</b>	<b>Property, Plant &amp; Equipment:</b>		
	Delta Spinners Limited	1,119,646,384	1,204,124,971
	Delta Ceramics Limited	139,861,956	139,881,707
		<b>1,259,508,340</b>	<b>1,344,006,678</b>
<b>4.00</b>	<b>Capital Work-in Progress:</b>		
	Work-In-Progress	467,516,119	-
		<b>467,516,119</b>	-
	This represents capital machinery and building construction which are under process. The capital machinery is under process of installation for running operation.		
	<b>Details have been shown in annexure -B</b>		
<b>5.00</b>	<b>Investment in Delta Ceramic Ltd.</b>		
	This consists of the following;		
	As Paid up capital	8,000,000	8,000,000
	As Share Money Deposit	135,025,454	133,568,233
		<b>143,025,454</b>	<b>141,568,233</b>
	This represents investment made in Delta Ceramics Limited, a subsidiary company of Delta Spinners Limited which is registered on 11.04.2011 with RJSC under the Companies Act 1994.		
<b>6.00</b>	<b>Inventory :</b>		
	Raw Cotton	747,674,148	788,001,825
	Finished Yarn	39,384,694	31,504,122
	Work - in - Process	34,145,000	39,645,000
	Waste Cotton	394,587	102,500
	Spare Parts	15,975,603	34,497,092
	Packing Materials	3,032,458	20,937,874
		<b>840,606,490</b>	<b>914,688,413</b>
	The above inventories are as per physical counting made and valued by the inventory team consisting of management staff. Inventories in hand has been valued at lower of cost and net realizable value as per BAS-2 and have been certified by management. Major part of inventories are pledged as security against liabilities.		

**7.00 Accounts and Other Receivable**

Trade Receivables	348,191,151	484,124,072
Trade Receivables (Export)	14,357,550	-
	<b>362,548,701</b>	<b>484,124,072</b>

Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. All receivable has been considered as good and realizable and less than six months old.

**7.A Accounts and Other Receivable**

Delta Spinners Limited	362,548,701	484,124,072
Delta Ceramics Limited	4,012,626	3,427,371
	<b>366,561,327</b>	<b>487,551,443</b>

**8.00 Advance, deposits and prepayments:**

This consists of the following;

**Advance:**

Lubricant	25,720,295	25,720,295
Spare Parts	3,242,650	15,015,000
Repair & Maintenance	1,507,441	4,500,000
Raw cotton	292,499,025	233,554,160
Padma Traders	9,400,000	9,400,000
TDS on Raw cotton Import	915,944	915,944
Advance Income Tax	8,548,469	5,106,929
VAT Current Account	162,758	53,859
BMRE (Machinery)	16,605,511	-
Advance Staff	452,000	-

**Deposits :**

Security deposit	1,052,550	1,052,550
Power Development Board (PDB)	56,000	56,000
Inland Road Trans. Corporation	25,000	25,000
District Road Trans. Corporation	30,000	30,000
Bd. Road Trans. Corporation (BRTC)	30,000	30,000
Titas Gas & Distribution Co. Ltd.	9,258,100	9,258,100
	<b>369,505,743</b>	<b>304,717,837</b>

**8.A Advance, deposits and prepayments:**

Delta Spinners Limited	369,505,743	304,717,837
Delta Ceramics Limited	2,989,881	2,079,500
	<b>372,495,624</b>	<b>306,797,337</b>

**9.00 Cash and Cash Equivalents:**
**Cash in Hand :**

Head Office	1,367,500	1,804,605
Factory	3,050,000	1,665,336

**Cash at Bank:**

Agrani Bank Ltd. CD A/C. Amincourt Br.	7,510,854	589,077
BDBL, CD A/C Head Office	5,171	5,746
Agrani Bank Ltd. STD A/C Amincourt Br.	199,305	46,805
Agrani Bank Ltd. Mymensingh	4,346	317,557
Exim Bank Ltd. (Motijheel Br.)	331,571	1,154,914
Southeast Bank Ltd. (C/D A/C)	28,607	6,517
Southeast Bank Ltd. (STD A/C)	270,013	5,537,197
Sonali Bank Ltd. Shambhugonj Bazar Br. Mymensingh	1,291,450	594,775
NRB Commercial bank Ltd.	-	9,931
FDR (Exim Bank Ltd.)	208,922,440	4,327,273
FDR (Southeast Bank Ltd.)	-	100,000,000
FDR (National Bank Ltd.)	-	400,000,000
FDR (Agrani Bank Ltd.)	20,548,682	-
	<b>243,529,938</b>	<b>516,059,733</b>

**9.A Cash and Cash Equivalents:**

Delta Spinners Limited	243,529,938	516,059,733
Delta Ceramics Limited	1,219,399	935,833
	<b>244,749,337</b>	<b>516,995,566</b>

**10.00 Share Capital :**
**Authorized Capital**

15,00,00,000 Ordinary Shares of Tk. 10 each 1,500,000,000 1,500,000,000

**Issued, Subs. & Paid-up Capital**

13,75,88,400 Ordinary Shares of Tk.10 each fully paid up 1,375,884,000 1,375,884,000

**Details of number of shares are as follows:**

Number of ordinary shares at the beginning of the year	137,588,400	45,862,800
Add: Issued during the year	-	91,725,600
<b>Number of ordinary shares at the end of the year</b>	<u><b>137,588,400</b></u>	<u><b>137,588,400</b></u>

The Shares are listed in DSE & CSE. On 30-06-16 the market price of each share was Tk. 8.20 & Tk. 8.10 respectively. During the year the Company has raised Tk. 91,72,56000 through issuing 1:2 right share.

**10.01 Category wise Shareholding Position of the Company:**

Category of Shareholders	Percentage	
	30-06-16	30-06-15
Sponsors/Directors	19	19
I.C.B.(I.A.)	1	4
Financial Institute	14	9
General Public	66	68
<b>Total</b>	<u><b>100</b></u>	<u><b>100</b></u>

**10.02 Range wise Shareholding position as on 30.06.2016:**

Holding Range	30-06-16		30-06-15	
	Number of Shareholders	Number of Shares	Number of Shareholders	Number of Shares
Less than 5000 Shares	11,284	16,633,718	12,693	19,176,442
5001 to 50000 Shares	3,033	43,511,811	3,426	48,397,961
50001 to 100000 Shares	169	12,453,553	176	12,718,687
100001 to 200000 Shares	68	9,560,653	71	9,931,228
200001 to 300000 Shares	22	5,152,960	14	3,247,252
300001 to 400000 Shares	9	3,175,869	8	2,835,845
400001 to 500000 Shares	7	3,182,067	7	3,208,991
500001 to 1000000 Shares	17	12,862,425	11	8,549,380
1000001 to 10000000 Shares	10	31,055,344	9	29,522,614
Over 10000000 Shares	-	-	-	-
<b>Total</b>	<u><b>14,619</b></u>	<u><b>137,588,400</b></u>	<u><b>16,415</b></u>	<u><b>137,588,400</b></u>

