delta spinners limited

RIGHTS SHARE OFFER DOCUMENT

Date: April 01, 2014

Rights Offer of 91,725,600 Ordinary Shares of Tk. 10.00 each at par, totaling Tk. 917,256,000 offered on the basis of 02(R): 01 i.e. 2 (Two) Rights Share for 1 (One) existing share held on the record date.

RECORD DATE FOR ENTITLEMENT OF RIGHTS OFFER

Record Date	April 28, 2014	
Date Subscription	**Opens on**	**Close on**
	August 05, 2014	August 31, 2014
Within Banking Hours		

MANAGER TO THE ISSUE

BANCO FINANCE
We take care of every hand we hold

BANCO FINANCE AND INVESTMENT LIMITED
Full-Fledged Merchant Bank

Baitul View Tower (11th Floor), 56/1, Purana Paltan, Dhaka-1000
Phone: 7125703, 7124438, 7125910; **Fax:** 880-2-7125634
E-mail: banco.bd@gmail.com; **Website:** www.bfil.org

FULLY UNDERWRITTEN BY

BMSL Investment Limited Shadharan Bima Tower (7th Floor), 37 Dilkusha C/A, Dhaka-1000	Banco Finance And Investment Limited Baitul View Tower (11th floor), 56/1 Purana Paltan, Dhaka-1000
Royal Green Capital Market Limited 12/1, R.K. Mission Road, Dhaka-1000	Citizen Securities & Investment Limited Al-Razi Complex (8th Floor), 166-167, SS Nazrul Islam Sarani, Purana Paltan, Dhaka
Swadesh Investment Management Limited Suite 01, Level 11, Unique Trade Center, 8 Panthapath, Karwan Bazar, Dhaka	GSP Finance Company (Bangladesh) Limited 1 Paribagh, Mymensing Road, Ramna, Dhaka

BANKERS TO THE ISSUE

Southeast Bank Limited Eunoos Trade Centre, 52-53, Dilkusha C/A, (Level # 2, 3, 4 & 16), Dhaka-1000	National Bank Limited 18, Dilkusha C/A (1st Floor), Dhaka-1000
Mercantile Bank Limited 61, Dilkusha C/A, Dhaka-1000	Investment Corporation of Bangladesh (ICB) 8, DIT Avenue (Level 14-17), Dhaka-1000

delta spinners limited

Registered and Corporate Office
254-B, Khilgaon Chowdhury Para, Dhaka-1219
Phone: +88-02-7213597, 7213697 **Fax:** +88-02-7213569
E-mail: deltagrp@bdmail.net; **Website:** www.delta-spinners.com

As per provision of the Depository Act, 1999 and regulation made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

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DEFINITION AND ELABORATION OF THE ABBREVIATED WORDS AND TECHNICAL TERMS USED IN THE RIGHTS OFFER DOCUMENT

Acronym		Elaboration
Allotment	:	Letter of Allotment for Shares
BB	:	Bangladesh Bank
BSEC	:	Bangladesh Securities and Exchange Commission
BO A/C	:	Beneficial Owner Account or Depository Account
BFIL	:	Banco Finance And Investment Limited
CDBL	:	Central Depository Bangladesh Ltd.
Commission	:	Bangladesh Securities and Exchange Commission
Companies Act	:	Companies Act, 1994 (Act. No. XVIII of 1994)
CSE	:	Chittagong Stock Exchange Limited
DSE	:	Dhaka Stock Exchange Limited
DSL	:	Delta Spinners Limited
EPS	:	Earnings Per Share
Issue	:	Rights Issue
Issuer Company	:	Delta Spinners Limited
Issue Manager		Banco Finance And Investment Limited
NAV	:	Net Asset Value of the Company
Offering Price	:	Price of the Securities of Delta Spinners Limited being Offered
Registered Office	:	Head Office of the Company
RI	:	Rights Issue
Rights Issue Rules	:	Securities And Exchange Commission (Rights Issue) Rules, 2006
RJSC	:	Registrar of Joint Stock Companies & Firms
ROD	:	Rights Offer Document
Securities	:	Shares of Delta Spinners Limited
Share Market	:	Market of the Securities in Bangladesh
Sponsors	:	The Sponsor Shareholders of Delta Spinners Limited
Stockholders	:	Shareholders
Subscription	:	Application Money
The Company	:	Delta Spinners Limited

delta spinners limited

RIGHTS ISSUE OF SHARES

April 03, 2014

Dear Shareholder(s)

We are pleased to inform you that the shareholders of Delta Spinners Limited in its **Extra Ordinary General Meeting (EGM)** held on **November 04, 2012** decided to issue **9,17,25,600** Ordinary Shares as rights shares of **Tk. 10.00** each at par an issue price of Tk. 10.00 each at the rate of 02 (two) [R]:01 (one) i.e. 02 (two) rights share for every 01 (one) existing shares held on the record date. The purpose of issuance of Rights Shares is to Balancing, Modernization and Replacement (BMR) of the existing textile spinning mill; Expansion through product diversification; Partial repayment of Long Term Lease / Long Term Loans of the Financial Institutions.

Due to satisfactory operation, the Company has Net Profit of **Tk. 47,893,045** for a year ended **June 30, 2013**. This success has been achieved due to strong support from our customers and efficient direction of the Board of Directors as well as patronization and active participation of all our valued shareholders.

To maintain further growth and increase the capital base of your Company, we hope you would come forward with your full support and assistance to make the offer a success.

A self-explanatory Rights Share Offer Document prepared in the light of the Securities and Exchange Commission (Rights Issue) Rules, 2006 of the Bangladesh Securities and Exchange Commission is enclosed for your kind information and evaluation.

On behalf of the Board of Directors,

Sd/-
Mostafa Jamal Haider
Managing Director

THE RIGHTS OFFER

The Company

Delta Spinners Limited is one of the pioneers spinning mill in Bangladesh. The Company was incorporated on July 23, 1979, listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on February 26, 1995 and December 26, 1996 respectively. The Corporate and Registered office of the Company is situated at 254-B, Khilgaon Chowdhury Para, Dhaka-1219 and the Factory is established on approximately 15 acres of land at Kaltapara, P. O. Bishka, P.S. Gouripur, Mymensingh. The company is engaged in production of 100% cotton yarn. The company sees as a means to the well-being of the shareholders and all other stockholders, society as well as the national interest as a whole. Its mission is to provide world class quality products to the valued customers, strictly maintain ethical standard in business.

The Authorized Capital of the company is Tk. 1500.00 million divided into 150 million ordinary shares of Tk. 10.00 each and its Paid-up Capital is Tk. 458.628 million as on June 30, 2013 divided into 45,862,800 ordinary shares of Tk. 10.00 each subscribed by the shareholders.

The Rights Issue

We are pleased to inform you that the shareholders of Delta Spinners Limited in its **Extra Ordinary General Meeting (EGM)** held on July 18, 2012 decided to issue 6,11,50,400 Ordinary Shares as rights shares of Tk. 10.00 each at an issue price of Tk. 15.00 each including a premium of Tk. 5.00 per share totaling Tk. 917,256,000 offered on the basis of 02 (two) [R]:01 (one) i.e. 02 (two) rights share for every 01 (one) existing shares held on the record date. Later on Board of Directors in its Board Meeting recommended to revise the Rights Offer of the company to issue **9,17,25,600** Ordinary Shares as rights shares of Tk. 10.00 each at par an issue price of Tk. 10.00 each totaling **Tk. 917,256,000** offered on the basis of 02 (two) [R]:01 (one) i.e. 02 (two) rights share for every 01 (one) existing shares held on the record date which has been approved in the **Extra Ordinary General Meeting (EGM)** held on **November 04, 2012.**

Issue Price

The Issue Price per share has been fixed in the **Extra Ordinary General Meeting (EGM)** of the Company held on November 04, 2012 at Tk. 10.00 each at par totaling Tk. 917,256,000 offered on the basis of 02(R):01 i.e. 2 (Two) Rights Share for 1 (One) existing share held on the record date.

RISK FACTORS AND MANAGEMENT PERCEPTION ABOUT THE RISKS

The Company operates in a field involving some internal/external risk factors and among those some are avertable; others are beyond control, which may causes of loss. The management of Delta Spinners Limited perceives the risk factors which are as follows simultaneously:

1. Interest Rate Risks:

Interest/financial charges are paid against any kind of borrowed fund. Volatility in money market and increased demand for loan presses interest rate structure to be fixed at high. Raising of interest rate increases the cost of fund of a company, which has borrowed fund, and consequently its profit is squeezed.

Management Perception

The management of the Company is always aware of interest rate, which is connected to the cost of fund of the Company. The Management prefers procuring the long-term fund with minimum fixed interest rate and the short-term fund with reasonable competitive rate. On the other hand management of the Company is emphasizing on equity based financing.

2. Exchange Rate Risk:

If exchange rate is increased against local currency opportunity is created for getting more revenue against export sale. On the other hand if exchange rate goes down margin is squeezed from export sale.

Management Perception

The products of the company are sold against foreign currency and payments for raw materials are also made in foreign currency. The exchange rate of the country traditionally witnessed upward trends, which makes ample opportunity of export. It notes that in case of Delta Spinners Limited's earnings is made only by export in the currency of US Dollars and payment is also made from earnings US dollars. As the Company is 100% export oriented and in future it will be the same, volatility of exchange rate will have no impact on profitability of the Company and exchange rate risk factor minimize to foreign business transaction.

3. Industry Risk:

Textile industry is a highly competitive industry but the largest industrial sub-sector in Bangladesh. Its contribution is the highest in the country's total export earnings, gives employment to over four million people and contributes around 70% of the industrial value addition. The company faces a number of aggressive competitors within the country as well as after phasing out of the Multi Fiber Agreement (MFA). The global textile trade is now free from quota restriction. So the textile industry of Bangladesh is now facing competition from China only which is very strong in production of textile goods.

Management Perception

The company has successfully entered into the market by offering better quality products at competitive terms as well as the textile industry of Bangladesh has also successfully coped with the post Multi Fiber Agreement (MFA) competitive situation. The force, which is helping the sector for its strong existence, is emergence of backward linkage industry. Backward linkage industries are supporting for minimizing lead-time and cost of production. The Company is a first state of backward linkage industry of cotton yarn producing that facilitates for better existence.

4. Market and Technology related Risk:

(i) Market Risk:

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company.

Management Perception

DSL is able to produce quality products at affordable prices. The company set its focus mostly on local market. The company has established relationship with potential buyers across the country and expects to find market for its capacity despite competition prevailing in the sector. Further, the commercial banks and financial institutions provide a thrust in the textile sector as they provide credit facilities to RMG & Knitting industries to acquire the textile for their final products. DSL is continuously penetrating new markets to minimize the risk.

(ii) Technology related Risk:

Technology always plays a vital role for existence of any industrial concern. Innovation of new and cost effective technology may obsolescence existent technology, which may cause negative impact.

Management Perception

DSL is continuously upgrading its technological levels and making it comparable to that of any other country. Establishment of new technology, on a regular basis substantially reduces cost & risk factors. DSL has been known as modern technology and state of the art facilities with R&D infrastructure and shall be able to adapt to cope with the pace in harmony with modern textile world. The Company is continuing modernization program of its machinery. The Company has access to international/multinational companies for supplying appropriate technology and technical management support for operation of new projects.

5. Potential or existing government regulation:

The company operates under Companies Act, Taxation policy adopted by NBR, and rules adopted by other regulatory organizations. Any abrupt changes of the policies formed by those bodies will impact the business of company adversely. Unless adverse policies are taken, which may materially affect the industry as a hole; the business of the company will not be affected.

Management Perception

Government emphasize on the growth of yarn industry to boost up the export of RMG. Yet the promoters and the sponsors have to endeavor to convince the policy makers for adopting favorable terms and conditions, which will eventually help the yarn manufactures of Bangladesh to compete with the farms in low cost locations in the global arena.

6. Potential Changes in Global and National Policies:

The performance of the company may be affected by the political and economical instability both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general.

Management Perception

The company can prosper in a situation of political stability and a congenial business environment. Political turmoil and disturbance have adverse effect on the economy and so also on this sector. This is why WTO and Asian Development Bank emphasize development of textile sector in chalking out their respective policies. The Company is always aware of all types of turmoil and even though if the smooth supply of raw material is hampered or faces any kind of disruptions, it will try to keep the production smooth.

7. Changes in Economic & Political Condition:

Changing economic conditions may affect the demand for the product offered by the company. Downturn of economic activity or uncertainty may result in a downturn in demand for loan funds for industry.

Management Perception

Social unrest due to political reasons may cause downturn the economic activity which will have impact on demands of textile. But as elected Government is in place, we can expect that political rivalry within democratic environment will not affect the manufacture sector.

8. History of non-operation, if any:

Is there any history of non-operation of Delta Spinners Limited?

Management Perception

Delta Spinners Limited was incorporated on July 23, 1979 and started commercial operation of its textile spinning mills in August, 1994. The company has no operational failure history yet. Chance of non-operative in future is minimum.

9. Operational risks:

Shortage of power supply, labor unrest, unavailability or price increase of raw material, natural calamities like flood, cyclone, earth quack etc. may disrupt the production of the Company and can adversely impact the profitability of the Company.

Management Perception

The company produces its own electric power from gas based full time generators and is not depended upon PDB/RED power. The pressure of the gas in the factory is also at optimum level. The compensation as well as the benefit package will restrain the employees to leave their assignments and go for any employee movement for higher benefit packages. The project of the Company is situated at a high land where no food has been recorded. The Factory building has strong RCC foundation, RCC floor, mostly RCC roof and partially pre-fabricated steel structure to withstand, storm, rain etc. along with good drainage facility. The risk from these factors are also covered through insurance. The Company is also facilitated to keep as rational reserve from any future price escalation of the raw materials.

10. Risk factor regarding negative operating cash flow:

On a cash flow statement, the operational cash flow clearly shows whether the way a company creates and manages its earnings provides it with sufficient cash to cover all operational expenses. If this cash flow is negative, the company cannot cover operations solely from running the business. Negative operational cash flow could signify a growing company that is hiring personnel, or it could signify a collections problem or poor debt structure.

On average businesses operating with negative cash flow were less profitable, less efficient and had poorer liquidity ratios than those operating with positive cash flow.

Management Perception

The nature and principal business activities of the Company is manufacturing of cotton yarn of different counts and marketing the same. Trade receivable are accrued in the ordinary course of business according to industry practice and those receivables has been considered as good and realizable.

In the year 2013 operating cash flow was Tk.(2,335,898), due to frequent Political crisis, Hartals etc. during the second half of the financial year 2013, the amount of Bills Receivable rose significantly. The sales turn-over during the financial year 2013 had been Tk.165.49 million as against which, actual collection of fund during the period had been Tk. 137.46 million but subsequently all the outstanding receivables are duly collected.

