

**MALEK SPINNING MILLS LIMITED**  
**STATEMENT OF CONSOLIDATED FINANCIAL POSITION**  
**AS AT 31<sup>ST</sup> MARCH 2013**  
**Un-Audited**

	<u><b>MAR'13</b></u> <u><b>Taka</b></u>	<u><b>JUNE'12</b></u> <u><b>Taka</b></u>
<b>ASSETS :</b>		
<b>Non-Current Assets :</b>	<b>8,657,031,914</b>	<b>8,719,172,418</b>
Property, Plant and Equipment	8,618,318,678	8,505,011,378
Capital Work-in-Progress	-	177,072,526
Pre-operating Expenses	28,906,558	25,551,245
Trial and operation Loss	9,806,679	11,537,269
<b>Current Assets :</b>	<b>5,793,494,260</b>	<b>5,420,319,613</b>
Inventories	2,444,727,870	2,425,403,143
Accounts Receivable	2,596,171,115	2,450,941,611
Advances, Deposits and Pre-payments	316,523,823	160,573,736
Cash and Cash Equivalents	436,071,452	383,401,123
<b>TOTAL ASSETS :</b>	<b><u>14,450,526,174</u></b>	<b><u>14,139,492,031</u></b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES:</b>		
<b>Shareholder's Equity :</b>	<b>8,143,052,499</b>	<b>8,248,265,786</b>
Share Capital	1,936,000,000	1,760,000,000
Share Premium	1,500,000,000	1,500,000,000
Retained Earnings	181,892,994	279,602,328
Tax Holiday Reserve	180,916,368	142,176,637
Re-valuation Surplus of Fixed Assets	4,344,243,137	4,566,486,822
<b>Minority Interest</b>	<b>120,689,241</b>	<b>(8,610,136)</b>
<b>Non Current Liabilities:</b>	<b>2,383,423,250</b>	<b>2,082,895,400</b>
Long Term Loan	2,117,832,622	2,082,895,400
Deferred Tax Liabilities	265,590,628	-
<b>Current Liabilities :</b>	<b>3,803,361,185</b>	<b>3,816,940,980</b>
Short Term Loan	660,907,750	468,629,755
Current Portion of Long Term Loan	725,135,591	887,018,688
Security Deposit against Sales	1,500,000	1,500,000
Bank Acceptance Liabilities	1,592,294,806	1,728,970,941
Credirors and Accruals	804,827,870	730,821,596
Loan from Directors	18,695,168	-
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES :</b>	<b><u>14,450,526,174</u></b>	<b><u>14,139,492,031</u></b>
<b>Net Assets Value Per Share (NAV)</b>	<b>42.06</b>	<b>46.87</b>
Par Value Tk.10		

sd/-  
**Azizur Rahim Chowdhury**  
 Director

sd/-  
**B.K. Chaki**  
 Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME**  
**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2012 TO 31<sup>ST</sup> MARCH 2013**  
**Un-Audited**