**11.00 Revaluation Reserve:**

This is made up as follows:

<b>Opening Balance</b>	465,112,492	511,745,700
Add: Revaluation made during the year	-	-
	<u><b>465,112,492</b></u>	<u><b>511,745,700</b></u>
Less: Deferred Tax on Revaluation	(48,745,391)	-
Less: Depreciation of revalued assets transferred to retained earnings	(29,251,899)	(46,633,208)
Less: Related Tax	-	-
<b>Closing Balance</b>	<u><b>387,115,202</b></u>	<u><b>465,112,492</b></u>

This reserve were created in 2006-2007 by assets revaluation and then again in 2011-2012. The depreciation from 01.07.2007 to 30.06.2016 of revalued amount has been transferred to retained earnings as per Para 41 of BAS 16 "Property Plant and Equipments" and Deferred Tax on Revaluation has been charged according to BAS-12 "Income Taxes".

**12.00 Retained Earnings:**

This is made up as follows:

Opening Balance	348,437,618	275,960,331
Less: Dividend for the year 2013-2014	-	(45,862,800)
Less: Dividend for the year 2014-2015	56,035,615	-
	<u><b>292,402,003</b></u>	<u><b>230,097,531</b></u>
Add: Depreciation of revalued assets transferred from Revaluation Reserve	29,251,899	46,633,208
Add: Profit for the year	46,577,771	71,706,879
	<u><b>368,231,673</b></u>	<u><b>348,437,618</b></u>

**12.A Retained Earnings:**

Delta Spinners Limited	368,231,673	348,437,618
Delta Ceramics Limited	1,836,510	1,680,215
	<u><b>370,068,183</b></u>	<u><b>350,117,833</b></u>

**13.00 Long Term Borrowings :**

This consists of the following;

a) Bangladesh Development Bank Ltd. (Note # 13.01)	261,794,859	283,294,859
b) Premier Leasing & Finance Ltd. (Note # 13.02)	420,801,065	464,469,097
c) Southeast Bank Ltd. (Note # 13.03)	25,795,770	43,423,781
<b>Total Term Loan</b>	<b>708,391,694</b>	<b>791,187,737</b>
Less: Current Portion of Term Loan	262,641,807	212,169,722
<b>Long Term Portion</b>	<b>445,749,887</b>	<b>579,018,015</b>

**b) Premier Leasing & Finance Ltd. (PLFL)**

As per letter No. PLFL/2015/0519 dated 02.03.2015 of Premier Leasing & Finance Limited a total number of two loan accounts have been rescheduled amounting to Tk. 46,44,69,097 as on 25.02.2015.

**c) Southeast Bank Ltd.**

As per letter No. SEBL/CORP/CR/2014/346 dated 05.02.2014 of Southeast Bank Limited the loan amount stood at Tk. 5,08,03,766 as on 04.02.2014. At the end of the year the amount stood at Tk. 2,57,95,770.

**13.01 BDBL A/C No-0115 R:**

Opening Balance	283,294,859	323,108,028
Less : Paid during the year	21,500,000	39,813,169
	<b>261,794,859</b>	<b>283,294,859</b>
Less: Current Portion	157,005,743	117,867,674
	<b>104,789,116</b>	<b>165,427,185</b>

**13.02 Premier Leasing & Finance Ltd:**

Opening Balance	464,469,097	666,112,146
Less : Paid during the year	43,668,032	203,822,066
	<b>420,801,065</b>	<b>462,290,080</b>
Add: Interest Charge during the year	-	2,179,017
	<b>420,801,065</b>	<b>464,469,097</b>
Less: Current Portion	87,336,064	65,502,048
	<b>333,465,001</b>	<b>398,967,049</b>

**13.03 Southeast Bank Ltd:**

Opening Balance	43,423,781	50,803,766
Less : Paid during the year	24,900,000	15,280,692
	<b>18,523,781</b>	<b>35,523,074</b>
Add: Interest Charge during the year	7,271,989	7,900,707
	<b>25,795,770</b>	<b>43,423,781</b>
Less: Current Portion	18,300,000	28,800,000
	<b>7,495,770</b>	<b>14,623,781</b>

**14.00 Deferred Tax Liabilities:**

As at 30 June 2016	Carrying amount	Tax base	Taxable/ deductible temporary difference
Property, plant & equipments except land at cost	586,562,774	360,922,799	225,639,975
Revaluation surplus-PPE ( Land)	151,215,431	-	151,215,431
Revaluation surplus-PPE ( Other Assets)	284,645,162	-	284,645,162
Total taxable temporary difference	<b>1,022,423,367</b>	<b>360,922,799</b>	<b>661,500,568</b>
Tax on business income			15%
Tax on Revaluation reserve of land			4%
Tax on capital gain other Assets			15%
Closing deferred tax liabilities/(assets)-at cost			33,845,996
Closing deferred tax liabilities/(assets)-at revaluation			48,745,391
<b>Total closing deferred tax liabilities/(assets)</b>			<b>82,591,388</b>
Opening deferred tax liabilities/(assets)-at cost			46,040,511
Opening deferred tax liabilities/(assets)-at revaluation			-
<b>Total opening deferred tax liabilities/(assets)</b>			<b>46,040,511</b>
Deferred tax expense/(income)-at cost			(12,194,515)
Deferred tax expense/(income)-at revaluation			48,745,391
<b>Total deferred tax expense/(income)</b>			<b>36,550,877</b>

**15.00 Short Term Borrowings**

The break-up of the amount is given below:

Agrani Bank Ltd. (Hypo)	44,708,968	43,783,274
Agrani Bank Ltd. (C. C. P)	223,313,703	221,088,721
Southeast Bank Ltd. (LTR)	10,562,027	21,346,917
Agrani Bank Ltd. (LIM A/C)	35,695,185	71,060,610
Southeast Bank Ltd. (Time Loan)	57,924,572	57,333,231
Southeast Bank Ltd. (O.D)	9,921,310	10,408,652
EXIM Bank Ltd. (OD)	45,000,000	-
	<b>427,125,765</b>	<b>425,021,405</b>

This represents the present outstanding balances of the above loans. The above loans are secured by personal guarantee of the director of the company, corporate guarantee and the pari passu sharing agreement between banks on fixed and floating assets of the company. The interest rate of these loans are varying from 13% -15%.