However, operating cash flow for the financial year 2011 & 2012 was Tk.119,740,409.00 and Tk.122,900,515.00 respectively and the company paying out significant amount of dividend for the last few years to the honorable shareholders.

DATE OF OPENING AND CLOSING OF SUBSCRIPTION

Subscription opens for the rights shares offer on **August 05, 2014** and subscription closes for the rights shares offer on **August 31, 2014**.

DECLARATION REGARDING UTILIZATION OF PREVIOUS FUND (RIGHTS ISSUE)

Delta Spinners Limited raised Tk. 152,876,000.00 through previous Rights Issue in the year 2010. The company fully utilized the entire amount raised through Rights Issue Offering for its repayment of loan, land purchase and development; details are in the following table.

Sl. No.	Expenditures	Amount in Tk.
a)	Repayment of Directors' Loan	35,796,000
b)	Purchase of 9.05 acres of Land at Mouza: Dhamsur, P.S.: Bhaluka, District: Mymensingh at the eastern side of Dhaka-Mymensingh highway in favor of Delta Ceramics Limited, a subsidiary company of Delta Spinners Limited, for setting up a ceramics ware manufacturing factory.	95,373,422
c)	Development of above mentioned land to make it suitable to set-up the ceramics ware manufacturing factory.	21,706,578
Total		**152,876,000**

Sd/-
Ziaur Rahman
Chief Financial Officer

Sd/-
Mostafa Jamal Haider
Managing Director

5 (FIVE) YEARS INFORMATION REGARDING AGM HELD AND DIVIDEND DECLARED BY THE COMPANY

Accounting year	AGM Title	Date of AGM held & Dividend declared	Declared Dividend	
			Rate (%)	Total Amount (BDT)
2008-2009	29th AGM	December 20, 2009	Stock- Nil Cash- 10%	15,287,600.00
2009-2010	30th AGM	December 28, 2010	Stock- Nil Cash- 10%	30,575,200.00
2010-2011	31st AGM	December 22, 2011	Stock- Nil Cash- 10%	30,575,200.00
2011-2012	32nd AGM	November 04, 2012	Stock- 50% Cash- Nil	152,876,000.00
2012-2013	33rd AGM	December 28, 2013	Stock- Nil Cash- 10%	45,862,800.00

PURPOSE OF THE RIGHTS ISSUE

The objective behind issuance of Rights Shares is as follows:

Sl. No.	Particulars	Amount in BDT
a)	Balancing, Modernization and Replacement (BMR) of existing textile spinning mills	172,000,000
b)	Expansion through product diversification	555,500,000
c)	Partial repayment of Long Term lease/Long Term loans of the Financial Institutions	183,500,000
d)	Rights Issue Expenses	6,256,000
	Total	917,256,000

a): BMRE of the existing textile spinning mills:

Sl. No.	Particulars	Approximate time to be required	Amount in BDT
1	Construction of factory building (approximately 14,000 sft. Of floor space)	Within a period of 9 months from receiving the fund	11,800,000
2	Opening of L/C for machinery and arrival schedule	Opening of L/C for machinery within 3 months of receiving the fund and after finalization with machinery suppliers. Arrival of machinery at port by 8 months of receiving the fund (arrival will be synchronized with partial completion of factory building so that erection & installation can be started without delay).	158,900,000
3	Completion of erection & installation of machine	Within a period of 11 months of receiving the fund	1,000,000
4	Trial run and commissioning of the machinery erected and marketing of products	By 12 months of receiving the fund	300,000
	Total		172,000,000

a) 2: Break-Up of Machineries (Opening of L/C for machinery and arrival schedule):

Sl. No.	Name of the machinery	Brand/Model/ Manufacturer	No. of M/Cs/ Quantity	Capacity/ Unit	Unit price		Total Price		Total Price in BDT	Exch. Rate
1	Blow Room (Breater Only)	Rieter, Switzerland/ Trutzschler TC7, Germany	1 B/R with 1 line	800 kg/hr/line	USD	50,000	USD	100,000	7,800,000	78.00
2	Carding	Rieter, Switzerland/ Trutzschler TC7, Germany	4	70 kg/hr/MC	CHF	140,000	CHF	560,000	48,720,000	87.00
3	Finisher Drawing Frame	Trutzschler, Germany/ Rieter RSBD40, Switzerland/ Toyoda/Hara	1	400-1000m/min	Euro	50,000	Euro	50,000	5,300,000	106.00
4	Breaker Draw Frame	Trutzschler, Germany/ Rieter SBD40, Switzerland/ Toyoda/Hara	1	400-1000m/min	Euro	40,000	Euro	40,000	4,240,000	106.00
5	Roving Frame with OHTC(120 spindles/Frame)	HongYung 490, CHINA	2		USD	62,000	USD	124,000	9,672,000	78.00
6	Automatic Winder with Auto Doffer & Foreign Fibre Detector	China	7	Up to 2000 m/min	USD	132,000	USD	924,000	72,072,000	78.00
7	Ducting/Piping/Cables/firefighting/WTP/ Deeptube well/ water distribution network etc.		1	Lot	Tk.				11,096,000	1.00
	SUB-TOTAL								158,900,000	

b): Expansion through product diversification

SL. No.	Name of Machine	Brand name & County of origin	No. of m/c		Unit Price		Total price	Total Price in Tk.	Conversion Rate
Weaving Machinery									
1	Direct Warping with Beam	West Point, India, 12 cylender/ 210 cm / 14 crill/ 2 show box / 2dip 2 nip/ 750 crill warping	1	Set	USD	145,000	145,000	11,310,000	78.00
2	Sectional Warping with Beam		1	Set	USD	165,000	165,000	12,870,000	78.00
3	Sizing Machine with Beam		1	Set	USD	375,000	375,000	29,250,000	78.00
4	Airjet Loom	Picanol/Thudakuma/ Somet/Vamatex , 190 cm , 2 colour ,7 lever, Tappet cloth roll 1 : 1.5, Beam 1 : 1.5, fram - 7, dropper, W. held 8000 ,	50	Set	US$	40,000	2,000,000	156,000,000	78.00
5	Airjet Loom	Picanol/Thudakuma/ Somet/Vamatex , 190 cm , 12 lever, 6 color, Dobby, cloth roll 1 : 1.5, Beam 1 : 1.5, fram - 12, dropper, W. held 8500 ,	30	Set	US$	48,500	1,455,000	113,490,000	78.00
6	Airjet Loom	Picanol/Thudakuma/ Somet/Vamatex , , H D, 2 colour ,7 lever, cloth roll 1 : 1.5, Beam 1 : 1.5, fram - 7, dropper, W. held 8000,	20	Set	US$	49,500	990,000	77,220,000	78.00
7	Beam Trolley	190 cm Beam travelling.	4	Set	US$	4,500	18,000	1,404,000	78.00
8	knotting m/c (USD)	Beam knotting	2	Set	US$	22,500	45,000	3,510,000	78.00
9	Folding Machine.		1	Set	US$	22,500	22,500	1,755,000	78.00
10	Overhead travelling cleaner		4	Set	US$	18,000	72,000	5,616,000	78.00
11	Fabric inspection m/c		2	Set	US$	7,200	14,400	1,123,200	78.00
12	Central Vacuum system	Steinmann, Switzerland	1	Set	US$	108,000	108,000	8,424,000	78.00
Sub-Total Process Machinery								**421,972,200**	
Common Utility Machinery									
1	Humidification Plant	Airlin, Taiwan/ LUWA, Switzerland	1	Set	US$	180,000	180,000	14,040,000	78.00
2	Boiler 3 TPH		1		USD	60,000	60,000	4,680,000	78.00
3	Compressor (160 KW) along with Dryer	Dalgakiran, Italy	4		Euro	47,000	188,000	19,928,000	106.00
4	Power Generator (1 MW).		1		US$	310,000	310,000	24,180,000	78.00
5	Electric, Sub Station & BBT		1		US$	150,000	150,000	11,700,000	78.00
Sub-Total Process Machinery								**74,528,000**	
Local Machinery/ Items									
1	Ducting/Piping/Cables/Gaslines & Electric Lines with Security Deposite, firefighting/WTP,Markup, Water line/ Deeptube well/ water distribution network etc.		1		Tk.			14,599,800	1.00
Sub-Total Local Machinery/ Items								**14,599,800**	
Grand Total								**511,100,000**	

Land & Building / Civil Works

Sl. No.	Particulars	Structure Type	Quantity		Rate in BDT	Value in BDT
A)	Land & Land Development	Land and Land Development	-		-	Existing Source
	Total (A)		**-**		**-**	**-**
B)	**Various Civil Works:**	**Description**	**-**		**-**	**-**
i)	Pre-Fab Steel Factory Building including Mezz Flooor Machine Foundation, Brick wall, Drain etc.	Pre-fabricated Steel Building Including Mezzanine Floor including 5" Brick wall, RCC Column, Grade Beam, Lintel,G.I. Sheet roof, Window, Doors, Plastering, Whitewash, Mousic floor & Machine Foundation	40,000	Sft.	800	32,000,000
ii)	Utility Building (Generator+Boiler)	R.C.C	2,000	Sft.	1,200	2,400,000
iii)	AC Plant & RA Ducting					10,000,000
Grand Total (A+B)						**44,400,000**

Note-02: Partial repayment of Long Term lease/Long Term loans of the Financial Institutions:

Particulars	Approximate time to be required	Outstanding amount as on 30.06.2013 (BDT)	Payment in BDT
Partial repayment of Long Term lease/Long Term loans of the Financial Institutions.	Within 2 months of receiving the fund after completion of formalities with the Financial Institutions.	693,435,151	183,500,000

Sd/-
Ziaur Rahman
Chief Financial Officer

Sd/-
Mostafa Jamal Haider
Managing Director

HIGHLIGHTS OF THE COMPANY

Sl. No.	Particulars
1	The company was incorporated as on July 23, 1979 as a Private Limited Company and converted into a Public Limited Company on March 14, 1991
2	The Company started its commercial operation on August, 1994.
3	The company was listed with the Dhaka Stock Exchange Limited on February 26, 1995 and Chittagong Stock Exchange Limited in December 26, 1996.
4	The Authorized Capital of the Company is Tk. 1500.00 million and Paid-up Capital is Tk. 458.628 million as on June 30, 2013.
5	The company has been regularly holding the Annual General Meeting (AGM) since its incorporation.
6	The company has been paying off reasonable dividend to the shareholders.
7	The company's factory is located at Koltapara, P.O.- Bishka, P.S.- Gouripur, Mymensingh. It enjoys competitive location advantages in term of pipeline natural gas pressure and availability of skilled workers.
Total equity structure of the Company is shown below:-	

(Amount in BDT)

Capital/Shareholders' Equity	June 30, 2013
Share capital	458,628,000
Revaluation Reserve	628,834,161
Retained earnings	141,171,274
Total Shareholders' Equity	**1,228,633,435**
Non-Controlling Shares	**2,216,773**
Total Equity (Considering Revaluation Reserve)	**1,230,850,208**
Less: Revaluation Reserve	628,834,161
Total Equity (without Considering Revaluation Reserve)	**602,016,047**
Total Number of Shares (As per Audit Accounts June 30, 2013)	45,862,800
Equity Based Value per Share considering revaluation surplus	26.82
Equity Based Value per Share without considering revaluation surplus	13.13

FINANCIAL HIGHLIGHTS OF THE PREVIOUS YEARS

(Amount in BDT)

Particulars	30.06.2013	30.06.2012	30.06.2011	30.06.2010	30.06.2009
Share Capital	458,628,000	305,752,000	305,752,000	305,752,000	152,876,000
Total Equity	1,230,850,208	1,182,957,163	660,635,638	712,039,427	542,788,480
Profit after Tax	47,893,045	93,532,692	42,272,218	31,662,547	25,576,174
Number of Shares (Tk. 10.00)*	45,862,800	30,575,200	30,575,200	30,575,200	15,287,600
Face Value	10.00	10.00	10.00	10.00	10.00
NAV Per Share	26.82	38.69	21.60	23.28	35.50
EPS	1.04	3.06	1.38	1.03	1.67
Dividend	Cash: 10%	Cash: Nil	Cash: 10%	Cash: 10%	Cash: 10%
	Stock: N/A	Stock: 50%	Stock: Nil	Stock: Nil	Stock: Nil
Cash flow from Operating activities	(2,335,898)	119,740,409	105,851,839	(22,488,149)	(20,829,654)

* Considering value of share Tk.10.00 each

MARKET PRICE PER SHARE OF THE COMPANY FOR LAST 6 (SIX) MONTHS

(Amount in BDT)

Date	Market Performance	
	Face value	Price
Market price per share as on 30 January 2014	10.00	40.40
Market price per share as on 30 December 2013	10.00	40.90
Market price per share as on 28 November 2013	10.00	29.80
Market price per share as on 31 October 2013	10.00	30.50
Market price per share as on 30 September 2013	10.00	32.80
Market price per share as on 29 August 2013	10.00	35.30
Average Market Price per Share	**10.00**	**34.95**

Source: DSE Monthly Review, Considering Tk. 10.00

EXISTING SERVICES RENDERED BY THE COMPANY

Sl. No.	Product Name	Description	Production Capacity (Kg)	Capacity Utilization (Kg)	Turnover in BDT
			For the period from 01.07.12 to 30.06.13		
1	**100% Cotton Yarn**	Delta Spinners Limited (DSL) produces 100% Combed and Carded Cotton Yarn, Spun and O.E. (Rotor). The product mix contains of 30s, 40s, 50s-58s, 60s-65s, 74s-78s, and even 80s counts of yarn. These products are being manufactured for local & export market. The raw materials (raw cotton) are being imported from USA, Sudan, W. Africa, India etc. and also procure from local sources. DSL is a most modern spinning mill manufacturing different counts of cotton yarn from raw cotton.	5,350,000 Kg	2,539,017 Kg (93.50%)	1,653,313,165
2	**Waste Cotton**		-	-	1,612,330
		Total			**1,654,925,495**

BOARD OF DIRECTORS

Name of the Officers	Occupation	Designation	Address	
			Present/Business	Permanent
Mr. Rustom Ali Howlader (R A Howlader)	Business	Chairman	254-B, Khilgaon Chowdhury Para, Dhaka-1219	House#24, Road#20 Sector#13, Uttara, Dhaka
Mr. Mostafa Jamal Haider	Business	Managing Director	254-B, Khilgaon Chowdhury Para, Dhaka-1219	House#29, Road#2 Sector#3, Uttara, Dhaka
Mr. Syed Muhammed Abdul Mannan (S M A Mannan)	Business	Director	254-B, Khilgaon Chowdhury Para, Dhaka-1219	House# 227, Block# B, Abdur Rahman Road Basundhara R/A, Dhaka-1206
Mr. Md. Shamsul Haque	Former Director of BJMC, Dhaka	Independent Director	254-B, Khilgaon Chowdhury Para, Dhaka-1219	5E, Nakshi Palace, 2/Ka/14 Nawab Habibullah Road Shahbag, Dhaka-1205
Mr. Udoy Kumar Bhakat	General Manager, BDBL, Dhaka	BDBL Director	C/O Bangladesh Development Bank Limited. Head Office 8, Rajuk Avenue, Dhaka	"Mohona" Flat # F (4th Floor) 8/1 Siddeshwari Road Shantinagar, Dhaka-1217