	<u>JUL'12-MAR'13</u>	<u>JUL'11-MAR'12</u>	<u>JAN'13-MAR'13</u>	<u>JAN'12-MAR'12</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Sales	5,952,399,730	4,029,275,987	1,923,298,470	1,699,128,174
Cost of Goods Sold	4,998,484,567	4,185,795,723	1,582,318,063	1,512,085,361
<b>Gross Profit :</b>	<b>953,915,163</b>	<b>(156,519,736)</b>	<b>340,980,408</b>	<b>187,042,813</b>
Operating Expenses	129,820,771	66,090,888	39,175,141	21,452,199
Financial Expenses	469,791,855	274,765,578	160,598,028	98,978,450
Amortization of Trial and Operation loss	1,730,590	2,163,238	576,863	721,079
Loss on Sale of Fixed Assets	56,827	-	3,569	-
<b>Operating Profit/(Loss) :</b>	<b>352,515,120</b>	<b>(499,539,440)</b>	<b>140,626,807</b>	<b>65,891,085</b>
Add : Other Income	2,862,966	4,569,882	-	192,188
<b>Net Operating Profit/(Loss) :</b>	<b>355,378,087</b>	<b>(494,969,558)</b>	<b>140,626,807</b>	<b>66,083,274</b>
Provision for Contribution to WPPF	17,728,774	1,530,074	6,858,772	-
<b>Profit/(Loss) before Tax :</b>	<b>337,649,313</b>	<b>(496,499,632)</b>	<b>133,768,035</b>	<b>66,083,274</b>
<b>Provision for Income Tax :</b>	<b>40,409,960</b>	<b>4,469,873</b>	<b>14,844,435</b>	<b>2,227,232</b>
Current Tax	52,521,406	4,469,873	18,878,008	2,227,232
Deferred Tax	(12,111,446)	-	(4,033,573)	-
<b>Net Profit/(Loss) for this period</b>	<b>297,239,352</b>	<b>(500,969,505)</b>	<b>118,923,600</b>	<b>63,856,042</b>
Transferred to Tax Holiday Reserve	38,739,731	-	31,652,615	-
<b>Net Profit/(Loss) after Tax Holiday Reserve</b>	<b>258,499,621</b>	<b>(500,969,505)</b>	<b>87,270,985</b>	<b>63,856,042</b>
Minority Interest	9,391,339	(8,211,623)	3,871,763	4,960,622
<b>Net Profit/(Loss) Balance</b>	<b>249,108,282</b>	<b>(492,757,882)</b>	<b>83,399,223</b>	<b>58,895,420</b>
(Transferred to the Statement of Changes in Equity)				
<b>EPS / Restated EPS (2012)</b>	<b>1.49</b>	<b>(2.55)</b>	<b>0.59</b>	<b>0.30</b>
Par Value Tk.10				
<b>Number of Shares used to compute EPS</b>	<b>193,600,000</b>	<b>193,600,000</b>	<b>193,600,000</b>	<b>193,600,000</b>

sd/-  
**Azizur Rahim Chowdhury**  
Director

sd/-  
**B.K. Chaki**  
Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**STATEMENT OF CONSOLIDATED CASH FLOWS**  
**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2012 TO 31<sup>ST</sup> MARCH 2013**  
**Un-Audited**

	<b><u>MAR'13</u></b>	<b><u>MAR'12</u></b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Collection from Turnover & Bills Receivable	5,807,170,226	4,247,623,588
Collection from Other Income	2,862,966	4,569,882
Payment for Raw Materials, Indirect Materials and other expenses	(4,804,338,544)	(4,724,717,922)
Payment for Operating Expenses	(126,596,843)	(60,758,422)
Payment of Financial Expenses	(465,243,045)	(274,765,578)
Payment for Income Tax	(7,096,325)	(32,061,335)
<b>Net Cash provided/(used) by Operating Activities</b>	<b><u>406,758,436</u></b>	<b><u>(840,109,787)</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Acquisition of Fixed Assets	(457,674,973)	(75,105,154)
Acquisition of Capital work in progress	177,072,526	(312,898,875)
Disposal of Fixed Assets	2,145,658	-
Loss on Sale of Fixed Assets	(56,827)	-
Pre-operating expenses	(3,346,082)	(2,855,613)
<b>Net cash used in Investing Activities</b>	<b><u>(281,859,698)</u></b>	<b><u>(390,859,642)</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Bank Loan Increase/(Decrease)	65,332,119	1,006,927,328
Loan from Directors	18,695,168	700,000
Advance Deposit & Prepayments	(155,950,087)	(85,301,896)
Refundable IPO Share Money payment	(275,001)	(1,255,708)
Dividend Payment	(30,608)	(576,450)
Security Deposit against Sales	-	1,500,000
<b>Net cash provided/(used) in Financing Activities</b>	<b><u>(72,228,409)</u></b>	<b><u>921,993,274</u></b>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>52,670,329</b>	<b>(308,976,155)</b>
Cash & Cash Equivalents at 1 <sup>st</sup> July 2012	383,401,123	759,366,510
<b>Cash and Cash Equivalents at 31<sup>st</sup> March 2013</b>	<b><u>436,071,452</u></b>	<b><u>450,390,355</u></b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>2.10</b>	<b>(4.77)</b>
Par Value Tk.10		

sd/-  
**Azizur Rahim Chowdhury**  
 Director

sd/-  
**B.K. Chaki**  
 Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**Un-Audited**