**16.00 Current Portion of Long Term Borrowings:**

This consists of the following;

a) Bangladesh Development Bank Ltd. (Note # 13.01)	157,005,743	117,867,674
b) Premier Leasing & Finance Ltd. (Note # 13.02)	87,336,064	65,502,048
c) Southeast Bank Ltd. (Note # 13.03)	18,300,000	28,800,000
	<b>262,641,807</b>	<b>212,169,722</b>

**17.00 Interest Payable to BDBL :**

This has been arrived as at under;

Opening Balance	18,707,326	7,083,355
Add : During the year	43,020,837	44,372,641
	<b>61,728,163</b>	<b>51,455,996</b>
Less : Paid during the year	-	32,748,670
	<b>61,728,163</b>	<b>18,707,326</b>

**18.00 Accounts and Other Payables**

Packing Materials	4,217,062	5,001,365
Inspection	20,471	20,471
Chemicals	39,000	24,540
Repair & Maintenance	109,250	-
Internet Service	13,800	-
<b>Expansion Through Product Diversification:</b>		
Building	1,738,257	-
Machinery	1,021,009	-
Underground RCC Humidification Duct	1,940,000	-
	<b>9,098,849</b>	<b>5,046,376</b>

**19.00 Workers Profit Participation Fund :**

Opening Balance	1,731,033	9,225,540
Add : Provision during the year	2,746,117	1,505,493
	<b>4,477,150</b>	<b>10,731,033</b>
Less : Paid during the year	1,700,000	9,000,000
	<b>2,777,150</b>	<b>1,731,033</b>

The Company made provision for Workers Profit Participation Fund (WPPF) @ 5% of the profit after charging such expense.

**20.00 Unclaimed Dividend:**

Opening Balance	41,902,153	73,286,837
Add: Dividend During the year 2013-2014	-	45,862,800
Add: Dividend During the year 2014-2015	56,035,615	-
	<b>97,937,768</b>	<b>119,149,637</b>
Less : Paid during the year (Previous years)	-	33,162,560
	<b>97,937,768</b>	<b>85,987,077</b>
Less : Paid during the year 2014-2015	31,949,268	44,084,924
	<b>65,988,500</b>	<b>41,902,153</b>

Year wise break-up of unclaimed dividend is as follows:

Balance up 30.06.2005	-	-
Unpaid Dividend (Directors)	11,872,517	11,872,517
2005-2006	3,058,921	3,058,921
2006-2007	3,929,652	3,929,652
2007-2008	2,922,420	2,922,420
2008-2009	1,589,311	1,589,311
2009-2010	8,060,159	8,060,159
2010-2011	5,389,923	5,389,923
2011-2012	Stock Dividend	Stock Dividend
2012-2013	3,301,374	3,301,374
2013-2014	1,777,876	1,777,876
2014-2015	24,086,347	-
<b>Total</b>	<b>65,988,500</b>	<b>41,902,153</b>

**21.00 Provision for Current Tax**
**This has been arrived at as under;**

Opening Balance	34,742,572	35,938,187
Add : Provision during the year (Notes: 21.01)	20,539,080	11,973,805
	<b>55,281,652</b>	<b>47,911,992</b>
Less: Paid during the year	10,550,000	13,169,420
	<b>44,731,652</b>	<b>34,742,572</b>

**Year wise break up is as follows:**

Assessment Year	Demand / Provision Tk	Paid Taka	Outstanding	Assessment and appeal status
2004-05	3,896,717	892,000	3,004,717	Assessment completed
2005-06	1,432,328	1,100,000	332,328	Assessment completed
2006-07	7,480,419	4,900,000	2,580,419	Assessment completed
2007-08	5,048,152	5,020,000	28,152	Assessment completed
2008-09	4,677,325	6,500,000	(1,822,675)	In High Court
2009-10	4,071,765	4,000,000	71,765	Assessment completed
2010-11	5,587,508	4,500,000	1,087,508	Assessment completed
2011-12	8,344,856	-	8,344,856	Appeal Pending
2012-13	11,497,104	-	11,497,104	Appeal to be filed
2013-14	10,424,641	10,150,930	273,711	Appeal to be filed
TDS	-	917,428	(917,428)	
2014-15	19,716,865	8,259,135	11,457,730	
2015-16	11,973,805	13,169,420	(1,195,615)	
2016-17	20,539,080	10,550,000	9,989,080	
<b>Total</b>	<b>94,151,485</b>	<b>69,958,913</b>	<b>44,731,652</b>	

**21.01 Current Tax**

Profit Before Tax	54,922,336	
Less: Other Income	(34,546,763)	
Add: Accounting Depreciation	90,668,659	
Less: Tax Depreciation	(79,060,899)	
Taxable Income for the year	<b>31,983,333</b>	
Rate of Tax	15%	
Tax on business	4,797,500	
Add: 25 % Tax on other income	8,636,691	
Additional Tax Provision (2005-2011)	7,104,889	
<b>Total Provision for the year</b>	<b>20,539,080</b>	<b>11,973,806</b>

**21.01.A Current Tax**

Delta Spinners Limited	20,539,080	11,973,806
Delta Ceramics Limited	117,220	265,340
	<b>20,656,300</b>	<b>12,239,146</b>

**21.A Provision for current Tax**

Delta Spinners Limited	44,731,652	34,742,572
Delta Ceramics Limited	727,063	609,843
	<b>45,458,715</b>	<b>35,352,415</b>

**22.00 Liabilities for Expenses :**
**This consists of the following**

Telephone Bill -( Head Office)	6,751	7,362
Telephone Bill -( Factory)	2,665	1,908
Electric Bill -( Factory)	135,000	134,823
Electric Bill -( H.O)	51,417	53,015
Wasa Bill	2,047	1,950
Titas Gas	3,702,379	2,490,703
Director Remuneration	150,000	-
Salary -( Head Office)	823,138	755,677
Salary and Wages -( Factory)	7,137,147	7,386,716
Overtime	379,545	508,781
Audit Fees	184,000	125,000
Refundable Share Money	2,000	2,000
Newspaper Bill- Head Office	1,500	1,500
Newspaper Bill- Factory	600	600
Credit Rating Fees	9,000	-
Subscription (BTMA)	46,180	-
Carrying, loading and unloading	81,426	-
	<b>12,714,795</b>	<b>11,470,035</b>