MANAGEMENT & EXECUTIVES

Name of the Executives	Address	Educational Qualification	Designation	Place of Posting
Mostafa Jamal Haider	House # 29, Road # 2, Sector # 3 Uttara, Dhaka	M. A.	Managing Director	Head Office
Masudur Rahman	Urban Orchard, Apt. # 4-C House # 19, Road # 9-A Dhanmondi R/A, Dhaka 1209	MBA, IBA, DU	Executive Director & Company Secretary	Head Office
Nazrul Islam	Vill : Chander Howra, P.O. Sesta P.S. & Dist. Jamalpur	M. A.	General Manager (Admn. & HRD)	Factory
Ziaur Rahman	Vill: Balubari P.O. & Dist. Dinajpur	M. A.	Chief Finance Officer	Head Office
Abu Ahammed Sharif	Vill: West Fulbaria, P.O. & P.S.: Jamalpur, Dist. : Jamalpur	B.Sc. in Textile Technology	Senior Asst. General Manager (Production)	Factory

CORPORATE INFORMATION: JUNE 30, 2013

delta spinners limited

Registered and Corporate Office
254-B, Khilgaon Chowdhury Para, Dhaka-1219
Phone: +88-02-7213597, 7213697 **Fax:** +88-02-7213569
E-mail: deltagrp@bdmail.net; **Website:** www.delta-spinners.com

Date of Incorporation	:	July 23, 1979
Date of Conversion		March 14, 1991
Date of Commencement	:	August, 1994
Listing with Dhaka Stock Exchange	:	February 26, 1995
Listing with Chittagong Stock Exchange	:	December 26, 1996
Authorized Capital	:	Tk. 1,500 Million
Paid-up Capital	:	Tk. 458.628 Million
Shareholders' Equity	:	Tk. 1,230.850 Million
Net Operating Income	:	Tk. 73.850 Million
Total Assets	:	Tk. 2,860.528 Million
Number of Employees	:	1,720
Number of Shareholders	:	10,191

MANAGING DIRECTOR

Mostafa Jamal Haider

EXECUTIVE DIRECTOR & COMPANY SECRETARY

Masudur Rahman

LEGAL ADVISOR

Law Advisory Bureau
Suite No. 806, 8th Floor, 62-63, Amin Court, Motijheel C/A, Dhaka-1000

AUDITOR

M/S Mahfel Huq & Co
Chartered Accountants
BGIC Tower (4th Floor)
34, Topkhana Road, Dhaka-1000

BANKERS TO THE ISSUE OF RIGHTS ISSUE OF DELTA SPINNERS LIMITED

Investment Corporation of Bangladesh (ICB)

Head Office, Dhaka	Rajshahi Br., Rajshahi	Barishal Br., Barishal	Bogra Br., Bogra
Chittagong Br., Chittagong	Khulna Br., Khulna	Sylhet Br., Sylhet	Local Office, Dhaka

National Bank Limited

Banani Branch. Dhaka	Elephant Branch. Dhaka	Jatrabari Branch. Dhaka	Mokhali Branch. Dhaka	Uttara Branch. Dhaka
Dilkusha Branch. Dhaka	Foreign Exchange Branch. Dhaka	Karwan Branch. Dhaka	Motijheel Branch. Dhaka	Agrabad Branch, Chitagong
Dhanmondi Branch. Dhaka	Gulshan Branch. Dhaka	Mirpuir Branch. Dhaka	Malibahg Branch. Dhaka	Khatungonj Branch Chittagong

Southeast Bank Limited

Principal Branch, Dhaka	Corporate Branch, Dhaka	Banasree Branch, Dhaka	Khatungonj Branch, Chittagong	Sir Iqbal Road Branch, Khulna
Dhanmondi Branch, Dhaka	Bangshal Branch, Dhaka	Dhania Branch, Dhaka	Laldighirpar Branch, Sylhet	Mohakkali Branch, Dhaka
Uttara Branch, Dhaka	Gulshan Branch, Dhaka	Agrabad Branch, Chittagong	Bandar Bazar Branch, Sylhet	Mouchak Branch, Dhaka

Mercantile Bank Limited

Dhanmondi Br., Dhaka	Mirpur Br., Dhaka	Motijheel Br. Dhaka	Gulshan Br. Dhaka	Feni Br., Feni
Kawran Bazar Br. Dhaka	Uttara Br.,Dhaka	Mogbazar Br., Dhaka	Agrabad Br., Chittagong	Comilla Br., Comilla
Banani Br. Dhaka	Mohakhali Br., Dhaka	Sat Mashjid Road Br., Dhaka	Khatungonj Br., Chittagong	Sylhet Br., Sylhet

JUSTIFICATION OF THE ISSUE PRICE OF RIGHTS SHARES

The rights issue price at Tk. 10.00 each per share is justified as per the guidelines of the Bangladesh Securities And Exchange Commission as given in the table below:

SUMMARY OF PRICING METHODOLOGY		
Valuation Methods		Offer Price Amount in Taka
Method 1	**Net Asset Value per Share (Considering Revaluation Surplus)**	**26.82**
	Net Asset Value per Share (Without Considering Revaluation Surplus)	**13.13**
Method 2	**Average Market Price per Share**	**34.95**

Method 1: Net Assets Value (NAV) per share

	Particulars	As on June 30, 2013 Amount in Taka
A	**Non-Current Assets:**	
	Property, Plant & Equipment	1,482,240,510
	Unallocated Capital Expenditure	989,954
	Total Non-Current Assets	**1,483,230,464**
	Current Assets	
	Inventory	910,241,426
	Trade & Other Receivables	375,346,269
	Advance, Deposits & Pre-payments	80,123,234
	Cash & Cash Equivalent	11,587,045
	Total Current Assets	**1,377,297,974**
	Total Assets	**2,860,528,438**
B	**Non-Current Liabilities**	
	Long Term Borrowings	693,435,151
	Total Non-Current Liabilities	**693,435,151**
	Current Liabilities	
	Short Term Loan	487,237,777
	Current Portion of Long Term Loan	273,231,414
	Interest Payable to BDBL	35,835,039
	Trade & Others Payable	717,209
	Worker's Profit Participation Fund	4,744,132
	Unclaimed Dividend	43,889,345
	Unclaimed Dividend (Directors)	9,466,197
	Provision for Tax: Current Tax	24,812,136
	Deferred Tax	44,404,077
	Liabilities for Expenses	11,905,753
	Total Current Liabilities	**936,243,078**
	Total Liabilities	**1,629,678,229**
C	**Revaluation Reserve**	**628,834,161**
D =(A-B)	**Net Asset Value Considering Revaluation Reserve**	**1,230,850,209**
E=(A-B-C)	**Net Asset Value Without Considering Revaluation Reserve**	**602,016,048**
F	**Total Number of Ordinary Share Outstanding**	**45,862,800**
G=(D/F)	**Net Asset Value Per Share Considering Revaluation Reserve**	**26.82**
H=(E/F)	**Net Asset Value Per Share Without Considering Revaluation Reserve**	**13.13**

NAV is also equivalent to the Equity Based Value per share which is depicted below:

Sl. No.	Particulars	As on June 30, 2013 Amount (BDT)
A	Share Capital	458,628,000
	Revaluation Reserve	628,834,161
	Retained earnings	141,171,274
	Total Shareholders' Equity	**1,228,633,435**
	Non-Controlling Shares	**2,216,773**
	Total Equity (Considering Revaluation Reserve)	**1,230,850,208**
	Less: Revaluation Reserve	628,834,161
	Total Shareholders' Equity (Without considering revaluation surplus)	**602,016,047**
B	**Total Number of Shares (As per Audit Accounts June 30, 2013)**	**45,862,800**
C	**Equity Based Value per Share considering revaluation surplus**	**26.82**
D	**Equity Based Value per Share without considering revaluation surplus**	**13.13**

Method 2: Average Market Price per Share

(Amount in BDT)

Date	Market Performance	
	Face Value	Price
Market price per share as on 30 January 2014	10.00	40.40
Market price per share as on 30 December 2013	10.00	40.90
Market price per share as on 28 November 2013	10.00	29.80
Market price per share as on 31 October 2013	10.00	30.50
Market price per share as on 30 September 2013	10.00	32.80
Market price per share as on 29 August 2013	10.00	35.30
Average Market Price per Share	10.00	34.95

(Source: DSE Monthly Review, Considering Taka 10.00 per share

LENGTH OF TIME DURING WHICH THE ISSUER HAS CARRIED ON BUSINESS

Delta Spinners Limited is incorporated as a Private Limited Company on July 23, 1979 and converted into Public Limited Company on March 14, 1991 under the Companies Act, 1913. It has enlisted with the Stock Exchanges as a publicly listed Company dated February 26, 1995 and December 26, 1996 in the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited respectively.

The company started its commercial operation on August, 1994 and has completed successfully 18 years of business operation.

IMPLEMENTATION SCHEDULE

The proceeds received from right issue will be implemented in the following manner:

Purpose	Amount in Taka	Implementation Period (Tentative)
Balancing, Modernization and Replacement (BMR) of existing textile spinning mills	172,000,000.00	12 month after receiving the fund
Expansion through product diversification	555,500,000.00	12 month after receiving the fund
Partial repayment of Long Tern Lease/Long Term Loans of the Financial Institutions	183,500,000.00	02 month after receiving the fund
Rights Issue Expenses	6,256,000.00	04 month after receiving the fund
Total	917,256,000.00	

Sd/-
Md. Ziaur Rahman
Chief Financial Officer

Sd/-
Mostafa Jamal Haider
Managing Director

QUANTIY OF SHARES HELD BY EACH DIRECTOR ON THE DATE OF THE RIGHTS SHARE OFFER DOCUMENT

As on February 20, 2014

Name of the Directors	Position	Number of Shares	Percentage (%)
Rustom Ali Howlader (R A Howlader)	Chairman	13,85,250	3.02
Mostafa Jamal Haider	Managing Director	21,14,100	4.61
Syed Muhammed Abbdul Mannan (S. M. A. Mannan)	Director	13,92,525	3.04
Md. Shamsul Haque	Independent Director	Nil	Nil
Udoy Kumar Bhakat	BDBL Director	Nil	Nil

COMPOSITION OF SHAREHOLDING POSITION OF THE COMPANY

As on February 20, 2014

Particulars	No. of Shares Held	Total Amount of Shares	% of Total Shares
Sponsors & Directors	14,806,320	148,063,200	33%
General Public	25,166,955	251,669,550	54%
Institutions	5,889,525	58,895,250	13%
Government	Nil	Nil	Nil
Total	**45,862,800**	**458,628,000**	**100%**

BENEFICIAL OWNERS HOLDING SHARES 5% OR ABOVE

This is to declare that **Delta Spinners Limited** do not have any share holder who hold 5% or more shares of the Company as per [Rule-8(I)] of the Securities And Exchange Commission (Rights Issue) Rules, 2006.

Sd/-
Md. Ziaur Rahman
Chief Financial Officer

Sd/-
Mostafa Jamal Haider
Managing Director

PUBLIC LISTED COMPANY UNDER COMMON MANAGEMENT

As per the Securities And Exchange Commission (Rights Issue) Rules, 2006; there is no Public Listed Company under the common Management of Delta Spinners Limited.

CLASSIFIED INFORMATION & UNDERWRITERS

ISSUE MANAGER	BANCO FINANCE **BANCO FINANCE AND INVESTMENT LIMITED** Baitul View Tower (11th Floor), 56/1, Purana Paltan, Dhaka-1000	
AUDITOR	**M/s Mahfel Huq & Co** Chartered Accountants BGIC Tower (4th Floor), 34, Topkhana Road, Dhaka-1000	
BANKER	**Investment Corporation of Bangladesh (ICB)**	
	National Bank Limited	
	Southeast Bank Limited	
	Mercantile Bank Limited	
COMPLIANCE OFFICER OF MANAGER TO THE ISSUE	**Mohammad Nuruzzaman** Deputy Manager	**Tanvir Ul Alam** Assistant Manager
COMPANY'S COMPLIANCE OFFICER	**Mr. Masudur Rahman** Executive Director & Company Secretary	
LEGAL ADVISOR	**Law Advisory Bureau** Suite No. 806, 8th Floor, 62-63, Amin Court, Motijheel C/A, Dhaka-1000	

Delta Spinners Limited is going to offer rights share of **91,725,600** Ordinary Shares at **Tk. 10.00** each at par totaling **Tk. 917,256,000** offered on the basis of 02(R): 01 i.e. 2 (Two) Rights Share for 1 (One) existing share held. As per Securities and Exchange Commission's guideline, the issuer of a listed security making rights issue shall appoint one or more underwriters licensed under **সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬** to fully underwrite the rights issue on a firm commitment basis. Underwriting commission will be @ 0.20% on the underwritten amount and there will be no additional commission for take-up unsubscribe portion of shares if any.

Name of Underwriters	No. of Shares to be Underwritten	Offer price (BDT)	Total Amount of Underwritten (BDT)
BMSL Investment Limited Shadharan Bima Tower (7th Floor), 37 Dilkusha C/A, Dhaka-1000	5,000,000	10.00	50,000,000
Banco Finance And Investment Limited Baitul View Tower (11th floor), 56/1 Purana Paltan, Dhaka-1000	75,000,000	10.00	750,000,000
Royal Green Capital Market Limited 12/1, R.K. Mission Road, Dhaka-1000	3,000,000	10.00	30,000,000
Swadesh Investment Management Limited Suite 01, Level 11, Unique Trade Center, 8 Panthapath, Karwan Bazar, Dhaka	4,000,000	10.00	40,000,000
GSP Finance Company (Bangladesh) Limited 1 Paribagh, Mymensing Road, Ramna, Dhaka	2,000,000	10.00	20,000,000
Citizen Securities & Investment Limited Al-Razi Complex (8th Floor), 166-167, SS Nazrul Islam Sarani, Purana Paltan, Dhaka	2,725,600	10.00	27,256,000
Total	91,725,600	10.00	917,256,000

UNDERWRITERS' OBLIGATION

If and to the extent that the shares offered to the existing shareholders by the Rights Share Offer Document authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within **10 (ten)** days of the closure of subscription call upon the underwriters **(for full unsubscribed amount)** in writing with a copy of said writing to the Securities and Exchange Commission, to subscribe for shares not subscribed by the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within **15 (fifteen)** days after being called upon to do so. If payment is made by Cheque/Company Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his commitment under this Agreement, until such time as the Cheque/Company Draft has been encashed and the Company's account has been credited. In any case, within **7 (seven)** days after the expiry of the aforesaid **15 (fifteen)** days, the Company shall send proof of subscription and payment by the underwriters, to the Commission.