**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2012 TO 31<sup>ST</sup> MARCH 2013**

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Tax holiday Reserve	Retained Earnings	Total
Balance as at 1 <sup>st</sup> July 2012	1,760,000,000	1,500,000,000	4,566,486,822	142,176,636	279,602,328	8,248,265,786
Net Profit/(Loss) during the year					249,108,282	249,108,282
Profit & Loss appropriation A/c (Adjustment)					4,093,929	4,093,929
Revaluation Surplus of Fixed Assets			(102,790,529)		102,790,529	-
Adjustment of Deferred Tax Liabilities up to 30.06.2012					(277,702,074)	(277,702,074)
Tax Holiday Reserve				38,739,731		38,739,731
Minority Interest			(119,453,156)			(119,453,156)
Issuance of Stock Dividend for 2011-2012	176,000,000				(176,000,000)	-
<b>As at 31st March 2013</b>	<b>1,936,000,000</b>	<b>1,500,000,000</b>	<b>4,344,243,137</b>	<b>180,916,368</b>	<b>181,892,994</b>	<b>8,143,052,499</b>

**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2011 TO 31<sup>ST</sup> MARCH 2012**

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Tax holiday Reserve	Retained Earnings	Total
Balance as at 1 <sup>st</sup> July 2011	1,600,000,000	1,500,000,000	1,000,353,737	117,942,221	640,273,871	4,858,569,829
Net Profit during the period					(492,757,882)	(492,757,882)
Revaluation Surplus of Fixed Assets			(34,897,290)		34,897,290	-
Issuance of Stock Dividend for 2010-2011	160,000,000				(160,000,000)	-
<b>As at 31st March 2012</b>	<b>1,760,000,000</b>	<b>1,500,000,000</b>	<b>965,456,447</b>	<b>117,942,221</b>	<b>22,413,279</b>	<b>4,365,811,947</b>

sd/-  
**Azizur Rahim Chowdhury**  
 Director

sd/-  
**B.K. Chaki**  
 Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**Selected Explanatory Notes of Un-audited Consolidated Financial Statement**  
for the 3rd Quarter ended 31st March 2013

**1. Accounting Policies & Methods used for preparation and presentation of Financial Statements:**

- a. We have followed the Same Accounting Policies and Methods for preparation and presentation of Third Quarterly Financial Statements of the company for the period from July, 2012 to March, 2013 as compared to the most recent annual Financial Statements for the year ended June 30' 2012.
- b. We did not make provision for Deferred Tax Liabilities up to 30.06.2012. The amount as on 30.06.2012 stood at Tk. 277,702,074.00 which have been shown in the Statement of changes in equity in the third quarterly accounts ended as on 31.03.2013.
- c. During the period from July, 2012 to March, 2013 the deferred tax liabilities was negative to the extent of Tk.12,111,446.00 which was adjusted from Tk.277,702,074.00 and net amount of Tk.265,590,628.00 has been shown in the statement of Financial Position as on 31.03.2013.
- d. We had shown EPS at Tk. (0.50) in our Half Yearly Report as on 31.12.2012 which was not correct because we wrongly charged Deferred Tax Liabilities up to 30.06.2012 in Comprehensive Income Statement instead of Statement of changes in Equity. If the Deferred Tax Liability up to 30.06.2012 had been charged to Statement of changes in Equity, the EPS as on 31.12.2012 would have stood at Tk.0.90.

**2. Seasonality/Cyclical of interim Operation:**

Malek Spinning Mills Ltd. had engaged its subsidiaries companies i.e. Salek Textile Ltd., Titas Spinning & Denim Company Ltd. & J.M. Fabrics Ltd. have been engaged in production & Sales of Spinning Yarns, Rotor Yarns drawing previous RMG production. There in no seasonality/cyclical in Sales for our period to current period. The Sales volume during July'2012 to March'2013 have increased by 47.72% compared to previous period due to increase in production facilities followed by Sales volume.