<b>22.A Liabilities for Expenses :</b>		
Delta Spinners Limited	12,714,795	11,470,035
Delta Ceramics Limited	35,708	46,068
	<b>12,750,503</b>	<b>11,516,102</b>
<b>23.00 Sales Revenue :</b>		
<b>This consists of the following</b>		
Cotton Yarn	1,052,741,544	1,338,379,400
Waste Cotton	2,902,078	505,852
Others Sale Yarn	693,040	-
Export	14,357,550	-
	<b>1,070,694,212</b>	<b>1,338,885,252</b>
<b>23.01 Capacity utilization</b>		
	<b>Kg.</b>	<b>Kg.</b>
Production capacity during the year as per standard product mix (32s counts basis)	<b>5,350,000</b>	<b>5,350,000</b>
Production of Cotton Yarn various Counts (Actual mix)	<b>2,480,330</b>	<b>2,498,292</b>
Capacity utilization	<b>79%</b>	<b>82%</b>
<b>23.A Sales Revenue :</b>		
Delta Spinners Limited	1,070,694,212	1,338,885,252
Delta Ceramics Limited	6,117,000	9,915,000
	<b>1,076,811,212</b>	<b>1,348,800,252</b>
<b>24.00 Cost of Sales :</b>		
Raw materials consumed (24.01)	596,471,152	882,142,238
Add : Direct expenses (24.02)	185,319,068	113,105,331
Add : Factory overhead (24.03)	135,529,932	165,235,280
<b>Total cost</b>	<b>917,320,152</b>	<b>1,160,482,849</b>
Add : Opening work-in-process	39,645,000	33,750,261
	<b>956,965,152</b>	<b>1,194,233,110</b>
Less : Closing work-in-process	34,145,000	39,645,000
	<b>922,820,152</b>	<b>1,154,588,110</b>
Add:Opening stock of waste cotton	102,500	142,616
	<b>922,922,652</b>	<b>1,154,730,726</b>
Less:Closing stock of waste cotton	394,587	102,500
<b>Cost of production</b>	<b>922,528,065</b>	<b>1,154,628,226</b>
Add:Opening stock of finished goods	31,504,122	16,521,528
	<b>954,032,186</b>	<b>1,171,149,754</b>
Less: Closing stock of finished goods	39,384,694	31,504,122
<b>Cost of Sales</b>	<b>914,647,492</b>	<b>1,139,645,632</b>
<b>24.01 Raw Materials Consumed :</b>		
Opening stock of raw materials	788,001,825	825,692,982
Add: Purchase of raw materials (24.01.01)	556,143,475	844,451,081
Goods available for consumption	<b>1,344,145,300</b>	<b>1,670,144,063</b>
Less: Closing stock of raw materials	747,674,148	788,001,825
<b>Total</b>	<b>596,471,152</b>	<b>882,142,238</b>
<b>24.01.01 Raw Materials Purchase :</b>		
Imported	44,268,302	70,506,720
Local	511,875,173	773,944,361
	<b>556,143,475</b>	<b>844,451,081</b>
Purchase of Ceramics Goods	-	-
<b>Total</b>	<b>556,143,475</b>	<b>844,451,081</b>
<b>24.02 Direct expenses :</b>		
Spare Parts Consumed (24.02.01)	25,485,626	14,658,782
Packing Materials (24.02.02)	38,577,564	-
Carrying, loading and unloading	1,162,734	992,489
Chemicals	651,985	531,759
VAT	3,591,101	3,727,911
Direct wages	56,540,322	55,813,615
Electric charges	1,619,431	1,626,881
Lubricant	8,146,682	8,156,413
Titas gas	49,543,623	27,597,481
<b>Total</b>	<b>185,319,068</b>	<b>113,105,331</b>

**24.02.01 Spare Parts Consumed :**

Opening stock of spare parts	34,497,092	40,645,187
Add: Purchase during the year	6,964,137	8,510,687
Goods available for consumption	<u>41,461,229</u>	<u>49,155,874</u>
Less: Closing stock of spare parts	15,975,603	34,497,092
<b>Total</b>	<b><u>25,485,626</u></b>	<b><u>14,658,782</u></b>

**24.02.02 Packing Materials Consumed :**

Opening stock of packing materials	20,937,874	17,300,414
Add: Purchase during the year	20,672,148	21,080,152
Goods available for consumption	<u>41,610,022</u>	<u>38,380,566</u>
Less: Closing stock of packing materials	3,032,458	20,937,874
<b>Total</b>	<b><u>38,577,564</u></b>	<b><u>17,442,692</u></b>

**24.03 Factory Overhead.**

Wages and Salary	37,693,548	37,209,076
Entertainment	384,574	244,177
Telephone bill	13,150	12,869
Travelling and conveyance	63,015	166,880
Printing and Stationery	269,275	186,222
Subscription	168,300	77,520
Repairs and Maintenance	463,491	2,809,134
Vehicles Repairs and Maintenance	367,158	601,325
Vehicles fuel consumption	644,729	319,557
Medicine expenses	131,897	131,082
Newspaper	7,020	6,540
Misc. expenses	247,092	293,358
Overtime	2,866,818	2,802,959
Fire and Burglary insurance	5,644,869	3,996,159
Depreciation	86,135,226	116,378,422
Bridge Toll Fare	130,280	-
Rates and Taxes	44,680	-
Legal and Documentation	15,400	-
Office Maintenance	104,198	-
Environment Certificate	83,000	-
Inspection	3,500	-
Renewal fees	32,415	-
Postage and Stamps	13,483	-
Internet Service	2,814	-
<b>Total</b>	<b><u>135,529,932</u></b>	<b><u>165,235,280</u></b>

Note: The Category wise break-up of the above Wages & Salary are as follows:-

	Number	Amount	Amount
Employees Drawings Tk.3,000/= and above	1442	56,540,322	55,126,936
Employees Drawings Less than Tk.3,000/=	205	37,693,548	37,895,755
<b>Total</b>	<b>1647</b>	<b>94,233,870</b>	<b>93,022,691</b>

**24.A Cost of Sales :**

Delta Spinners Limited	914,647,492	1,139,645,632
Delta Ceramics Limited	5,372,729	8,788,482
	<u>920,020,221</u>	<u>1,148,434,114</u>

**25.00 Administrative and selling expenses:**

Salary and Allowance	14,092,956	12,803,980
Directors' remuneration	1,800,000	1,800,000
Electric Bill	486,656	434,618
Wasa Bill	24,978	23,665
Gas Bill	39,000	-
Telephone Bill	115,766	128,211
Entertainment	397,324	466,266
Travelling and Conveyance	710,038	489,387
Printing and Stationery	339,223	279,332
Gift and Presentation	158,150	88,300
Newspaper	17,709	15,590
Repairs and Maintenance	953,865	147,849
Vehicles Repairs & Maintenance	1,296,427	901,987
Vehicles Fuel Consumption	322,595	479,335
Office Maintenance	298,904	481,035
Legal and Documentation	838,799	693,414
Rates and Taxes	14,969	2,029,748
Postage and Stamps	55,951	61,888



Renewal fees	61,845	88,610
Security service	-	1,025,859
Training expenses	-	60,000
Audit fees	460,000	140,000
Misc. expenses	526,143	540,037
Advertisement	1,109,519	710,320
Packing Materials	-	17,442,692
Donation and Subscription	301,000	116,280
Diary and Calendar	475,585	490,000
Right share issue expenses	-	3,976,323
AGM and EGM Expenses	463,277	821,591
Subscription (BTMA)	137,340	179,920
Listing Fees (DSE)	583,177	1,600,884
Internet Service	296,475	250,140
Depreciation	4,533,433	6,125,180
Inspection	92,000	-
CDBL	325,074	-
Credit Rating Fees	69,000	-
Listing Fees (BAPLC)	95,000	-
Carrying , loading and unloading	149,255	-
Professional fees	755,000	-
<b>Total</b>	<b>32,396,432</b>	<b>54,892,441</b>