DIRECTORS' TAKE-UP IN THE RIGHTS OFFER

Directors are expected to exercise in full their portion of Rights Offer [Rule-8(Q)] is as under:

Name	Position	Nos. of Shares Held	No. of Rights Share Offered	No. of Rights Share to be Renounced	Reason of Renunciation
Rustom Ali Howlader (R A Howlader)	Chairman	13,85,250	27,70,500	N/A	N/A
Mostafa Jamal Haider	Managing Director	21,14,100	42,28,200	N/A	N/A
Syed Muhammed Abbdul Mannan (S. M. A. Mannan)	Director	13,92,525	27,85,050	N/A	N/A
Md. Shamsul Haque	Independent Director	Nil	Nil	N/A	N/A
Udoy Kumar Bhakat	BDBL Director	Nil	Nil	N/A	N/A

TERMS AND CONDITIONS OF THE RIGHTS ISSUE

Basis of the Offer

The Company records its share register of members on **April 28, 2014** for determining the shareholders who are eligible to receive this offer of shares on rights basis. The ordinary shares are now being offered on a rights basis to the shareholders holding shares on the record date at **Tk.10.00** each at par in the ratio of 02(R): 01 i.e. 02 (two) rights share for 01 (one) existing share held on the record date.

Entitlement

As a shareholder of the Company on the record date on **April 28, 2014** the shareholders are entitled to this Rights Offer. Only the holder(s) of a minimum of one fully paid ordinary share is entitled to receive the Rights Offer.

Acceptance of the Offer

A shareholder may accept and apply for the shares hereby offered, wholly or in part by filling in Application - Form A and submitting the same along with the application money to the Bankers to the Issue on or before the Closing Date of subscription of **August 31, 2014**.

Renunciation

A shareholder may renounce all or part of the shares he/she is entitled to in favour of any other person(s) other than an infant or person of unsound mind. He/she can renounce his/her rights/entitlement of shares by signing Renunciation Form-B. Renouncee(s) shall fill in Form-C appropriately.

General

All applications should be made on the printed form provided by the Company in this Rights Share Offer Documents only and should be completed in all respects. Applications which are not completed in all respects or are made otherwise than as herein provided or are not accompanied by the proper application amount of deposit are liable to be rejected and the application money received in respect thereof shall be refunded.

All communications in connection with the application for the Rights Share should be addressed to the Company quoting the registered folio number/BO ID number in the form.

Condition of Subscription

Rights Offer of **91,725,600** Ordinary Shares of **Tk. 10.00** each at par, totaling **Tk. 917,256,000** offered on the basis of **02(R):01** i.e., 2 (two) rights share for 1 (One) existing share held by the Shareholder(s) whose name(s) appeared in the Company's Share Register at the record date as on **April 28, 2014**.

Payment of Share Price

Payments for the full value of Shares applied for shall be made with designated Branches of Bankers to the Issue by Cash/Pay Order/Demand Draft payable to "**Delta Spinners Limited**" and crossed. The Pay Order/Demand Draft for payment of share price must be drawn on a Company in the same town to which the application form has been submitted.

SUBSCRIPTION STATUS	
Opens on	Closes on
August 05, 2014	August 31, 2014
Within Banking Hours	

Any changes or extension regarding subscription period will be notified through national dailies.

Lock-in on Rights Share

The Rights Shares of Directors and other shareholders holding 5% or more shares shall be subject to lock-in for a period of three years from the date of closure of the rights share subscription. In the event of renunciation of rights shares by aforesaid persons, the renounced shares shall also be subject to lock-in for the same period shall be operative.

Name	Position	Nos. of Shares Held	Percentage (%)	Date of Subscription Close	Expiry Date of Lock-in
Rustom Ali Howlader (R A Howlader)	Chairman	13,85,250	3.02	August 31, 2014	August 30, 2017
Mostafa Jamal Haider	Managing Director	21,14,100	4.61	August 31, 2014	August 30, 2017
Syed Muhammed Abbdul Mannan (S. M. A. Mannan)	Director	13,92,525	3.04	August 31, 2014	August 30, 2017
Md. Shamsul Haque	Independent Director	Nil	Nil	N/A	N/A
Udoy Kumar Bhakat	BDBL Director	Nil	Nil	N/A	N/A

N.B. No holdings of any directors or shareholders 5% or more shares of the paid up capital

Others

The application not properly filled in shall be treated as cancelled and deposited money will be refunded. For any reason, no profit/compensation will be paid on the refunded amount.

The offer will be deemed to have been declined if completed Application Form-A with necessary payments have not been received by **August 31, 2014** or by such later date as may be notified through national dailies to that effect.

MATERIAL CONTRACTS

Bankers to the Issue

Southeast Bank Limited, National Bank Limited, Mercantile Bank Limited and Investment Corporation of Bangladesh (ICB) are the Bankers to the issue who will collect the subscriptions money of the Rights Offer. Commission **@ 0.10%** of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them. The rights issue subscriptions money collected from the shareholders by the Bankers to the issue will be remitted to the Company's **Short Term Deposit Account (STD) No. 003113100000760** with **Southeast Bank Limited**.

Underwriters

Full amount of Rights Offer of Delta Spinners Limited have been underwritten by **06 (Six)** underwriters as shown in the classified information part of ROD. Each underwriter will be paid underwriting commission **@ 0.20%** of the nominal value of shares underwritten by them out of the rights issue. Simultaneously, with the calling upon an underwriter to subscribe and pay for any number of shares, the company will pay no additional commission to that underwriter on the nominal value of shares required to be subscribed by them.

Manager to the Issue

Banco Finance and Investment Limited is appointed as Manager to the Issue of the rights issue of the Company. Accordingly, an agreement was made between the Issue Manager and the Company. The Company will pay lump-sum issue management fee amounting **BDT 700,000** to the Manager to the Issue.

Vendor's Agreement

No specific contract exists with any particular supplier for any materials either fixed or working in nature. Normally the operation of the commercial activities of the company is running through Letter of Credit and work orders.

Contract for Acquisition of Property

The Company did not acquire any property or enter into agreement for acquisition of property after the Balance Sheet Date of 1st July, 2012 to 30th June, 2013.

FORM - A
[rule 5 and rule 8(t)]

DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE ISSUE MANAGER IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF DELTA SPINNERS LIMITED

This rights share offer document has been reviewed by us and we confirm after due examination that the rights share offer document constitutes full and fair disclosures about the rights issue and the issuer and complies with the requirements of the Securities and Exchange Commission (Rights Issue) Rules, 2006; and that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

For Banco Finance and Investment Limited.

Sd/-
(Mohammad Hamdul Islam)
Managing Director & CEO

Place: Dhaka
Dated: January 08, 2014

FORM - B
[rule 6 and rule 8(t)]

DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE UNDERWRITER(S) IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF DELTA SPINNERS LIMITED

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

Place: Dhaka

For
(Name of Underwriters)

BMSL Investment Limited
Royal Green Capital Market Limited
Banco Finance and Investment Limited
Citizen Securities & Investment Limited
Seadesh Investment Management Limited
GSP Finance Company (Bangladesh) Limited

Sd/-
(Managing Director/Chief Executive Officer)

FORM- C
SECURITIES AND EXCHANGE COMMISSION (RIGHT ISSUE) RULES, 2006
[see rule 8(h), 8(i) and 8 (t)]

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accompanying financial statements for year ended June 30, 2013 of **Delta Spinners Limited** in accordance with the International Standards of Auditing, as applicable in Bangladesh and we state that we have obtained all the information and explanations which we have required and after due verification thereof, we report that, in our opinion:

(a) These financial statements have been drawn up in accordance with the requirements of The Securities and Exchange Rules, 1987, as amended, the Companies Act, 1994 and other relevant laws where applicable and the international Accounting Standards, as applicable in Bangladesh.

(b) These Financial Statements which are in agreement with the books of account of the Issuer Company give a true and fair view of the state of its affairs as at June 30, 2013 and of the result of its operations and cash flows for the year then ended.

(c) Proper books of account have been kept by the Company as required by the relevant laws; and

(d) The expenditure incurred was for the purposes of the Issuer Company's business.

We also certify that the above Company has declared the following dividend for each of the following five years immediately preceding the issue of rights share offer document under the Securities and Exchange Commission (Rights Issue) Rules, 2006, and that the Company has duly paid off the following amounts of the declared dividend mentioned against respective year:

Financial Year	Date of Dividend Declaration	Rate (%)		Total Amount (Tk.)	Total Paid (Tk.)
		Cash	Stock		
2008-2009	29.10.2009	10.00%	-	15,287,600.00	10,110,719.00
2009-2010	12.12.2010	10.00%	-	30,575,200.00	17,853,001.00
2010-2011	01.11.2011	10.00%	-	30,575,200.00	16,306,659.00
2011-2012	29.09.2012	-	50.00%	152,876,000.00	Fully Allotted
2012-2013	09.11.2013	10.00%	-	45,862,800.00	Not yet paid

Sd/-
Mahfel Huq & Co
Chartered Accountants

Dated: Dhaka
6th January, 2014

FORM-D
[see rule 8(t)]

DUE DILIGENCE CERTIFICATE BY THE DIRECTORS ABOUT THEIR PERSONAL RESPONSIBILITY IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF DELTA SPINNERS LIMITED

This rights share offer document has been prepared, seen, reviewed and approved by us and we collectively and individually accept full responsibility for the accuracy of the information given in the rights share offer document, relevant documents and financial statements submitted to the Commission and others concerned under the Securities and Exchange Commission (Rights Issue) Rules, 2006. We confirm, after making all reasonable enquiries, that all conditions concerning this rights issue and rights share offer document have been met. We further confirm that we have not concealed any information or statement which might have any bearing on the information already made. In case of any default or failure on our part, civil, criminal or administrative action may be taken against us.

Sd/-
R A Howlader
Chairman

Sd/-
S M Abdul Mannan
Director

Sd/-
Md. Shamsul Haque
Independent Director

Sd/-
Mostafa Jamal Haider
Managing Director

Sd/-
Udoy Kumar Bhakat
BDBL Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DELTA SPINNERS LIMITED

We have audited the accompanying financial statements of **Delta Spinners Limited**, which comprise the Statement of Financial Position as at 30 June 2013 and the related Statement of 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards, the Companies Act 1994, Securities and Exchange Rule 1987 and other applicable laws and 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.

Auditor's Responsibility

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 (BSA). 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 the material misstatement, the auditors 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.

Opinion:

In our opinion, the financial statements present fairly, in all material respect, the financial position of Delta Spinners Limited as at 30 June 2013 and its financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards and comply with the Companies Act 1994, 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 financial statements dealt with by the report are in agreement with the books of account; and

d) the expenditure incurred and payments made were for the purpose of the Company's business;

Sd/-
Mahfel Huq & Co
Chartered Accountants

Dated: Dhaka
January 6, 2014

DELTA SPINNERS LIMITED

Consolidated Statement of Financial Position (Recasted)

As at 30 June 2013

PARTICULARS	Notes	Consolidated		The Company	
		30-06-2013	30-06-2012	30-06-2013	30-06-2012
NON-CURRENT ASSETS		**1,483,230,464**	**1,574,752,400**	**1,481,872,217**	**1,574,709,918**
Property, Plant & Equipment	3.00	1,482,240,510	1,573,446,171	1,342,309,167	1,434,946,868
Preliminary expenses	4.00	-	316,275	-	-
Unallocated Capital Expenditure	5.00	989,954	989,954	-	-
Investment	6.00			139,563,050	139,763,050
CURRENT ASSETS		**1,377,297,974**	**1,039,603,674**	**1,375,177,539**	**1,036,517,940**
Inventory	7.00	910,241,426	810,714,039	910,241,426	810,714,039
Trade & Other Receivables	8.00	375,346,269	93,675,018	373,469,840	93,173,559
Advance, deposit & pre-payments	9.00	80,123,234	123,054,613	80,022,695	122,985,113
Cash & cash equivalent	11.00	11,587,045	12,160,004	11,443,578	9,645,229
TOTAL ASSETS		**2,860,528,438**	**2,614,356,074**	**2,857,049,756**	**2,611,227,858**
SHARE HOLDERS EQUITY		**1,230,850,208**	**1,182,957,163**	**1,227,766,345**	**1,180,426,099**
Share Capital	12.00	458,628,000	305,752,000	458,628,000	305,752,000
Revaluation Reserve	14.00	565,896,710	628,834,161	565,896,710	628,834,161
Retained Earnings	16.00	204,108,725	246,264,789	203,241,635	245,839,938
Equity attributable to owners of the Company		**1,228,633,435**	**1,180,850,950**	**1,227,766,345**	**1,180,426,099**
Non-Controlling Shares	17.00	2,216,773	2,106,213	**-**	**-**
NON-CURRENT LIABILITIES		**693,435,151**	**701,287,297**	**693,435,151**	**701,287,297**
Long Term Borrowings	18.00	693,435,151	701,287,297	693,435,151	701,287,297
CURRENT LIABILITIES		**936,243,078**	**730,111,614**	**935,848,259**	**729,514,462**
Short Term Loan	19.00	487,237,777	355,746,875	487,237,777	355,746,875
Current portion of Long Term Loan	20.00	273,231,414	223,754,758	273,231,414	223,754,758
Interest payable to BDBL	21.00	35,835,039	25,485,702	35,835,039	25,485,702
Trade & Others Payable	22.00	717,209	664,807	717,209	664,807
Workers Profit Participation Fund	23.00	4,744,132	3,788,243	4,744,132	3,788,243
Unclaimed Dividend	24.00	43,889,345	44,064,353	43,889,345	44,064,353
Unclaimed Dividend (Directors)	25.00	9,466,197	9,466,197	9,466,197	9,466,197
Provision for Tax: Current Tax	26.00	24,812,136	24,525,384	24,480,457	24,206,746
Deferred Tax Liabilities	27.00	44,404,077	32,671,360	44,404,077	32,671,360
Liabilities for expenses	28.00	11,905,753	9,943,935	11,842,613	9,665,421
TOTAL LIABILITIES		**1,629,678,229**	**1,431,398,911**	**1,629,283,410**	**1,430,801,759**
TOTAL EQUITY AND LIABILITIES		**2,860,528,438**	**2,614,356,074**	**2,857,049,756**	**2,611,227,858**
NAV PER SHARE-TAKA (INCLUDING REVALUATION)		**26.82**	**25.76**	**26.77**	**25.74**

These financial statements should be read in conjunction with the annexed notes from 1 to 47.