**3. Change in Non Current Assets:**

During the period July 2012 to March 2013 Non Current Assets was increased as shown below:

	(Taka)	(Taka)
Cost as at 01.07.2012	5,871,770,901	5,287,758,830
Addition for this period	<u>457,674,973</u>	<u>584,012,072</u>
	<b>6,329,445,874</b>	<b>5,871,770,901</b>
Less: Sales/Adjustment	<u>2,145,658</u>	<u>-</u>
<b>Total Cost as at 31.03.2013</b>	<b>6,327,300,216</b>	<b>5,871,770,901</b>
Accumulated Depreciation as at 01.07.2012	1,933,246,346	1,617,154,206
Less: Adjustments during this period	1,652,581	-
Add: Depreciation for this period	<u>241,084,067</u>	<u>316,092,139</u>
<b>Total Depreciation as at 31.03.2013</b>	<b>2,172,677,832</b>	<b>1,933,246,346</b>
<b>Written Down Value as at 31.03.2013</b>	<b>4,154,622,384</b>	<b>3,938,524,555</b>
<b>REVALUATION:</b>		
Revaluation of Fixed Assets as at 01.07.2012	4,566,486,822	1,000,353,738
Add: Revaluation of Fixed Assets	-	3,614,046,503
Less: Depreciation this year	<u>102,790,529</u>	<u>47,913,418</u>
<b>Written Down Value as at 31.03.2013</b>	<b>4,463,696,294</b>	<b>4,566,486,822</b>
<b>Total Written Down Value</b>	<b>8,618,318,678</b>	<b>8,505,011,378</b>

**4. Changes in Current Assets:**

Total increase of Current Assets compared to previous period was Tk.373.00 million which was due to increase of inventories of Raw Materials & Finished Goods by Tk.19.00 million, increase in Accounts Receivables, advances and others by Tk.354.00 million.

**5. Changes Current Liabilities:**

There was no significant changes in Current Liabilities compared to previous period.

**6. Non Current Liabilities:**

Total increase of Non Current Liabilities compared to previous period was Tk.300.00 million, which was due to increase in Term Loan by Tk.35.00 million and creation of Deferred tax liabilities by Tk.265.00 million.

**7. Cost of Goods Sold:**

Cost of Goods Sold was increased by 19.42% the computation of which are given below:

Raw Material Consumed	4,034,122,599	3,220,493,695
Direct Expenses	268,883,058	173,550,252
Factory Overhead	<u>790,448,407</u>	<u>539,538,620</u>
<b>Total Manufacturing Cost</b>	<b>5,093,454,063</b>	<b>3,933,582,568</b>
Work-in-Process- Opening	<u>120,065,813</u>	<u>114,312,963</u>
<b>Cost of Goods available for use</b>	<b>5,213,519,877</b>	<b>4,047,895,531</b>
Work-in-Process- Closing	<u>205,548,947</u>	<u>91,640,546</u>
<b>Cost of Production</b>	<b>5,007,970,929</b>	<b>3,956,254,984</b>
Finished Goods- Opening	<u>1,098,952,517</u>	<u>859,315,250</u>
<b>Cost of Goods Available for Sales</b>	<b>6,106,923,447</b>	<b>4,815,570,234</b>
Finished Goods- Closing	<u>1,108,438,879</u>	<u>629,774,512</u>
<b>Cost of Goods Sold :</b>	<b><u>4,998,484,567</u></b>	<b><u>4,185,795,723</u></b>

**8. Operating Exp:**

Operating expenses had increased by Tk.64.00 million due to increase in payroll costs and office expenses.

**9. Financial Expenses:**

Financial expenses had increased by Tk.195.00 million due to increased Bank Borrowing during current period compared to previous period.