Note: The Category wise break-up of the above Salary & Allowances are as follows:-

	Amount	Amount
Employees Drawings Tk.3,000/= and above	14,092,956	12,803,980
Employees Drawings Less than Tk.3,000/=	-	-
<b>Total</b>	<b>14,092,956</b>	<b>12,803,980</b>

**25.A Administrative and selling expenses:**

Delta Spinners Limited	32,396,432	54,892,441
Delta Ceramics Limited	429,944	416,712
	<b>32,826,376</b>	<b>55,309,153</b>

**26.00 Financial expenses :**

Interest on short term loan	49,745,554	58,001,133
Interest on long term loan	50,292,826	54,452,365
Bank charges	490,217	278,322
<b>Total</b>	<b>100,528,597</b>	<b>112,731,820</b>

**26.A Financial expenses :**

Delta Spinners Limited	100,528,597	112,731,820
Delta Ceramics Limited	1,739	2,233
	<b>100,530,336</b>	<b>112,734,053</b>

**27.00 Non Operating Income:**

Interest from STD Account	17,431	2,840,505
Interest from FDR Account	34,529,332	46,875,000
	<b>34,546,763</b>	<b>49,715,505</b>

**28.00 Basic Earning Per Share (EPS)**

Net profit after tax	46,577,771	71,706,879
No. of ordinary shares outstanding	137,588,400	137,588,400
Total weighted average number of share	-	124,989,662
Basic Earning Per Share	<b>0.34</b>	<b>0.57</b>
Basic Earning Per Share (EPS) (Re-stated)		<b>0.52</b>

**28.A Basic Earning Per Share (EPS) ( Consolidated)**

Net profit after tax	46,734,066	72,149,112
No. of ordinary shares outstanding	137,588,400	137,588,400
Total weighted average number of share	-	124,989,662
Basic Earning Per Share (EPS) ( Consolidated)	<b>0.34</b>	<b>0.58</b>
Basic Earning Per Share (EPS) ( Consolidated) ( Re-Stated)	-	<b>0.52</b>

<b>29.00 Net asset value ( NAV) Per Share</b>	<b>15.49</b>	<b>15.91</b>
<b>The composition of net assets value per share is given below:</b>		
Total ShareHolders Equity	<u>2,131,230,875</u>	<u>2,189,434,110</u>
Number of ordinary shares outstanding	<u>137,588,400</u>	<u>137,588,400</u>
NAV per share	<u><u>15.49</u></u>	<u><u>15.91</u></u>
<b>29.A Net asset value ( NAV) Per Share</b>	<b>15.50</b>	<b>15.93</b>
<b>The composition of net assets value per share is given below:</b>		
Total ShareHolders Equity	<u>2,133,067,385</u>	<u>2,191,114,325</u>
Number of ordinary shares outstanding	<u>137,588,400</u>	<u>137,588,400</u>
NAV per share	<u><u>15.50</u></u>	<u><u>15.93</u></u>

**30.00 Related Party Transactions-Discloser Under BAS-24**

There was two related party transaction during the year and mentioned in below:

Name of party	Nature of relationship	Transaction during the year	Outstanding Balance
Delta Ceramics Ltd.	Subsidiary Company	1,457,221	143,025,454
Director	Remuneration	1,800,000	-

\*\* During the year 2015-2016, the company paid a compensation to its 5 ( Five) key management personnel a " Short Term Employees Benefit" of Tk.27,19,200. No long term on any other benefits has been paid to these key manageent personnel.

**31.00 Payment/Perquisites to Directors & Officers:**

1. During the year no other compensation was allowed by the company to the directors of the company except directors remuneration Taka 18,00,000/-
2. No amount of money was expended by the company for compensating any member of the board for special services rendered.
3. No board meeting attendance fee was paid to the directors of the company.

**32.00 Contingent Assets /Liabilities :**

There was no Contingent Assets & Liabilities as on 30.06.16 except income tax liability, if any.

**33.00 Claim Against the Company not acknowledged as debt:**

There was no claim against the Company not acknowledged as debt as on 30.06.16

**34.00 Events after the Reporting date**

Subsequent to the Statement of Financial Position date, the Board of Directors in their meeting held on 31 th October, 2016 recommended 10% Stock Dividend to all shareholders for the year ended 30th June, 2016. The dividend proposal is subject to shareholders' approval at the forthcoming Annual General Meeting.

**35.00 Payment Made in foreign currency :**

There was expenses incurred or paid in foreign currencies during the year other than import of raw materials.

**36.00 Sales Commission:**

During the year, the company did not pay any commission to any sole agent or other selling agents.

**37.00 General Expenditure:**

During the year the company did not incur any expenditure except above head.

**DELTA SPINNERS LIMITED**  
Schedule of Property, Plant & Equipment  
As at 30 June 2016

**COST:**

Particulars	COST			Dep. Rate	DERECIATION				W.D.V as on 30.06.16
	Balance as on 01.07.15	Addition during the year	Adjustment during the year		Balance as on 30.06.16	Addition during the year	Adjustment during the year	Balance as on 30.06.16	
Land and Land Development	97,223,017	-	-	0%	-	-	-	-	97,223,017
Buildings	383,312,592	96,942	-	7.5%	12,777,557	-	225,787,707	157,621,827	
Plant and Machinery	1,633,425,988	5,245,850	-	10%	44,520,366	-	1,233,456,127	405,215,711	
Electric Sub - station & Power Connection	52,793,471	-	-	15%	34,635,843	-	37,359,488	15,433,983	
Office Equipment	11,290,471	248,530	-	15%	9,338,772	-	9,656,380	1,882,621	
Furniture and Fixture	7,456,419	8,000	-	10%	5,585,531	-	5,773,020	1,691,399	
Air Conditioner	1,952,976	-	-	15%	1,595,146	-	1,648,820	304,156	
Vehicles	14,685,912	-	-	20%	13,020,031	-	13,353,207	1,332,705	
Electric Equipment	27,571,574	586,552	-	15%	24,596,369	-	25,097,639	3,060,487	
Books and Periodicals	25,104	4,200	-	10%	7,442	-	9,418	19,886	
<b>Sub-Total as on June 30, 2016</b>	<b>2,229,737,524</b>	<b>6,190,074</b>	<b>-</b>		<b>61,416,760</b>	<b>-</b>	<b>1,552,141,807</b>	<b>683,785,791</b>	
<b>Sub-Total as on June 30, 2015</b>	<b>2,105,166,172</b>	<b>124,571,352</b>	<b>-</b>		<b>75,870,393</b>	<b>-</b>	<b>1,490,725,044</b>	<b>739,012,480</b>	