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

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

January 06, 2014

Sd/-
Mahfel Huq & Co
Chartered Accountants

DELTA SPINNERS LIMITED
Statement of Comprehensive Income
For the year ended 30 June 2013

Particulars	Notes	Consolidated Amount in Taka		The Company Amount in Taka	
		30-06-13	30-06-12	30-06-13	30-06-12
Turnover	29.00	1,665,803,050	1,451,818,503	1,654,925,495	1,447,465,863
Cost of Goods Sold	30.00	1,396,102,838	1,213,979,924	1,386,812,101	1,210,445,322
Gross Profit		**269,700,212**	**237,838,579**	**268,113,394**	**237,020,541**
Operating Expenses:		**195,849,974**	**157,820,675**	**195,147,634**	**157,682,399**
Administrative & selling Expenses	31.00	39,087,852	35,616,216	38,388,908	35,478,464
Financial Expenses	32.00	156,762,122	122,204,459	156,758,726	122,203,935
Net Profit from Operation		**73,850,238**	**80,017,904**	**72,965,760**	**79,338,142**
Non-Operating Income	34.00	6,404	1,087,224	6,404	1,087,224
Net Profit Before Provisions		**73,856,642**	**81,105,128**	**72,972,164**	**80,425,366**
Contribution to WPP Fund	23.00	3,474,560	3,778,007	3,474,560	3,778,007
Net Profit before tax		**70,382,082**	**77,327,121**	**69,497,604**	**76,647,359**
Provision for tax: Current Tax		(10,756,320)	(11,752,015)	(10,424,641)	(11,497,104)
Deferred Tax (Expenses) / Income	35.00	(11,732,717)	27,957,586	(11,732,717)	27,957,586
Net profit after tax		**47,893,045**	**93,532,692**	**47,340,246**	**93,107,841**
Non-Controlling Interest 20% of NPAT		110,560	-	-	-
Profit for Ordinary Shareholders		**47,782,485**	**93,532,692**	**47,340,246**	**93,107,841**
EPS	36.00	**1.04**	**2.04**	**1.03**	**2.03**

These financial statements should be read in conjunction with the annexed notes from 1 to 47.

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

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

January 06, 2014

Sd/-
Mahfel Huq & Co
Chartered Accountants

DELTA SPINNERS LIMITED
Statement of Changes in Shareholders' Equity (Recasted)
For the year ended 30 June 2013

CONSOLIDATED

Particulars	Share Capital	Capital Reserve	Revaluation Reserve	Tax Holiday Reserve	Non-Controlling Shares	Retained Earnings	Total
Opening Balance as on 01-07-2012	305,752,000	-	628,834,161	-	2,106,213	246,264,789	1,182,957,163
Net profit after tax for the period	-	-	-	-	110,560	47,782,485	47,893,045
Transferred to Retained Earning	-	-	(62,937,451)	-	-	62,937,451	-
Issue of bonus share	152,876,000	-	-	-	-	(152,876,000)	-
AS AT 30 JUNE, 2013 TK.	**458,628,000**	**-**	**565,896,710**	**-**	**2,216,773**	**204,108,725**	**1,230,850,208**

CONSOLIDATED

For the year ended 30 June 2012

Particulars	Share Capital	Capital Reserve	Revaluation Reserve	Tax Holiday Reserve	Non-Controlling Shares	Retained Earnings	Total
Opening Balance as on 01-07-11	305,752,000	4,210,092	285,947,789	34,008,975	2,000,000	30,585,892	662,504,748
Net profit after tax for the period	-	-	-	-	106,213	93,532,692	93,638,905
Dividend for the year 2010-11	-	-	-	-	-	(30,575,200)	(30,575,200)
Transferred to Retained Earning	-	(4,210,092)	(114,502,338)	(34,008,975)	-	152,721,405	-
Revaluation for the period	-	-	457,388,710	-	-	-	457,388,710
AS AT 30 JUNE, 2012 TK.	**305,752,000**	**-**	**628,834,161**	**-**	**2,106,213**	**246,264,789**	**1,182,957,163**

These financial statements should be read in conjunction with the annexed notes from 1 to 47.

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

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

January 06, 2014

Sd/-
Mahfel Huq & Co
Chartered Accountants

DELTA SPINNERS LIMITED
Statement of Changes in Shareholders' Equity (Recasted)
For the year ended 30 June 2013

THE COMPANY

Particulars	Share Capital	Capital Reserve	Revaluation Reserve	Tax Holiday Reserve	Retained Earnings	Total
Opening Balance as on 01-07-2012	305,752,000	-	628,834,161	-	245,839,938	1,180,426,099
Net profit after tax for the period	-	-	-	-	47,340,246	47,340,246
Transferred to Retained Earning	-	-	(62,937,451)	-	62,937,451	-
Issue of bonus share	152,876,000	-	-	-	(152,876,000)	-
AS AT 30 JUNE, 2013 TK.	**458,628,000**	**-**	**565,896,710**	**-**	**203,241,635**	**1,227,766,345**

THE COMPANY

For the year ended 30 June 2012

Particulars	Share Capital	Capital Reserve	Revaluation Reserve	Tax Holiday Reserve	Retained Earnings	Total
Opening Balance as on 01-07-11	305,752,000	4,210,092	285,947,789	34,008,975	30,585,892	660,504,748
Net profit after tax for the period	-	-	-	-	93,107,841	93,107,841
Dividend for the year 2010-11	-	-	-	-	(30,575,200)	(30,575,200)
Transferred to Retained Earning	-	(4,210,092)	(114,502,338)	(34,008,975)	152,721,405	-
Revaluation for the period	-	-	457,388,710	-	-	457,388,710
AS AT 30 JUNE, 2012 TK.	**305,752,000**	**-**	**628,834,161**	**-**	**245,839,938**	**1,180,426,099**

These financial statements should be read in conjunction with the annexed notes from 1 to 47.

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

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

January 06, 2014

Sd/-
Mahfel Huq & Co
Chartered Accountants

DELTA SPINNERS LIMITED

Consolidated Statement of Cash Flow

For the year ended 30 June 2013

Particulars	Consolidated		The Company	
	Amount in taka		Amount in taka	
	30-06-13	30-06-12	30-06-13	30-06-12
Cash Flow from Operating Activities				
Collection from Turnover	1,384,138,203	1,440,027,470	1,374,635,618	1,434,870,497
Misc. Income	-	-	-	-
Payment for Cost and Expenses	(1,373,485,862)	(1,309,588,276)	(1,363,597,082)	(1,305,058,060)
Income tax paid	(10,469,568)	(9,529,285)	(10,150,930)	(9,529,285)
Prepayments and Deposits	-	(69,500)	-	-
WPP Fund Paid During the Year	(2,518,671)	(1,100,000)	(2,518,671)	(1,100,000)
Net Cash Flow from Operating Activities	**(2,335,898)**	**119,740,409**	**(1,631,065)**	**119,183,152**
Cash Flow from Investing Activities				
Fixed Assets	(73,596,042)	-	(72,132,963)	(2,088,817)
Investment in Delta Ceramics Ltd.	-	(141,894,349)	200,000	(12,680,000)
Net Cash Flow from Investing Activities	**(73,596,042)**	**(141,894,349)**	**(71,932,963)**	**(14,768,817)**
Cash Flow From Financing Activities				
Fund received by DCL from Delta Spinners Ltd	-	127,083,050	-	-
Issue of shares	-	2,000,000	-	-
Short Term Loan Increase/(Decrease)	131,490,902	(271,470)	131,490,902	(271,470)
Working Capital Loan Increase/(Decrease)	10,349,337	24,903,024	10,349,337	24,903,024
Long Term loan Increase/(Decrease)	41,624,510	4,812,630	41,624,510	4,812,630
Financial Expenses	(107,930,760)	(122,203,935)	(107,927,364)	(122,203,935)
Dividend Paid	(175,008)	(17,349,289)	(175,008)	(17,349,289)
Net Cash Flow from Financing Activities	**75,358,981**	**18,974,010**	**75,362,377**	**(110,109,040)**
Increase/(Decrease) in Cash and Cash Equiva.	**(572,959)**	**(3,179,930)**	**1,798,349**	**(5,694,705)**
Opening Cash and Cash Equivalents	12,160,004	15,339,934	9,645,229	15,339,934
Closing Cash and Cash Equivalents	**11,587,045**	**12,160,004**	**11,443,578**	**9,645,229**
Operating Cash flow per share (Taka)	**(0.05)**	**2.61**	**(0.04)**	**2.60**

These financial statements should be read in conjunction with the annexed notes from 1 to 47.

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

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

January 06, 2014

Sd/-
Mahfel Huq & Co
Chartered Accountants

DELTA SPINNERS LIMITED

254-B Khilgoan Chowdhury Para, Dhaka-1219

Notes to the Financial Statements

For the year ended 30 June, 2013

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 private Limited Company with the Registrar of Joint Companies and Firms under the Companies Act 1994.

The registered office of the company is located 254-B Khilgoan Chowdhury Para Dhaka-1219. The industrial units are 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” would be to manufacture various kinds of ceramics wares. The company could not start commercial operation. During the year 2012-2013, the Company however 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.

The Company's 33rd Annual General Meeting (AGM) for the year ended 30 June, 2013 was held on 28 December 2013. In the said AGM, the shareholders of the Company unanimously decided to transfer the quantum of depreciation amounting to Tk. 62,937,451 on revalued amount of Property, Plant & Equipment to retained earnings as per BAS -16. According to the decision of the AGM, the Company, therefore, transfered the amount of depreciation of Tk. 62,937,451 to retained earnings and recasted the Financial Statements giving effect of depreciation amount on revalued assets in respective accounts namely, (a) Consolidated Statement of Financial Position, (b) Statement of Changes in Shareholders' Equity and Notes to the Financial Statement No. 3.01 & 3.02, 14 and 16. The recasting, however, did not have any effect on the financial results.

2.01 Corporate Financial Statements

This comprises Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and explanatory notes covering accounting policies. This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994 and the Bangladesh Accounting Standards (BASs) 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 this financial statements.

Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

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 in herent uncertainities involved in making estimets actual results may differ from these estimates and under lying assumptions are reviewed on a going basis.

2.03 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the Financial Statement. 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 Cetramics Limited made for the year covering the period from 01-07-2012 to 30-06-2013. The consolidated financial statements are prepared to a common financial year ending 30 June.

(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 of which control ceases.

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

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

(b) Transactions elimanated 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 eleminated in preparing consolidated financial statements.

2.06 Reporting Period

The financial statements covers 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 convection 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 profit 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 Flow
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 25	Investment
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
BAS 38	Intangible Assets

The related BFRSs are also complied for the preparation of this financial statement.

2.12 Net Profit Before Tax

Net Profit 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 Regulatory Compliance

The financial Statement have been prepared in compliance with the following laws and regulations

The Company Act, 1994
The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax (VAT) Act, 1991
The Custom Act 1969
Security and Exchange Rules, 1987
Security and Exchange Ordinance, 1969

2.14 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.

2.15.1 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.

2.15.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than Land & Land Development had 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 and retirement irrespective of date of retirement.

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	15%
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%

2.15.3 Impairment of assets

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

2.16 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-progress, 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 Progress	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

2.17 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.

2.18 Cash & 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.

2.2 Income Tax

2.20.1 Current Tax

Provision for taxation has been made as per rates prescribed in Finance Act 2013 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 as the company earned taxable income.

2.20.2 Deferred Tax

The company reorganized of 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.

2.21 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 & 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.

2.22 Employee Benefit

Workers Profit Participation Fund (WPPF)

During the year under review the Company operates 'Workers Profit Participation Fund as per section-234 of Bangladesh Labor Act-2006 and provision has been made during the year @ 5% of the profit after charging such expense before income tax and other income.

2.23 Financial expenses

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

2.24 Statement of Cash Flow

Statement of Cash Flow 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.

2.25 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.

2.26 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share is the basic earnings dividing by the retrospective effect has been given for calculation of previous year earning as well number of ordinary shares outstanding at the end of the year.

2.27 Components of Financial Statements

The financial statements comprises the following;

• Statement of Financial Position as on 30th June 2013
• Statement of Comprehensive Income for the year ended 30th June 2013
• Statement of Change in Equity for the year ended 30th June 2013
• Statement of Cash Flow for the year ended 30th June 2013
• Accounting Policies and explanatory notes to the Financial Statement

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12
3.00 Property, Plant & Equipment				
These have arrived at as under:				
Cost (Opening Balance)	2,913,100,192	2,315,123,362	2,774,600,889	2,315,123,362
Add: Addition during the year	73,596,042	140,588,120	72,132,963	2,088,817
Add: Revalued during the year	-	457,388,710	-	457,388,710
Total Cost (a)	**2,986,696,234**	**2,913,100,192**	**2,846,733,852**	**2,774,600,889**
Less: Accumulated Depreciation	1,339,654,021	1,217,501,776	1,339,654,021	1,217,501,776
Add: Depreciation Charged	164,801,703	122,152,245	164,770,664	122,152,245
Total Depreciation (b)	1,504,455,724	1,339,654,021	1,504,424,685	1,339,654,021
WDV as on 30.06.2013	**1,482,240,510**	**1,573,446,171**	**1,342,309,167**	**1,434,946,868**

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. The addition to fixed assets during the year includes Tk. 6,26,85,955 cost of machinery " O T CLEANER 137 set", Inverter, PLC, etc procured from local supplier and Tk. 66,21,617 Electric substation & power connection.