sd/-  
Azizur Rahim Chowdhury  
Director

sd/-  
B.K. Chaki  
Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

**AS AT 31<sup>ST</sup> MARCH 2013**

**Un-Audited**

	<b><u>MAR'13</u></b> <b><u>Taka</u></b>	<b><u>JUNE'12</u></b> <b><u>Taka</u></b>
<b>ASSETS :</b>		
<b>Non-Current Assets:</b>	<b>3,720,483,491</b>	<b>3,386,837,289</b>
Property, Plant and Equipment	2,450,403,491	2,540,480,389
Investment in Subsidiary Company	433,406,900	433,406,900
Share Money Deposit to Subsidiary Company	836,673,100	412,950,000
<b>Current Assets :</b>	<b>3,380,067,338</b>	<b>4,540,220,359</b>
Inventories	1,296,546,310	1,526,179,837
Accounts Receivable	1,233,961,324	1,133,737,602
Advances, Deposits and Pre-payments	719,349,473	1,721,014,240
Cash and Cash Equivalents	130,210,231	159,288,680
<b>TOTAL ASSETS :</b>	<b><u>7,100,550,829</u></b>	<b><u>7,927,057,648</u></b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES :</b>		
<b>Shareholder's Equity :</b>	<b>5,340,424,171</b>	<b>5,402,999,606</b>
Share Capital	1,936,000,000	1,760,000,000
Share Premium	1,500,000,000	1,500,000,000
Retained Earnings	61,733,069	242,573,526
Re-valuation Surplus of Fixed Assets	1,842,691,102	1,900,426,080
<b>Non-Current Liabilities:</b>	<b>330,806,227</b>	<b>648,356,389</b>
Long Term Loan	154,317,608	648,356,389
Deferred Tax Liabilities	176,488,619	-
<b>Current Liabilities :</b>	<b>1,429,320,431</b>	<b>1,875,701,652</b>
Short Term Loan	144,629,489	108,067,213
Current Portion of Long Term Loan	303,635,937	561,964,674
Bank Acceptance Liabilities	828,625,694	1,095,840,753
Creditors and Accruals	152,429,311	109,829,013
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES :</b>	<b><u>7,100,550,829</u></b>	<b><u>7,927,057,648</u></b>
<b>Net Assets Value Per Share (NAV)</b>	<b>27.58</b>	<b>30.70</b>

sd/-  
**Azizur Rahim Chowdhury**  
 Director

sd/-  
**B.K. Chaki**  
 Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2012 TO 31<sup>ST</sup> MARCH 2013**  
**Un-Audited**

	<u>JUL'12-MAR'13</u> <u>Taka</u>	<u>JUL'11-MAR'12</u> <u>Taka</u>	<u>JAN'13-MAR'13</u> <u>Taka</u>	<u>JAN'12-MAR'12</u> <u>Taka</u>
Sales	2,559,067,622	2,146,775,683	818,708,350	837,269,238
Cost of Goods Sold	<u>2,187,844,951</u>	<u>2,408,459,939</u>	<u>690,149,096</u>	<u>729,933,626</u>
<b>Gross Profit/(Loss) :</b>	<b>371,222,671</b>	<b>(261,684,256)</b>	<b>128,559,254</b>	<b>107,335,612</b>
Operating Expenses	47,124,492	37,522,803	18,023,249	14,970,814
Financial Expenses	173,989,049	108,011,488	55,761,021	43,479,446
Loss on Sale of Assets	<u>56,827</u>	<u>-</u>	<u>3,569</u>	<u>-</u>
<b>Operating Profit/(Loss) :</b>	<b>150,052,303</b>	<b>(407,218,546)</b>	<b>54,771,415</b>	<b>48,885,352</b>
Add: Other Income	2,060,360	4,569,882	(3,451,364)	1,923,993
<b>Net Operating Profit/(Loss) :</b>	<b>152,112,663</b>	<b>(402,648,664)</b>	<b>51,320,052</b>	<b>50,809,346</b>
Provision for Contribution to WPPF	<u>7,605,633</u>	<u>-</u>	<u>2,566,003</u>	<u>-</u>
<b>Profit/(Loss) before Tax :</b>	<b>144,507,030</b>	<b>(402,648,664)</b>	<b>48,754,049</b>	<b>50,809,346</b>
<b>Provision for Income Tax :</b>	<b>25,105,983</b>	<b>1,256,718</b>	<b>7,943,624</b>	<b>1,256,718</b>
Current Tax	<u>30,593,846</u>	<u>1,256,718</u>	<u>9,768,436</u>	<u>1,256,718</u>
Deferred Tax	<u>(5,487,863)</u>	<u>-</u>	<u>(1,824,812)</u>	<u>-</u>
<b>Net Profit/(Loss) for this period</b>	<b>119,401,047</b>	<b>(403,905,382)</b>	<b>40,810,425</b>	<b>49,552,628</b>
(Transferred to the Statement of Changes in Equity)				
<b>EPS / Restated EPS (2012)</b>	<b>0.62</b>	<b>(2.09)</b>	<b>0.21</b>	<b>0.26</b>
Par Value Tk.10				
<b>Number of Shares used to compute EPS</b>	<b>193,600,000</b>	<b>193,600,000</b>	<b>193,600,000</b>	<b>193,600,000</b>