Annexure-A

**Revaluation:**

Particulars	R E V A L U A T I O N			Rate of Dep	Depreciation			W.D.V as on 30.06.16
	Balance as on 01.07.15	Addition during the year	Adjustment during the year		Balance as on 01.07.15	Addition during the year	Adjustment during the year	
Land and Land Development	151,215,431	-	-	0%	-	-	-	151,215,431
Buildings	131,118,819	-	-	7.50%	6,884,201	-	46,213,675	84,905,144
Plant and Machinery	456,266,487	-	-	10%	21,957,711	-	258,647,092	197,619,395
Electric Sub - station & Power Connection	4,840,075	-	-	15%	376,382	-	2,707,244	2,132,831
Office Equipment	(129,770)	-	-	15%	(94,409)	-	(94,409)	(35,361)
Furniture and Fixture	(127,946)	-	-	10%	(72,869)	-	(72,869)	(55,077)
Air Conditioner	417,519	-	-	15%	303,749	-	320,815	96,704
Vehicles	(668,775)	-	-	20%	(556,573)	-	(556,573)	(112,202)
Electric Equipment	404,659	-	-	15%	294,393	-	310,933	93,726
<b>Sub-Total as on June 30, 2016</b>	<b>743,336,499</b>	<b>-</b>	<b>-</b>		<b>29,251,899</b>	<b>-</b>	<b>307,475,906</b>	<b>435,860,593</b>
<b>Sub-Total as on June 30, 2015</b>	<b>743,336,499</b>	<b>-</b>	<b>-</b>		<b>46,633,208</b>	<b>-</b>	<b>278,224,008</b>	<b>465,112,491</b>
<b>Grand-Total as on June 30, 2016</b>	<b>2,973,074,023</b>	<b>6,190,074</b>	<b>-</b>		<b>90,668,659</b>	<b>-</b>	<b>1,859,617,713</b>	<b>1,119,646,384</b>
<b>Grand-Total as on June 30, 2015</b>	<b>2,848,502,671</b>	<b>124,571,352</b>	<b>-</b>		<b>122,503,601</b>	<b>-</b>	<b>1,768,949,052</b>	<b>1,204,124,971</b>

**DELTA SPINNERS LIMITED**  
**Schedule of Capital Work-in-progress**  
**As at 30 June 2016**

<b>Annexure-B</b>	
<b>Particulars</b>	<b>Amount in Taka</b>
<b>Existing Under BMRE:</b>	
Buildings	1,289,705
Machinery	25,443,327
<b>Sub Total</b>	<b>26,733,032</b>
<b>Expantion Through Product Diversification :</b>	
Building	193,567,040
Machinery	145,001,048
Heat Protecting Factory Roof Insulation	9,562,500
Underground RCC Humidification Duct	55,510,000
Synthetic Ceiling Board	37,142,500
<b>Sub Total</b>	<b>440,783,088</b>
<b>Grand Total :</b>	<b>467,516,119</b>



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**A. MATIN & CO.**  
Chartered Accountants

PARTNERS : MR. A.K. ABDUL MATIN, M. COM. FCA. MR. NETAI CHAND TALUKDER, M. COM.FCA.

OFFICE : 60/2, NAYA PALTAN (1ST FLOOR), DHAKA-1000, TEL: 8318191, CELL : 01199-835489, 01713-453596, Fax : +88-02-8318191, E-mail : akmatinmatin@yahoo.com

### *AUDITORS REPORT*

We have audited accompanying financial statements of **Delta Ceramics Limited ,254-B Khilgaon Chowdhury Para, Dhaka- 1219** which comprise of Statement of Financial Position as at 30<sup>th</sup> June, 2016 and the Statement of Comprehensive Income, Statements of cash flows, Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair representation of these financial statements in accordance with Bangladesh financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risks assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, subject to separate notes, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as at 30<sup>th</sup> June, 2016 and of the results of its operations for the year then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- II. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
- III. The company's statement of financial position (Balance Sheet), statement of comprehensive income, statement of changes in equity and statement of cash flow dealt with by the report are in agreement with the books of account;
- IV. The expenditure incurred was for the purpose of the company's business;

**Dated: 20-10-2016.**  
**Dhaka, Bangladesh.**

Sd/-  
**(A. K. Abdul Matin, FCA)**  
**A. MATIN & CO.**  
**Chartered Accountants**



**Delta Ceramics Limited**  
**Statement of Financial Position**  
**As at 30 June 2016**

Particulars	Notes	30-06-2016	30-06-2015
<b>Assets:</b>			
Property, Plant & Equipment	6	139,861,956	139,881,707
<b>Current Assets:</b>			
Trade and Other Receivables	8	4,012,626	3,427,371
Advance Deposits & Prepaymentns	7	2,989,881	2,079,500
Cash in Hand	9	1,214,500	928,403
Cash at Bank	10	4,899	7,430
<b>Total assets</b>		<b>148,083,862</b>	<b>146,324,412</b>
<b>Owner's Equity &amp; Liabilities:</b>			
<b>Shareholders Equity:</b>			
Share Capital	3	10,000,000	10,000,000
Share Money Deposit	4	135,025,454	133,568,233
Retained Earnings	5	2,295,637	2,100,269
<b>Current Liabilities:</b>			
Other Outsanding Expenses	12	35,708	46,067
Taxation Provision	11	727,063	609,843
<b>Total Equity &amp; Liabilities</b>		<b>148,083,862</b>	<b>146,324,412</b>

Annexed notes form an integral part of this Financial Statements.

Sd/-  
**Managing Director**

Sd/-  
**Director**

Signed interms of our separate report of even date annexed.

Date, Dhaka  
20/10/2016

Sd/-  
**A. Matin & Co.**  
Chartered Accountants



**Delta Ceramics Limited**  
**Statement of Comprehensive Income**  
**For the year ended 30 June 2016.**

Particulars	Notes	30-06-2016	30-06-2015
<b>Sales Revenue</b>	13.00	6,117,000	9,915,000
Less: Cost of Sales	14.00	5,372,729	8,788,482
<b>Gross Profit</b>		<b>744,271</b>	<b>1,126,518</b>
Less: Administrative and Financial Expenses		<b>431,683</b>	<b>418,945</b>
Administrative Expenses:	15.00	429,944	416,712
Financial Expenses	16.00	1,739	2,233
Income before Tax		<b>312,588</b>	<b>707,573</b>
Provision for tax	11.00	117,220	265,340
Net Income after Tax		<b>195,367</b>	<b>442,233</b>
Add: Balance of previous year	5.00	2,100,269	1,658,035
<b>Retained Earnings</b>		<b>2,295,637</b>	<b>2,100,269</b>

Annexed notes form an integral part of this Financial Statements.

Sd/-  
Managing Director

Sd/-  
Director

Signed interms of our separate report of even date annexed.