3.01 The company revalued its Land and Land Development, Buildings, Plant and Machinery and Electric Sub-station & Power Connection as on 15 April, 2012 by A. Matin & Co. Chartered Accountants to reflect the up to date value of these existing assets. In the financial statements as at 30 June, 2012 details of the revaluation of the assets were given as shown below:

Particulars	Net Book Value	Revalued Amount	Value Increase due to Revaluation
Land and Land Development	157,504,800	248,397,000	90,892,200
Buildings	252,407,394	336,616,381	84,208,987
Plant and Machinery	647,002,275	925,805,551	278,803,276
Electric Sub-station & Power Connection	27,701,924	31,186,171	3,484,247
Office Equipment	2,329,708	2,329,708	-
Furniture and Fixture	2,485,277	2,485,277	-
Air Conditioner	781,085	781,085	-
Vehicles	3,793,163	3,793,163	-
Electric Equipment	3,613,687	3,613,687	-
Books and Periodicals	2,273	2,273	-
Total:	**1,097,621,586**	**1,555,010,296**	**457,388,710**

3.02 Breakdown of revalued amount

Particulars	W.D.V of Previous Revalued Amount 30.06.2012	Value Increase due to Revaluation 30.06.2012	Total of Revaluation 01.07.2012	Rate of Dep.	Depreciation During The Year	Revaluation Reserve Amount 30.06.2013
Land and Land Development	60,323,231	90,892,200	151,215,431	0%	-	151,215,431
Buildings	31,766,732	84,208,987	115,975,719	7.50%	8,698,179	107,277,540
Plant and Machinery	78,741,369	278,803,276	357,544,645	15%	53,631,697	303,912,948
Electric Sub-station & Power Connection	601,588	3,484,247	4,085,835	15%	612,875	3,472,960
Office Equipment	(57,579)	-	(57,579)	15%	(8,637)	(48,942)
Furniture and Fixture	(75,550)	-	(75,550)	10%	(7,555)	(67,995)
Air Conditioner	185,255	-	185,255	15%	27,788	157,467
Vehicles	(219,144)	-	(219,144)	20%	(43,829)	(175,315)
Electric Equipment	179,549	-	179,549	15%	26,932	152,617
Books and Periodicals	-	-	-	10%	-	-
Total:	**171,445,451**	**457,388,710**	**628,834,161**		**62,937,451**	**565,896,710**

A schedule of Property, Plant & Equipment is given in Annexure-A

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12

4.00 Preliminary Expenses :

This has been arrived as follows

Opening Balance	316,275	-	-	-
Expenses during the year	-	316,275	-	-
Less: Written off during the year	316,275	-	-	-
	-	**316,275**	-	-

5.00 Unallocated Capital Expenditure.

This has been arrived as follows

Opening Balance	989,954	-	-	-
Expenses during the year	-	989,954	-	-
Less: Allocated during the year	-	-	-	-
	989,954	**989,954**	-	-

This represent the expenses incurred before commercial operation of the DCL the subsidiary. The expenses would be allocated once the subsidiary goes into commercial production.

6.00 Investment to DCL :

This consists of the following;

As Paid up capital	-	-	8,000,000	8,000,000
As Share Money Deposit	-	-	131,563,050	131,763,050
	-	**-**	139,563,050	139,763,050

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.

7.00 Inventory :

This consists of the following;

Raw Cotton	784,438,544	721,285,695	784,438,544	721,285,695
Finished Yarn	33,043,056	32,840,982	33,043,056	32,840,982
Work - in - Process	35,526,590	23,605,708	35,526,590	23,605,708
Waste Cotton	285,231	335,567	285,231	335,567
Spare Parts	42,554,485	23,126,414	42,554,485	23,126,414
Packing Materials	14,393,520	9,519,673	14,393,520	9,519,673
	910,241,426	**810,714,039**	**910,241,426**	**810,714,039**

The above Inventories are as per Physical counting made and valued by the inventory team consists of management staff. Inventories in hand have been valued at lower of cost and net realizable value as per BAS-2 and have been certified by management.

Details Schedule of Raw Cotton, WIP and finished goods attached as per Annexure-B.

8.00 Trade & Others Receivable:

Trade Receivables	**375,346,269**	**93,675,018**	**373,469,840**	**93,173,559**

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.

Party wise break up is given in Annexure -C.

		Consolidated		The Company	
		Amounts in Taka		Amounts in Taka	
		30-06-13	30-06-12	30-06-13	30-06-12
9.00	**Advance, deposit and prepayments:**				
	This consists of the following;				
	Advance				
	Construction	-	1,492,390	-	1,492,390
	Consultancy fees	-	100,000	-	100,000
	Lubricant	200,500	912,500	200,500	912,500
	Process cotton	1,295,855	1,675,855	1,295,855	1,675,855
	Printing and stationary	-	140,350	-	140,350
	Raw cotton	13,872,829	31,636,785	13,872,829	31,636,785
	Equipment	-	471,360	-	471,360
	Plant & Machinery	-	8,185,955	-	8,185,955
	Repair & Maintenance	3,583,962	5,468,962	3,583,962	5,468,962
	TDS on Raw cotton Import	915,944	915,944	915,944	915,944
	Office rent for ceramic Inds.	12,000	12,000	-	-
	CRAB for credit rating for Ceramic	88,539	57,500	-	-
	LC Margin (**Notes # 9.01)**	49,701,955	61,533,362	49,701,955	61,533,362
	Deposits :	-	-	-	-
	Security deposit	1,052,550	1,052,550	1,052,550	1,052,550
	Power Development Board (PDB)	56,000	56,000	56,000	56,000
	Inland Road Trans. Corporation	25,000	25,000	25,000	25,000
	District Road Trans. Corporation	30,000	30,000	30,000	30,000
	Bd Road Trans. Corporation (BRTC)	30,000	30,000	30,000	30,000
	Titas Gas & Distribution Co. Ltd.	9,258,100	9,258,100	9,258,100	9,258,100
		80,123,234	**123,054,613**	**80,022,695**	**122,985,113**

9.01	**LC Margin:**				
	Raw Cotton	46,918,156	58,079,358	46,918,156	58,079,358
	Spare Parts	2,783,799	3,454,004	2,783,799	3,454,004
		49,701,955	**61,533,362**	**49,701,955**	**61,533,362**

10.00 Other Advance:

The above amount was paid to its subsidiary Company named "Delta Ceramics Limited" for the investment in share.

This is made up as follows:

Opening Balance	-	119,083,050	-	119,083,050
Add: Paid during the year	-	12,680,000	-	12,680,000
Less: Transferred in Investment	-	131,763,050	-	131,763,050
Closing Balance	**-**	**-**	**-**	**-**

11.00 Cash & cash equivalent:

Cash in Hand :				
Head Office	1,578,577	1,928,169	1,578,577	1,928,169
Factory	2,381,918	1,579,606	2,381,918	1,579,606
Delta Ceramic Ltd	9,167	14,673	-	-
Cash at Bank				
Agrani Bank, CD A/c. Amincourt Br.	565,549	1,092	565,549	1,092
BDBL, CD A/c Head office	6,606	7,006	6,606	7,006
Agrani Bank, STD Amincourt Br.	43,939	185,573	43,939	185,573
Agrani Bank, Mymensingh	239,436	115,467	239,436	115,467
ICB Islami Bank Ltd.	-	6,537	-	6,537
Exim Bank Ltd. (Motijheel Br.)	1,986,902	378,878	1,986,902	378,878
Southeast Bank Ltd. (C/D A/C)	6,349	-	6,349	-
Southeast Bank Ltd. (STD A/C)	9,179	15,628	9,179	15,628
Sonali Bank, Mymensingh Br.	297,850	1,100,000	297,850	1,100,000
FDR (Exim Bank Ltd.)	4,327,273	4,327,273	4,327,273	4,327,273
Agrani Bank, Principal Br.(DCL)	134,300	2,500,102	-	-
	11,587,045	**12,160,004**	**11,443,578**	**9,645,229**

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12
12.00 Share Capital :				
Authorized Capital				
15,00,00,000 Ordinary Shares of Tk. 10 each	**1,500,000,000**	**750,000,000**	**1,500,000,000**	**750,000,000**

Authorized capital of the company has been increased from Tk.750,000,000 to Tk.1,500,000,000 vide special resolution dated-18-07-2012

Issued, Subs.& Paid-up Capital				
4,58,62,800 Ordinary Shares of Tk. 10 each fully paid up	**458,628,000**	**305,752,000**	**458,628,000**	**305,752,000**

The Shares are listed in DSE & CSE. On 30-06-13 the market price of each share was Tk.33 & Tk.33.20 respectively.

The paid up capital of the Company has been increased to Tk. 458,628,000 through allotment of Bonus Share for Tk.152,876,000 divided into 15,287,600 ordinary share of Tk.10 each as per resolution adopted in 32nd AGM of the Company held on 04-11-2012 and allotment made on 20-11-2012.

12.01 Category wise Shareholding Position of the Company

Category of Shareholders	Percentage		Percentage	
	30-06-13	30-06-12	30-06-13	30-06-12
Sponsors/Directors	33	33	33	33
I.C.B.(I.A.)	4	3	4	4
Financial Institute	12	17	14	14
General Public	51	47	49	49
Total	**100**	**100**	**100**	**100**

12.02 Range wise Shareholding position as on 31-06-2013

Holding Range	30-06-13		30-06-12	
	Number of Shareholder	Number of Shares	Number of Shareholder	Number of Shares
Less than 5000 Shares	9200	11,891,535	7269	7,150,190
5001 to 50000 Shares	930	12,279,475	471	6,070,050
50000 to 100000 Shares	24	1,637,900	20	1,422,400
100001 to 200000 Shares	15	1,885,900	13	1,819,000
200001 to 300000 Shares	3	735,100	5	1,231,800
300001 to 400000 Shares	4	1,289,000	2	657,960
400001 to 500000 Shares	3	1,274,150	2	875,400
500001 to 1000000 Shares	6	4,641,915	8	5,840,300
1000001 to 10000000 Shares	6	10,227,825	4	5,508,100
Over 10000000 Shares		-	-	-
Total	**10191**	**45,862,800**	**7794**	**30,575,200**

13.00 Capital Reserve:

This is made up as follows

Opening Balance	-	4,210,092	-	4,210,092
Less: Depreciation of revalued assets trans.to retained earnings	-	4,210,092	-	4,210,092
Closing Balance	-	-	-	-

Above reserve was created on 1990-1991 by the revalued amount of the Rice Mill unit of Delta Millers Limited. This amount transferred to retained earnings as per Para 41 of BAS 16 "Property Plant and Equipments.

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12

14.00 Revaluation Reserve:

This is made up as follows:

Opening Balance	628,834,161	285,947,789	628,834,161	285,947,789
Add: Revaluation made during the year.	-	457,388,710	-	457,388,710
	628,834,161	743,336,499	628,834,161	743,336,499
Less: Depreciation of revalued assets trans.to retained earnings	62,937,451	114,502,338	62,937,451	114,502,338
Closing Balance	**565,896,710**	**628,834,161**	**565,896,710**	**628,834,161**

This reserve were created in 2006-2007 by assets revaluation. The depreciation from 01.07.2007 to 30.06.2013 of revalued amount has been transferred to retained earnings as per Para 41 of BAS 16 "Property Plant and Equipments".

**The above balance is as per last accounts and represents the fixed assets like property, plant and equipment of the Company which were revalued and certified by the valuer A. Matin & Co. Chartered Accountants in their valuation report dated 15 April, 2012 and accounted for by the Company.

** Previously the fixed assets of the company were revalued and certified by the valuer ATA KHAN & CO. Chartered Accountants dated 30 May,2007.

15.00 Tax Holiday Reserve :

This is made up as follows:

Opening Balance	-	34,008,975	-	34,008,975
Less: Trans. to retained earnings	-	34,008,975	-	34,008,975
Closing Balance	-	-	-	-

As per NBR Ref. No. 11(57) anu:-1/98/ dated 03.06.1998 the tax holiday of Delta Millers Ltd. has expired on September 2002 and the entire reserve was transferred to retained earnings as per decision of Board meetings held on 10.05.2012.

16.00 Retained Earnings:

This is made up as follows:

Opening Balance	245,839,938	30,585,892	245,839,938	30,585,892
Less: Issue of Bonus Share	152,876,000	-	152,876,000	-
	92,963,938	30,585,892	92,963,938	30,585,892
Add: Trans. from Capital Reserve	-	4,210,092	-	4,210,092
Add: Depreciation of revalued assets transferred from revaluation reserve	62,937,451	114,502,338	62,937,451	114,502,338
Add: Transferred from Tax Holiday Reserve	-	34,008,975	-	34,008,975
Add: Profit for the year	47,340,246	93,107,841	47,340,246	93,107,841
	203,241,635	276,415,138	203,241,635	276,415,138
Less: Dividend paid 2011	-	30,575,200	-	30,575,200
	203,241,635	**245,839,938**	**203,241,635**	**245,839,938**
Share of Delta Ceramic Ltd.				
Opening Balance	424,851	-	-	-
Add: Share of Holding Profit for the year ended 30 June 2013 80% of Tk. 5,52,000	442,239	424,851	-	-
Total	**204,108,725**	**246,264,789**	**203,241,635**	**245,839,938**

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12
17.00 Non-Controlling Interest:				
This is made up as follows:				
Paid up capital of DCL	10,000,000	10,000,000	-	-
Less: Investment made by DSL	8,000,000	8,000,000	-	-
Balance amount of 20% s.holders	2,000,000	2,000,000	-	-
Share of Holding Profit			-	-
20% of Tk.1,083,863 Consolidated	216,773	106,213	-	-
	2,216,773	**2,106,213**	-	-
18.00 Long Term Borrowings				
This consists of the following;				
Name of the bank				
a)Bangladesh Development Bank Ltd (Note # 18.01)	274,278,347	297,603,223	274,278,347	297,603,223
b) Premier Leasing & Finance Ltd. (Note # 18.02)	644,032,118	568,771,263	644,032,118	568,771,263
d) Southeast Bank Ltd. (Notes # 18.4)	48,356,100	58,667,569	48,356,100	58,667,569
Total Term Loan	**966,666,565**	**925,042,055**	**966,666,565**	**925,042,055**
Less Current Portion of Term Loan	273,231,414	223,754,758	273,231,414	223,754,758
Long Term Portion	**693,435,151**	**701,287,297**	**693,435,151**	**701,287,297**

a) Bangladesh Development Bank Ltd.

As per letter No. 05.2(10.1)3.1/580 dated 02.11.2009 of Bangladesh Shilpa Bank (BSB) now Bangladesh Development Bank Limited (BDBL), the total sanctioned amount was Taka 395,186,298.00. The interest rate is 15% p.a. and the loan period is 11 to 17 nos. half yearly installments. The Company has given a registered mortgage security on its land at Factory premises and Head office to BDBL against the above loan.

b) Premier Leasing & Finance Ltd (PLFL)

As per letter No. PLFL/2009/1485 dated 21.06.2009, the restructured sanctioned amount was Taka 519,080,044.00.The interest rate is 17.00% p.a. The above loan shall be repaid in monthly installment span over 169 months. Though a part of above balance was in nature of Lease Finance but subsequently due to rescheduling all the financing are being treated as loan finance the assets against these loan from PLFL are included amount of assets of the company.

c) The Union Capital Ltd

As per lease agreement No. IE-2006-024 dated 22.10.2006, the lease amount was Taka 40,000,000.The interest rate is 17.5% p.a. and the lease period is 60 months. This entire Loan Amount has been adjusted during the year 2011-2012.

d) Southeast Bank Ltd

As per sanction letter No. SBL/CORP/CR/08/1223 dated May 21, 2008, the sanctioned amount was Taka 7.90 crore. The interest rate is 17.50% p.a. and the repayment period is 78 months.