sd/-  
**Azizur Rahim Chowdhury**  
Director

sd/-  
**B.K. Chaki**  
Chief Financial Officer



# MALEK SPINNING MILLS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2012 TO 31<sup>ST</sup> MARCH 2013

### Un-Audited

	<u>MAR'13</u> <u>Taka</u>	<u>MAR'12</u> <u>Taka</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Collection from Turnover & Accounts Receivable	2,458,843,900	2,097,923,830
Payment for Raw Materials, Indirect Materials and other expenses	(2,132,078,098)	(2,820,509,236)
Collection from Other Income	2,060,360	4,569,882
Payment for Operating Expenses	(46,897,443)	(35,103,390)
Payment for Income Tax	-	(29,667,317)
Payment for Financial Expenses	(173,989,049)	(108,011,488)
<b>Net Cash provided/(used) by Operating Activities</b>	<b>107,939,671</b>	<b>(890,797,717)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Acquisition of Fixed Assets	(937,766)	(1,120,369)
Disposal of Fixed Assets	2,145,658	-
Loss on Sale of Fixed Assets	(56,827)	-
Share Money Deposit to Subsidiary Company	(423,723,100)	-
<b>Net cash used in Investing Activities</b>	<b>(422,572,035)</b>	<b>(1,120,369)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Bank Loan Increase/(Decrease)	(715,805,242)	752,412,866
Refundable IPO Share Money payment	(275,001)	(1,255,708)
Dividend Payment	(30,608)	(576,450)
Advance, Deposit and Prepayments.	1,001,664,767	(143,447,868)
<b>Net Cash provided/(used) by Financing Activities</b>	<b>285,553,915</b>	<b>607,132,840</b>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(29,078,449)</b>	<b>(284,785,246)</b>
Cash & Cash Equivalents at 1 <sup>st</sup> July 2012	159,288,680	575,484,695
<b>Cash and Cash Equivalents at 31<sup>st</sup> March 2013</b>	<b>130,210,231</b>	<b>290,699,448</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>0.56</b>	<b>(5.06)</b>
Par Value Tk.10		

sd/-  
Azizur Rahim Chowdhury  
Director

sd/-  
B.K. Chaki  
Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**Un-Audited**

**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2012 TO 31<sup>ST</sup> MARCH 2013**

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Retained Earnings	Total
Balance as at 1 <sup>st</sup> July 2012	1,760,000,000	1,500,000,000	1,900,426,080	242,573,526	5,402,999,606
Net Profit/(Loss) during the period			-	119,401,047	119,401,047
Adjustment of Revaluation surplus of Fixed Assets			(57,734,977)	57,734,977	-
Adjustment of Deferred Tax Liabilities up to 30.06.2012				(181,976,482)	(181,976,482)
Issuance of Stock Dividend for 2011-2012	176,000,000			(176,000,000)	-
<b>As at 31st March 2013</b>	<b>1,936,000,000</b>	<b>1,500,000,000</b>	<b>1,842,691,102</b>	<b>61,733,069</b>	<b>5,340,424,171</b>

**FOR THE PERIOD FROM 1<sup>ST</sup> JULY 2011 TO 31<sup>ST</sup> MARCH 2012**

Particulars	Share Capital	Share Premium	Revaluation Surplus of Fixed Assets	Retained Earnings	Total
Balance as at 1st July 2011	1,600,000,000	1,500,000,000	1,000,353,737	705,897,385	4,806,251,122
Net Profit during the period	-	-		(403,905,382)	(403,905,382)
Adjustment of Revaluation surplus of Fixed Assets			(34,897,290)	34,897,290	-
Issuance of Stock Dividend for 2010-2011	160,000,000			(160,000,000)	-
<b>As at 31st March 2012</b>	<b>1,760,000,000</b>	<b>1,500,000,000</b>	<b>965,456,447</b>	<b>176,889,294</b>	<b>4,402,345,741</b>

sd/-  
**Azizur Rahim Chowdhury**  
 Director

sd/-  
**B.K. Chaki**  
 Chief Financial Officer

**MALEK SPINNING MILLS LIMITED**  
**Selected Explanatory Notes of Un-audited Financial Statement**  
for the 3rd Quarter ended 31st March 2013