Date, Dhaka  
20/10/2016

Sd/-  
**A. Matin & Co.**  
Chartered Accountants



এ. মতীন এন্ড কোং  
**A. MATIN & CO**  
Chartered Accountants

**Delta Ceramics Limited**  
**STATEMENT OF CHANGES IN SHARE HOLDERS' EQUITY**  
**For the year ended 30 June 2016**

Particulars	Share Capital	Retained Earnings	Total
Opening Balance as on 01-07-2015	10,000,000	2,100,269	12,100,269
Net profit after tax for the year	-	195,367	195,367
<b>AS AT 30 JUNE, 2016</b>	<b>10,000,000</b>	<b>2,295,637</b>	<b>12,295,637</b>

**Delta Ceramics Limited**  
**STATEMENT OF CHANGES IN SHARE HOLDERS' EQUITY**  
**For the year ended 30 June 2015**

Particulars	Share Capital	Retained Earnings	Total
Opening Balance as on 01-07-2014	10,000,000	1,658,035	11,658,035
Net profit after tax for the year	-	442,234	442,234
<b>AS AT 30 JUNE, 2015</b>	<b>10,000,000</b>	<b>2,100,269</b>	<b>12,100,269</b>

Annexed notes form an integral part of this Financial Statements.

Sd/-  
Managing Director

Sd/-  
Director

Signed interms of our separate report of even date annexed.

Date, Dhaka  
20/10/2016

Sd/-  
**A. Matin & Co.**  
Chartered Accountants





**Delta Ceramics Limited**  
254 - B Khilgaon Chowdhury Para,  
Dhaka - 1219  
**Statement of Cash Flow**  
**For the year ended 30 June 2016**

<b>Particulars</b>		<b>30-06-2016</b>	<b>30-06-2015</b>
<b>A</b>	<b>Cash flow from Operating Activities:</b>		
	Collection from Revenue	5,531,745	8,631,592
	Employees and others for cost and Expenses	(5,795,019)	(9,214,194)
	Prepayments & Deposits	(910,381)	(2,022,000)
	Tax Paid	-	-
	<b>Net cash Used in operating Activities</b>	<b>(1,173,655)</b>	<b>(2,604,602)</b>
<b>B</b>	<b>Cash flow from investing Activities</b>		
	Property Plant & Equipment	-	-
<b>C</b>	<b>Cash flow from Financing Activities</b>		
	Share Money Deposit	1,457,221	1,007,363
	<b>Net cash Used in financing Activities</b>	<b>1,457,221</b>	<b>1,007,363</b>
<b>D</b>	<b>Increase in Cash Equivalent(A+B+C)</b>	<b>283,566</b>	<b>(1,597,239)</b>
<b>E</b>	<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	<b>935,833</b>	<b>2,533,072</b>
<b>F</b>	<b>Cash and Cash Equivalent at the end of the year</b>	<b>1,219,399</b>	<b>935,833</b>

Annexed notes form an integral part of these Financial Statements .

Sd/-  
Managing Director

Sd/-  
Director

Signed interms of our separate report of even date annexed.

Date, Dhaka  
20/10/2016

Sd/-  
**A. Matin & Co.**  
Chartered Accountants



**Delta Ceramics Limited**  
254 -B Khilgaon Chowdhury Para,  
Dhaka -1219

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30, JUNE 2016**

**1.00 Reporting Entity: Delta Ceramics Limited**

**1.01 Legal Status**

Delta Ceramics Limited was incorporated on 11 April 2011 as a public company limited by shares in Bangladesh under companies Act, 1994 with the Registrar of Joint Stock Companies & Firms vide incorporation no. C-91948/11. The registered office of the Company is situated at 254 -B, Khilgaon Chowdhury Para, Dhaka-1219.

The company is a subsidiary company of Delta Spinners Ltd. which holds 80% of the shares of Delta Ceramics Limited.

**1.02 Nature of Business**

The principal activities of the company is to carry on the business of all kinds of ceramic goods and ceramic wares and to set up or otherwise acquire, run and set up industry for the manufacture of such goods. The company has done some trading operation of ceramic wares

**2.00 Basis of Preparation**

**2.01 Statement of Compliance**

The Financial statements have been prepared in accordance with the Bangladesh Accounting standards (BAS), Bangladesh Financial Reporting Standard (BFRS), Companies Act 1994, Securities and Exchange Commission Act 1993, income Tax Ordinance 1984, VAT Act 1991, Bangladesh Labour Law 2015 (Amend)

**2.02 Fundamental Accounting Assumption**

Financial statements have been prepared under historical cost convention, on going concern assumption and under accrual basis.

**2.03 Reporting period**

Financial statement of the company have been prepared for the period covering from 01 July 2015 to 30 June 2016.

**2.04 Presentation of Financial Statements**

The financial statement includes Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and Notes to the Financial Statement. The Financial Statements have been presented in Bangladesh Currency "Taka". Previous years figure have been rearranged where ever found necessary to conform the current year presentation.



### 2.05 Tangible Assets

These are stated at cost less depreciation. Depreciation on fixed assets have been charged in to the accounts using reducing balance method for the year under report as following rates:

Office Equipment	15%
Furniture and Fixture	10%
Electric Equipment	15%

### 3.00 Share Capital:

The company's authorised capital is Tk. 50,00,00,000 divided into 5,00,00,000 ordinary shares of Tk. 10 each. The paid of capital of the company is Tk. 1,00,00,000 divided into 10,00,000 ordinary shares of Tk. 10 each fully paid in cash as follows:

Name of share holders	Nos. of shares	Percentage of holdings	As on 30.06.2016	As on 30.06.2015
Delta Spinners Limited	800,000	80%	8,000,000	8,000,000
Rustom Ali Howlader	25,000	2.50%	250,000	250,000
Mostafa Kamal Haider	25,000	2.50%	250,000	250,000
Mostafa Jamal Haider	25,000	2.50%	250,000	250,000
Syed Mohammad Abdul Mannan	25,000	2.50%	250,000	250,000
Dina Jabin	25,000	2.50%	250,000	250,000
Mahboob Morshed	25,000	2.50%	250,000	250,000
Mostafa Zakaria Haider	25,000	2.50%	250,000	250,000
Syed Faarrid Hussain	25,000	2.50%	250,000	250,000
<b>Total</b>	<b>1,000,000</b>		<b>10,000,000</b>	<b>10,000,000</b>

30.06.2016 TK.	30.06.2015 TK.
135,025,454	133,568,233

### 4.00 Share Money Deposit

This has been taken from the parent company, namely, Delta Spinners Ltd. against which shares are yet to be issued.

**5.00 Retained Earnings** 2,295,637      2,100,269

Opening Balance	2,100,269	1,658,035
Add: Profit for the year	195,367	442,233
	<b>2,295,637</b>	<b>2,100,269</b>

### 6.00 Property Plant & Equipment

**139,861,956      139,881,707**

	30.06.2016	30.06.2015
Cost	139,962,382	139,962,382
Less: Accumulated Depreciation	100,426	80,675
Written Down Value	<b>139,861,956</b>	<b>139,881,707</b>

Details have been given in schedule attached per annex - A.