18.01 Bangladesh Development Bank Ltd.				
As per last a/c	297,603,223	332,714,113	297,603,223	332,714,113
Less : Paid during the year	23,324,876	35,110,890	23,324,876	35,110,890
	274,278,347	**297,603,223**	**274,278,347**	**297,603,223**
Less: Current Portion	95,421,024	115,194,027	95,421,024	115,194,027
	178,857,323	**182,409,196**	**178,857,323**	**182,409,196**
18.1.1 BDBL A/C No-0088:				
As per last a/c	67,402,469	72,249,402	67,402,469	72,249,402
Less : Paid during the year	1,378,661	4,846,933	1,378,661	4,846,933
	66,023,808	67,402,469	66,023,808	67,402,469
Less: Transfer A/C No- 0111-R	11,617,808	-	11,617,808	-
	54,406,000	**67,402,469**	**54,406,000**	**67,402,469**
Transfer to A/C No-0103	-	-	-	-
	54,406,000	67,402,469	54,406,000	67,402,469
Less: Current Portion	20,389,339	24,802,804	20,389,339	24,802,804
	34,016,661	**42,599,665**	**34,016,661**	**42,599,665**

		Consolidated		The Company	
		Amounts in Taka		Amounts in Taka	
		30-06-13	30-06-12	30-06-13	30-06-12
18.1.2	**BDBL A/C No-0089:**				
	As per last a/c	56,757,484	64,757,484	56,757,484	64,757,484
	Less : Paid during the year	2,365,571	8,000,000	2,365,571	8,000,000
		54,391,913	56,757,484	54,391,913	56,757,484
	Less: Transfer A/C No- 0111-R	6,134,429	-	6,134,429	-
		48,257,484	**56,757,484**	**48,257,484**	**56,757,484**
	Transfer to A/C No-0103		-		-
			56,757,484		56,757,484
	Less: Current Portion	15,634,429	20,000,000	15,634,429	20,000,000
		32,623,055	**36,757,484**	**32,623,055**	**36,757,484**
18.1.3	**BDBL A/C No-0090:**				
	As per last a/c	101,691,677	115,649,382	101,691,677	115,649,382
	Less : Paid during the year	6,457,734	13,957,705	6,457,734	13,957,705
		95,233,943	101,691,677	95,233,943	101,691,677
	Less: Transfer A/C No- 0111-R	13,330,567	-	13,330,567	-
		81,903,376	**101,691,677**	**81,903,376**	**101,691,677**
	Transfer to A/C No-0103	-	-	-	-
		81,903,376	101,691,677	81,903,376	101,691,677
	Less: Current Portion	26,342,266	41,967,225	26,342,266	41,967,225
		55,561,110	**59,724,452**	**55,561,110**	**59,724,452**
18.1.4	**BDBL A/C No-0098:**				
	As per last a/c	33,412,904	38,693,859	33,412,904	38,693,859
	Less : Paid during the year	7,370,910	5,280,955	7,370,910	5,280,955
		26,041,994	33,412,904	26,041,994	33,412,904
	Less: Transfer A/C No- 0111-R	8,062,133	-	8,062,133	-
		17,979,861	**33,412,904**	**17,979,861**	**33,412,904**
	Less: Current Portion	10,608,990	18,167,141	10,608,990	18,167,141
		7,370,871	**15,245,763**	**7,370,871**	**15,245,763**
18.1.5	**BDBL A/C No-0103:**				
	As per last a/c	38,338,689	41,363,986	38,338,689	41,363,986
	Less : Paid during the year	3,157,000	3,025,297	3,157,000	3,025,297
		35,181,689	38,338,689	35,181,689	38,338,689
	Less: Transfer A/C No- 0111-R	12,756,178	-	12,756,178	-
		22,425,511	**38,338,689**	**22,425,511**	**38,338,689**
	Less: Current Portion	9,471,000	10,256,857	9,471,000	10,256,857
		12,954,511	**28,081,832**	**12,954,511**	**28,081,832**
18.1.6	**BDBL A/C No-0111 R:**				
	As per last a/c	-	-	-	-
	Add: Transfer from other loan A/C	51,901,115	-	51,901,115	-
		51,901,115	-	**51,901,115**	-
	Less : Paid during the year	2,595,000	-	2,595,000	-
		49,306,115	-	**49,306,115**	-
	Less: Current Portion	**12,975,000**	-	**12,975,000**	-
		36,331,115	-	**36,331,115**	-
18.02	**Premier Leasing & Finance Ltd.**				
	As per last a/c	568,771,263	525,149,860	568,771,263	525,149,860
	Less : Paid during the year	40,529,050	40,529,050	40,529,050	40,529,050
		528,242,213	484,620,810	528,242,213	484,620,810
	Add: Interest Charge during	115,789,905	84,150,453	115,789,905	84,150,453
	the period	**644,032,118**	**568,771,263**	**644,032,118**	**568,771,263**
	Less: Current Portion	154,010,390	96,589,910	154,010,390	96,589,910
		490,021,728	**472,181,353**	**490,021,728**	**472,181,353**

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12

18.03 The Union Capital Ltd.:

As per last a/c	-	8,675,910	-	8,675,910
Add: During the year	-	-	-	-
	-	8,675,910	-	8,675,910
Less : Paid during the year	-	8,675,910	-	8,675,910
	-	-	-	-
Less: Current Portion	-	-	-	-
	-	**-**	**-**	**-**

18.04 Southeast Bank Ltd:

As per last a/c	58,667,569	68,849,637	58,667,569	68,849,637
Less : Paid during the year	20,400,000	20,400,000	20,400,000	20,400,000
	38,267,569	48,449,637	38,267,569	48,449,637
Add: Interest Charge during the year	10,088,531	10,217,932	10,088,531	10,217,932
	48,356,100	**58,667,569**	**48,356,100**	**58,667,569**
Less: Current Portion (Interest and charges)	23,800,000	11,970,821	23,800,000	11,970,821
	24,556,100	**46,696,748**	**24,556,100**	**46,696,748**

19.00 Short Term Borrowings:
The break-up of the amount is given below:

Agrani Bank Ltd (Hypo)	41,299,641	37,715,334	41,299,641	37,715,334
Agrani Bank Ltd (C. C. P)	206,291,593	207,168,253	206,291,593	207,168,253
Southeast Bank Ltd. (LTR)	40,648,711	18,894,406	40,648,711	18,894,406
Agrani Bank Ltd. (LIM Account)	187,931,834	78,871,819	187,931,834	78,871,819
Southeast Bank Ltd. (OD)	11,065,998	9,845,813	11,065,998	9,845,813
Southeast Bank Ltd.(B. Guarantee)	-	3,251,250	-	3,251,250
	487,237,777	**355,746,875**	**487,237,777**	**355,746,875**

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 this loans are varying from 13% -15%.

20.00 Current Portion of Long Term Loan:
This consists of the following;

a) Bangladesh Development bank Ltd. (Notes # 18.1.1 to 18.1.6)	95,421,024	115,194,027	95,421,024	115,194,027
b) Premier Leasing & Finance Ltd (Notes # 18.02)	154,010,390	96,589,910	154,010,390	96,589,910
d) Southeast Bank Ltd (Notes # 18.04)	23,800,000	11,970,821	23,800,000	11,970,821
	273,231,414	**223,754,758**	**273,231,414**	**223,754,758**

21.00 Interest Payable to BDBL :
This has been arrived as at under;

As per last a/c	25,485,702	10,325,607	25,485,702	10,325,607
Add : During the year	24,034,018	21,819,205	24,034,018	21,819,205
	49,519,720	32,144,812	49,519,720	32,144,812
Less : Paid during the year	13,684,681	6,659,110	13,684,681	6,659,110
	35,835,039	**25,485,702**	**35,835,039**	**25,485,702**

22.00 Trade and Other Payables :
This consists of the following

Packing Materials	530,630	246,245	530,630	246,245
C & F Charges	-	65,375	-	65,375
Repairs and Maintenance	36,744	107,634	36,744	107,634
Inspection	45,471	-	45,471	-
Insurance	104,364	245,553	104,364	245,553
	717,209	**664,807**	**717,209**	**664,807**

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12

23.00 Workers Profit Participation Fund :

This has been arrived at as under;

	30-06-13	30-06-12	30-06-13	30-06-12
As per last year	3,788,243	1,110,236	3,788,243	1,110,236
Add : Provision during the year	3,474,560	3,778,007	3,474,560	3,778,007
	7,262,803	4,888,243	7,262,803	4,888,243
Less : Paid during the year	2,518,671	1,100,000	2,518,671	1,100,000
	4,744,132	**3,788,243**	**4,744,132**	**3,788,243**

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

24.00 Unclaimed Dividend:

	30-06-13	30-06-12	30-06-13	30-06-12
As per last a/c	44,064,353	30,838,442	44,064,353	30,838,442
Add: Dividend for the year 2010 -11	-	30,575,200	-	30,575,200
	44,064,353	61,413,642	44,064,353	61,413,642
Less : Paid during the year	175,008	17,349,289	175,008	17,349,289
	43,889,345	**44,064,353**	**43,889,345**	**44,064,353**

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

	30-06-13	30-06-12	30-06-13	30-06-12
Balance up 30.06.2005	3,351,313	3,351,313	3,351,313	3,351,313
2005-2006	218,597	218,597	218,597	218,597
2006-2007	4,251,252	4,251,252	4,251,252	4,251,252
2007-2008	4,663,820	4,663,820	4,663,820	4,663,820
2008-2009	5,176,881	5,176,881	5,176,881	5,176,881
2009-2010	12,593,559	12,721,659	12,593,559	12,721,659
2010-2011	13,633,923	13,680,831	13,633,923	13,680,831
	43,889,345	**44,064,353**	**43,889,345**	**44,064,353**

25.00 Unclaimed Dividend (Directors):

	30-06-13	30-06-12	30-06-13	30-06-12
This is as per last a/c	**9,466,197**	**9,466,197**	**9,466,197**	**9,466,197**

This amount is carried forward since 1997- 98.

26.00 Provision for Income Tax :

This has been arrived as at under:

	30-06-13	30-06-12	30-06-13	30-06-12
As per last year	24,525,384	22,238,927	24,206,746	22,238,927
Add : Provision during the year	10,756,320	11,815,742	10,424,641	11,497,104
	35,281,704	34,054,669	34,631,387	33,736,031
Less: Tax Paid DCL	-	-	-	-
Less: Paid during the year	10,469,568	9,529,285	10,150,930	9,529,285
	24,812,136	**24,525,384**	**24,480,457**	**24,206,746**

Year wise break up 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 Tribunal
2009-10	4,071,765	4,000,000	71,765	In Tribunal
2010-11	5,587,508	4,500,000	1,087,508	In Tribunal
2011-12	8,344,856	-	8,344,856	Return submitted.
2012-13	11,497,104	-	11,497,104	Return to be submitted
2013-14	10,424,641	10,150,930	273,711	Return to be submitted
TDS	-	917,428	(917,428)	
	62,460,815	**37,980,358**	**24,480,457**	

		Consolidated		The Company	
		Amounts in Taka		Amounts in Taka	
		30-06-13	30-06-12	30-06-13	30-06-12
27.00	**Deferred Tax Liabilities:**				
	Carrying amount of Fixed Assets	933,579,261	923,902,582	933,579,261	923,902,582
	Tax base amount of Fixed Assets	637,552,081	706,093,514	637,552,081	706,093,514
	Temporary Difference	296,027,180	217,809,068	296,027,180	217,809,068
	Tax Rate	15%	15%	15%	15%
	Deferred Tax Liabilities	**44,404,077**	**32,671,360**	**44,404,077**	**32,671,360**
28.00	**Liabilities for Expenses :**				
	This consists of the following				
	Telephone Bill -(Head Office)	6,917	6,068	6,917	6,068
	Electric Bill -(Factory)	147,663	134,823	147,663	134,823
	Electric Bill -(H.O)	42,140	32,237	42,140	32,237
	Wasa Bill	899	1,992	899	1,992
	Titas Gas	4,641,143	2,439,495	4,641,143	2,439,495
	Salary -(Head Office)	574,900	537,715	574,900	537,715
	Salary and Wages -(Factory)	5,958,621	5,962,915	5,958,621	5,962,915
	Overtime	238,329	289,003	238,329	289,003
	Audit Fees	125,000	150,000	125,000	150,000
	Refundable Share Money	2,000	2,000	2,000	2,000
	Security Services	105,001	87,423	105,001	87,423
	VAT Payable (Audit Fee)	-	6,750	-	6,750
	Income Tax Payable (Audit Fee)	-	15,000	-	15,000
	VAT Payable (Audit Fee) (DCL)	-	217,632	-	-
	Outstanding Expenses (DCL)	63,140	60,882	-	-
		11,905,753	**9,943,935**	**11,842,613**	**9,665,421**
29.00	**Turnover:**				
	This consists of the following				
	Cotton Yarn	1,653,313,165	1,444,963,759	1,653,313,165	1,444,963,759
	Waste Cotton	1,612,330	2,502,104	1,612,330	2,502,104
	Sale of DCL Ltd (net of VAT)	10,877,555	4,352,640	-	-
		1,665,803,050	**1,451,818,503**	**1,654,925,495**	**1,447,465,863**
29.01	**Capacity utilization**	**Kg.**	**Kg.**	**Kg.**	**Kg.**
	Production capacity during the year as per standard product mix (32s counts basis)	5,350,000	5,350,000	5,350,000	5,350,000
	Production of Cotton Yarn various Counts (Actual mix)	**2,539,017**	**5,228,008**	**2,539,017**	**5,228,008**
	Capacity utilization	**93.50%**	**97.72%**	**93.50%**	**97.72%**
30.00	**Cost of Goods Sold :**				
	Raw materials consumed (30.01)	1,108,570,217	972,538,128	1,099,440,197	969,180,548
	Add : Direct expenses (30.03)	99,678,153	89,601,219	99,517,436	89,424,197
	Add : Factory overhead (30.04)	199,927,088	157,457,867	199,927,088	157,457,867
	Total cost	1,408,175,458	1,219,597,214	1,398,884,721	1,216,062,612
	Add : Opening work-in-process	23,605,708	23,529,370	23,605,708	23,529,370
		1,431,781,166	1,243,126,584	1,422,490,429	1,239,591,982
	Less : Closing work-in-process	35,526,590	23,605,708	35,526,590	23,605,708
		1,396,254,576	1,219,520,876	1,386,963,839	1,215,986,274
	Add: Opening stock of waste cotton	335,567	375,073	335,567	375,073
		1,396,590,143	1,219,895,949	1,387,299,406	1,216,361,347
	Less: Closing stock of waste cotton	285,231	335,567	285,231	335,567
	Cost of production	1,396,304,912	1,219,560,382	1,387,014,175	1,216,025,780
	Add: Opening stock of finished goods	32,840,982	27,260,524	32,840,982	27,260,524
		1,429,145,894	1,246,820,906	1,419,855,157	1,243,286,304
	Less: Closing stock of finished goods	33,043,056	32,840,982	33,043,056	32,840,982
	Cost of goods sold	**1,396,102,838**	**1,213,979,924**	**1,386,812,101**	**1,210,445,322**