**1. Accounting Policies & Methods used for preparation and presentation of Financial Statements:**

- a. We have followed the Same Accounting Policies and Methods for preparation and presentation of Third Quarterly Financial Statements of the company for the period from July, 2012 to March, 2013 as compared to the most recent annual Financial Statements for the year ended June 30' 2012.
- b. We did not make provision for Deferred Tax Liabilities up to 30.06.2012. The amount as on 30.06.2012 stood at Tk.181,976,482.00 which have been shown in the Statement of changes in equity in the third quarterly accounts ended as on 31.03.2013.
- c. During the period from July, 2012 to March, 2013 the deferred tax liabilities was negative to the extent of Tk.5,487,863.00 which was adjusted from Tk.181,976,482.00 and net amount of Tk.176,488,619.00 has been shown in the statement of Financial Position as on 31.03.2013.
- d. We had shown EPS at Tk.(0.53) in our Half Yearly Report as on 31.12.2012 which was not correct because we wrongly charged Deferred Tax Liabilities up to 30.06.2012 in Comprehensive Income Statement instead of Statement of changes in Equity. If the Deferred Tax Liability up to 30.06.2012 had been charged to Statement of changes in Equity, the EPS as on 31.12.2012 would have stood at Tk.0.92.

**2. Seasonality/Cyclicalilty of interim Operation:**

Normally our sales is not affected due to Seasonality/Cyclicalilty. Our sales value for the period July'2012 to March'2013 has increased by 19% compared to previous period of July'2011 to March'2012 due to change in volume of Sales.

**3. Change in Non Current Assets:**

During the period July 2012 to March 2013 non Current Assets increased due to addition of share money deposit of Tk.424.00 million.

**4. Change in Current Assets:**

Total decrease of Current Assets compared to previous period was Tk.1,160.00 million which was due to decrease of inventories of Raw Materials & Finished Goods by Tk.230.00 million, increased of Accounts Receivables by Tk.100.00 million and for reduction of advance by Tk.1030.00 million.

**5. Changes Current Liabilities:**

Total decrease of Current Liabilities compared to previous period was Tk.446.00 million which was due to decrease of current portion of Long Term Loan by Tk.258.00 million for repayment of Loan and Acceptance Liabilities of Bank by Tk.267.00 million and increase of Short Term Loan by Tk.36.00 million and Creditors by Tk.43.00 million.

**6. Non Current Liabilities:**

Total decrease of Non Current Liabilities compared to previous period was by Tk.318.00 million, which was due repayment of Term Loan by Tk.494.00 million and creation of Deferred tax liabilities by Tk.176.00 million.

**7. Cost of Goods Sold:**

Cost of Goods Sold during the current period was less than compared to the previous period due to reduction of Raw Materials price. The details components of Cost of Goods are given below:

	<u>(Taka)</u>	<u>(Taka)</u>
Raw Material Consumed	1,712,340,224	2,162,393,175
Direct Expenses	66,896,144	48,844,011
Factory Overhead	<u>235,886,384</u>	<u>178,984,513</u>
<b>Total Manufacturing Cost</b>	<b>2,015,122,752</b>	<b>2,390,221,699</b>

Work-in-Process- Opening	<u>55,970,825</u>	<u>83,553,971</u>
<b>Cost of Goods available for use</b>	<b>2,071,093,577</b>	<b>2,473,775,670</b>
Work-in-Process- Closing	<u>52,457,853</u>	<u>50,845,701</u>
<b>Cost of Production</b>	<b>2,018,635,724</b>	<b>2,422,929,969</b>
Finished Goods- Opening	<u>664,995,527</u>	<u>216,027,797</u>
<b>Cost of Goods Available for Sales</b>	<b>2,683,631,251</b>	<b>2,638,957,765</b>
Finished Goods- Closing	<u>495,786,300</u>	<u>230,497,826</u>
<b>Cost of Goods Sold:</b>	<b><u>2,187,844,951</u></b>	<b><u>2,408,459,939</u></b>

**8. Operating Exp:**

Operating expenses had increased by Tk.10.00 million mainly due to increase in payroll cost, maintenance cost and other expenses.

**9. Financial Expenses:**

Financial expenses had increased by Tk.66.00 million due to increased Bank Borrowing during this current period compared to previous period.

sd/-  
Azizur Rahim Chowdhury  
Director

sd/-  
B.K. Chaki  
Chief Financial Officer