**7.00 Advance Deposits & Prepayments** 2,989,881      2,079,500

Advance to suppliers  
Advance to Staff  
Advance for credit rating

	30.06.2016	30.06.2015
	2,482,381	1,522,000
	450,000	500,000
	57,500	57,500
	<b>2,989,881</b>	<b>2,079,500</b>

**8.00 Trade and Other Receivables** 4,012,626      3,427,371

**9.00 Cash in Hand** 1,214,500      928,403

Cash balance was physically counted at period end and agreed with book balance.

**10.00 Cash at Bank** 4,899      7,430

This amount are agreed with Bank Reconciliation Statement.

**11.00 Provision for Income Tax** 727,063      609,843

As per last year  
Add : Provision during the year  
Less: Paid during the year

	609,843	344,503
	117,220	265,340
	<b>727,063</b>	<b>609,843</b>
	-	-
	<b>727,063</b>	<b>609,843</b>

**12.00 Liabilities for Expenses** 35,708      46,067

**13.00 Salse Revenue** 6,117,000      9,915,000

This represents sales of ceramic goods to the retail shop through purchase from the

**14.00 Cost of Sales** 5,372,729      8,788,482

Purchases of Ceramic Goods  
Carrying Cost  
Loading & Unloading  
Other direct Expenses

	30.06.2016	30.06.2015
	5,244,201	8,627,080
	7,890	13,800
	85,782	102,500
	34,856	45,102
	<b>5,372,729</b>	<b>8,788,482</b>



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**A. MATIN & CO**  
Chartered Accountants

**15.00 Administrative Expenses**

**429,944**

**416,712**

	<b>30.06.2016</b>	<b>30.06.2015</b>
Salary	325,200	312,800
Travelling & Conveyance	7,296	3,526
Office Supplies	2,102	2,560
Audit Fee	20,000	20,000
Depreciation Expenses	19,751	22,951
Fees & Licence	25,891	23,450
Entertainment	875	1,009
Newspaper Bill	2,880	2,804
Electric Bill	1,560	2,022
Legal Expense	7,500	8,000
Office Maintenance	889	1,590
Professional Fee	16,000	16,000
	<b>429,944</b>	<b>416,712</b>

**16.00 Financial Expense:**

**1,739**

**2,233**

This represents bank charge.

**17.00 Post Balance Sheet Events**

No material events had occurred after reporting date to the date of issue of these Financial statements.



**Delta Ceramics Limited**  
**Schedule of Property Plant & Equipment**  
 As at 30 June 2016

Annex: A

PARTICULARS	BALANCE AS AT 01.07.2015	ADDITION DURING THE	TOTAL AS AT 30.06.2016	RATE OF DEP.	DEPRECIATION AS AT 01.07.2015	DEPRECIATION DURING THE PERIOD	ACCUMULATED DEPRECIATION	W. D. VALUE AS AT 30.06.2016
Land and Land Development	139,500,452	-	139,500,452	0%	-	-	-	139,500,452
Buildings Under Construction	235,000	-	235,000	0%	-	-	-	235,000
Office Equipment	70,000	-	70,000	15%	27,011.25	6,448	33,460	36,540
Furniture and Fixture	60,000	-	60,000	10%	16,260.00	4,374	20,634	39,366
Electric Equipment	96,930	-	96,930	15%	37,403.65	8,929	46,333	50,597
<b>Total :</b>	<b>139,962,382</b>	<b>-</b>	<b>139,962,382</b>		<b>80,675</b>	<b>19,751</b>	<b>100,426</b>	<b>139,861,956</b>

**Delta Ceramics Limited**  
**Schedule of Property Plant & Equipment**  
 As at 30 June 2015

PARTICULARS	BALANCE AS AT 01.07.2014	ADDITION DURING THE	TOTAL AS AT 30.06.2015	RATE OF DEP.	DEPRECIATION AS AT 01.07.2014	DEPRECIATION DURING THE PERIOD	ACCUMULATED DEPRECIATION	W. D. VALUE AS AT 30.06.2015
Land and Land Development	139,500,452	-	139,500,452	0%	-	-	-	139,500,452
Buildings Under Construction	235,000	-	235,000	0%	-	-	-	235,000
Office Equipment	70,000	-	70,000	15%	19,425	7,586	27,011	42,989
Furniture and Fixture	60,000	-	60,000	10%	11,400	4,860	16,260	43,740
Electric Equipment	96,930	-	96,930	15%	26,899	10,505	37,404	59,526
<b>Total :</b>	<b>139,962,382</b>	<b>-</b>	<b>139,962,382</b>		<b>57,724</b>	<b>22,951</b>	<b>80,675</b>	<b>139,881,707</b>

# DELTA SPINNERS LIMITED

Corporate Office : 254 B Khilgaon, Chowdhury Para, Dhaka 1219  
Registered Office & Factory : Kaltapara, P.S. Gouripur, Dist. Mymensingh

## PROXY FORM

I/We ..... of .....  
being a Shareholder of Delta Spinners Limited do hereby appoint Mr./Ms. ....  
..... of ..... (or failing him/her  
Mr./Ms. .... of .....  
..... as my/our proxy in absence to attend and vote me/us and on my/our behalf at the  
36<sup>th</sup> Annual General Meeting of the Company to be held on the 20<sup>th</sup> day of December, 2016 and at any  
adjournment thereof.

As witness, I put my hand this ..... day of ..... 2016.

(Signature of Proxy)

Revenue  
Stamp

(Signature of Shareholder)

Folio/B.O. No. ....

Tk. 10.00

Folio/B.O. No. ....

No. of Shares .....

### IMPORTANT

- 1) The proxy form, duly stamped, must be deposited at the Registered Office of the Company at least 48 (forty eight) hours before the time for holding the meeting and in default, the instrument appointing the proxy shall not be treated as valid.
- 2) Signature of the Shareholder and the proxy must conform to the Specimen Signature recorded with the Company.

Signature Verified

# DELTA SPINNERS LIMITED

Corporate Office : 254 B Khilgaon, Chowdhury Para, Dhaka 1219  
Registered Office & Factory : Kaltapara, P.S. Gouripur, Dist. Mymensingh

## ATTENDANCE SLIP

I do hereby record my attendance at the 36<sup>th</sup> Annual General Meeting of the Company being held on the 20<sup>th</sup> day of December, 2016 at the factory premises of the Company at Kaltapara, Gouripur, Mymensingh.

Name of the Shareholder/Proxy : .....

Folio/B.O. No. ....

Signature .....

No. of Shares .....

Date .....

### IMPORTANT

- 1) Shareholders attending the meeting in person or by Proxy are requested to complete this Attendance Slip.
- 2) Signature of Shareholder or Proxy should conform to the specimen signature recorded with the Company.
- 3) Please bring this Attendance Slip with you. **Admission in the Meeting Room will not be allowed without it.**