		Consolidated		The Company	
		Amounts in Taka		Amounts in Taka	
		30-06-13	30-06-12	30-06-13	30-06-12
30.01	**Raw Materials Consumed :**				
	Opening stock of raw materials	721,285,695	595,253,757	721,285,695	595,253,757
	Add: purchase of raw materials(30.02)	1,171,723,066	1,098,570,066	1,162,593,046	1,095,212,486
	Goods available for consumption	1,893,008,761	1,693,823,823	1,883,878,741	1,690,466,243
	Less: closing stock of raw materials	784,438,544	721,285,695	784,438,544	721,285,695
	Total	**1,108,570,217**	**972,538,128**	**1,099,440,197**	**969,180,548**
30.02	**Raw Materials Purchase :**				
	Imported	560,802,288	391,772,544	560,802,288	391,772,544
	Process (Willow)	480,000	550,000	480,000	550,000
	Local	601,310,758	702,889,942	601,310,758	702,889,942
	Purchase of Ceramics Goods	9,130,020	3,357,580	-	-
	Total	**1,171,723,066**	**1,098,570,066**	**1,162,593,046**	**1,095,212,486**
30.03	**Direct expenses :**				
	Spare parts	6,363,142	4,602,411	6,363,142	4,602,411
	Carrying, loading and unloading	1,189,418	1,112,845	1,073,896	988,087
	Chemicals	535,320	335,200	535,320	335,200
	Excise duty	3,875,000	3,615,000	3,875,000	3,615,000
	Direct wages	48,867,885	42,471,862	48,822,690	42,419,598
	Electric charges	1,710,083	1,658,723	1,710,083	1,658,723
	Lubricant	9,798,210	6,927,897	9,798,210	6,927,897
	Titas gas	27,339,095	28,877,281	27,339,095	28,877,281
	Total	**99,678,153**	**89,601,219**	**99,517,436**	**89,424,197**
30.04	**Factory Overhead.**				
	Wages and Salary	32,548,460	31,613,065	32,548,460	31,613,065
	Entertainment	266,483	233,730	266,483	233,730
	Telephone bill	10,262	8,504	10,262	8,504
	Travelling and conveyance	107,069	112,427	107,069	112,427
	Printing and Stationery	205,769	141,080	205,769	141,080
	Donation and Subscription	172,400	133,200	172,400	133,200
	Repairs and Maintenance	2,983,577	2,937,444	2,983,577	2,937,444
	Vehicles Repairs and Maintenance	487,438	448,451	487,438	448,451
	Vehicles fuel consumption	345,398	288,587	345,398	288,587
	Medicine expenses	108,039	56,034	108,039	56,034
	Misc. expenses	289,376	222,629	289,376	222,629
	Overtime	2,443,099	2,268,336	2,443,099	2,268,336
	Fire and Burglary insurance	3,427,587	2,949,747	3,427,587	2,949,747
	Depreciation	156,532,131	116,044,633	156,532,131	116,044,633
	Total	**199,927,088**	**157,457,867**	**199,927,088**	**157,457,867**

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

	Number	Amount	Amount
Employees Drawings Tk.3,000/= and above	1445	43,533,565	39,605,070
Employees Drawings Less than Tk.3,000/=	180	37,837,585	34,427,593
Total	**1625**	**81,371,150**	**74,032,663**

	Consolidated		The Company	
	Amounts in Taka		Amounts in Taka	
	30-06-13	30-06-12	30-06-13	30-06-12

31.00 Administrative & selling expenses:

Salary and Allowance	9,321,671	8,894,445	9,068,294	8,840,986
Directors' remuneration	1,800,000	1,850,000	1,800,000	1,850,000
Electric Bill	318,553	204,445	316,834	204,445
Wasa Bill/GAS Bill	18,763	29,754	15,663	29,754
Telephone Bill	124,060	131,357	124,060	131,357
Entertainment	403,175	350,594	399,725	350,594
Travelling and Conveyance	242,304	263,679	238,314	261,277
Printing and Stationery	308,654	211,619	308,654	211,619
Gift and Presentation	130,600	30,000	130,600	30,000
Newspaper	26,643	20,196	23,839	20,196
Repairs and Maintenance	526,514	518,373	526,514	518,373
Vehicles Repairs & Maintenance	731,158	672,676	731,158	672,676
Vehicles Fuel Consumption	418,096	432,880	418,096	432,880
Office Rent	6,000	20,506	-	17,306
Office Maintenance	471,362	995,291	468,882	932,600
Legal and Documentation	613,644	578,150	599,744	578,150
Rates and Taxes	90,286	8,013	90,286	8,013
Postage and Stamps	24,973	50,680	24,973	50,680
Renewal fees	205,625	265,680	180,815	265,680
Security service	1,236,430	1,169,263	1,236,430	1,169,263
Training expenses	100,000	90,000	100,000	90,000
Audit fees/professional fees	183,500	391,000	147,500	375,000
Misc. expenses	431,069	333,944	431,069	333,944
Advertisement	893,743	753,477	893,743	753,477
Packing Materials	9,589,110	9,309,185	9,589,110	9,309,185
Donation and Subscription	258,600	199,800	258,600	199,800
General Fees and Taxes	503	2,174	503	2,174
Diary and Calendar	428,000	297,800	428,000	297,800
SEC Fee	10,000	10,000	10,000	10,000
Right share issue expenses	-	300,000	-	300,000
AGM and EGM Expenses	994,365	911,707	994,365	911,707
Subscription (BTMA)	44,980	44,980	44,980	44,980
Listing Fees (DSE)	412,689	70,000	412,689	70,000
Internet Service	136,935	96,936	136,935	96,936
Write off Expenses (Notes-#33)	316,275			
Depreciation	8,269,572	6,107,612	8,238,533	6,107,612
Total	**39,087,852**	**35,616,216**	**38,388,908**	**35,478,464**

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

	Number	Amount	Amount
Employees Drawings Tk.3,000/= and above	95	9,068,294	7,854,556
Employees Drawings Less than Tk.3,000/=	-	-	986,430
Total	**95**	**9,068,294**	**8,840,986**

32.00 Financial expenses :

Interest on CC Hypo	6,700,676	5,730,311	6,700,676	5,730,311
Bank charges	161,412	298,858	158,016	298,334
Interest on long term loan	149,900,034	116,175,290	149,900,034	116,175,290
Total	**156,762,122**	**122,204,459**	**156,758,726**	**122,203,935**

33.00 Write off expenses :

Preliminary expenses	316,275	-	-	-
Issue expenses	-	-	-	-
Total	**316,275**	**-**	**-**	**-**

		Consolidated		The Company	
		Amounts in Taka		Amounts in Taka	
		30-06-13	30-06-12	30-06-13	30-06-12
34.00	**Non-Operating Income:**				
	Fire Insurance Claim	-	1,000,000	-	1,000,000
	Interest from STD Account	6,404	87,224	6,404	87,224
		6,404	**1,087,224**	**6,404**	**1,087,224**
35.00	**Deferred Tax (Expenses) / Income:**				
	Opening Deferred Tax Liabilities	32,671,360	60,628,946	32,671,360	60,628,946
	Less: Closing Deferred Tax Liabilities	44,404,077	32,671,360	44,404,077	32,671,360
	Deferred tax (Expenses)/Income	**(11,732,717)**	**27,957,586**	**(11,732,717)**	**27,957,586**
36.00	**Basic Earnings Per Share (EPS)**				
	Net profit after tax	47,782,485	93,532,692	47,340,246	93,107,841
	No. of ordinary shares outstanding	45,862,800	45,862,800	45,862,800	45,862,800
	Basic Earnings Per Share	**1.04**	**2.04**	**1.03**	**2.03**
37.00	**Net asset value (NAV) Per Share**	**26.82**	**25.76**	**26.77**	**25.74**
	The composition of net assets value per share is given below:				
	Total Assets	2,859,538,484	2,613,049,845	2,857,049,756	2,611,227,858
	(-)Non-Current Liabilities+Cli	1,629,678,229	1,431,398,911	1,629,283,410	1,430,801,759
	Net Assets Value/	**1,229,860,255**	**1,181,650,934**	**1,227,766,346**	**1,180,426,099**
	Number of ordinary shares outstanding	**45,862,800**	**45,862,800**	**45,862,800**	**45,862,800**
	NAV per share	**26.82**	**25.76**	**26.77**	**25.74**

38.00 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	Nature of transaction	Transaction during the year	Outstanding balance
Delta Ceramics Ltd	Subsidiary Company	Investment	12,680,000	139,563,050
Premier Leasing & Finance Ltd	Common Director	Lease Finance	40,529,050	568,771,263

39.00 Payment/Perquisites to Directors & Officers:

1. During the period no other Compensation was allowed by the company to the directors of the company except directors remuneration Taka 1,800,000/-
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.

40.00 Capital Expenditure Commitment:

There was no Capital Expenditure Commitment as on 30.06.13

41.00 Contingent Assets /Liabilities :

There was no Contingent Assets & Liabilities as on 30.06.13 except income tax liability, if any.

42.00 Claim Against the Company not acknowledged as debt:

There was no Claim against the Company not acknowledged as debt as on 30.06.13

43.00 Dividend

The Directors proposed 10% cash dividend for the year ended 30 June 2013.

44.00 Construction Contract:

There is no credit facilities available to the company under any contract, other than trade credit available in the ordinary course of business and not availed of as on 30.06.13

45.00 Payment Made in foreign currency :

There was no expenses incurred or paid in foreign currencies during the year other than import of raw materials.

46.00 Sales Commission:

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

47.00 General Expenditure:

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

Annexure-A

DELTA SPINNERS LIMITED

Schedule of Property, Plant & Equipment
As at 30 June 2013

The Company

Particulars	Balance as at 01.07.2012	Addition during the Period	Revaluation during the Period	Total as at 30.06.2013.	Rate of Dep.	Depreciation as at 01-7-2012	Depreciation during the Period	Total Depreciation	W. D. Value as at 30.06.2013.
Land and Land Development	248,397,000	22,642	-	248,419,642	0%	-	-	-	248,419,642
Buildings	504,460,279	1,733,966	-	506,194,245	7.50%	185,449,259	24,055,874	209,505,133	296,689,112
Plant and Machinery	1,910,151,809	62,685,955	-	1,972,837,764	15%	1,081,396,599	133,716,175	1,215,112,774	757,724,990
Electric Sub - station & Power Connection	51,011,929	6,621,617	-	57,633,546	15%	23,981,047	5,047,875	29,028,922	28,604,624
Office Equipment	10,371,751	556,250	-	10,928,001	15%	8,119,966	421,205	8,541,171	2,386,830
Furniture and Fixture	7,315,016	5,800	-	7,320,816	10%	4,838,500	248,232	5,086,732	2,234,084
Air Conditioner	2,311,495	59,000	-	2,370,495	15%	1,602,573	115,188	1,717,761	652,734
Vehicles	14,017,137	-	-	14,017,137	20%	10,982,607	606,906	11,589,513	2,427,624
Electric Equipment	26,556,391	447,733	-	27,004,124	15%	23,277,434	559,004	23,836,438	3,167,686
Books and Periodicals	8,082	-	-	8,082	10%	6,036	205	6,241	1,841
Total	**2,774,600,889**	**72,132,963**	**-**	**2,846,733,852**		**1,339,654,021**	**164,770,664**	**1,504,424,684**	**1,342,309,167**

Allocation of Depression :

Factory Overhead	156,532,131
Administrative Expense	8,238,533
Total	**164,770,664**

Schedule of Property, Plant & Equipment
As at 30 June 2012

The Company

Particulars	Balance as at 01.07.2011	Addition during the period	Revaluation during the Period	Total as at 30.06.2012.	Rate of Dep.	Depreciation as at 01-7-2011	Depreciation during the Period	Total Depreciation	W. D. Value as at 30.06.2012.
Land and Land Development	157,504,800	-	90,892,200	248,397,000	0%	-	-	-	248,397,000
Buildings	418,926,098	1,325,194	84,208,987	504,460,279	7.50%	166,518,704	18,930,555	185,449,259	319,011,020
Plant and Machinery	1,631,348,533	-	278,803,276	1,910,151,809	15%	984,346,258	97,050,341	1,081,396,599	828,755,210
Electric Sub - station & Power Connection	47,527,682	-	3,484,247	51,011,929	15%	19,825,758	4,155,289	23,981,047	27,030,882
Office Equipment	10,100,218	271,533	-	10,371,751	15%	7,770,510	349,456	8,119,966	2,251,785
Furniture and Fixture	7,075,249	239,767	-	7,315,016	10%	4,589,972	248,528	4,838,500	2,476,516
Air Conditioner	2,266,495	45,000	-	2,311,495	15%	1,485,410	117,163	1,602,573	708,922
Vehicles	14,017,137	-	-	14,017,137	20%	10,223,974	758,633	10,982,607	3,034,530
Electric Equipment	26,349,068	207,323	-	26,556,391	15%	22,735,381	542,053	23,277,434	3,278,957
Books and Periodicals	8,082	-	-	8,082	10%	5,809	227	6,036	2,046
Total	**2,315,123,362**	**2,088,817**	**457,388,710**	**2,774,600,889**		**1,217,501,776**	**122,152,245**	**1,339,654,021**	**1,434,946,868**

Factory Overhead	116,044,633
Administrative Expense	6,107,612
Total	**122,152,245**

Annexure-A

DELTA SPINNERS LIMITED
Consolidated Schedule of Property, Plant & Equipment
As at 30 June 2013

The Company

Particulars	Balance as at 01.07.2012	Addition during the Period	Revaluation during the Period	Total as at 30.06.2013.	Rate of Dep.	Depreciation as at 01-7-2011	Depreciation during the Period	Total Depreciation	W. D. Value as at 30.06.2013.
Land and Land Development	386,776,303	1,143,791	-	387,920,094	0%	-	-	-	387,920,094
Buildings	504,460,279	1,968,966	-	506,429,245	7.50%	185,449,259	24,055,875	209,505,134	296,924,111
Plant and Machinery	1,910,151,809	62,685,955	-	1,972,837,764	15%	1,081,396,599	133,716,175	1,215,112,774	757,724,990
Electric Sub - station & Power Connection	51,011,929	6,621,617	-	57,633,546	15%	23,981,047	5,047,875	29,028,922	28,604,624
Office Equipment	10,431,751	566,250	-	10,998,001	15%	8,119,966	431,705	8,551,671	2,446,330
Furniture and Fixture	7,375,016	5,800	-	7,380,816	10%	4,838,500	254,232	5,092,732	2,288,084
Air Conditioner	2,311,495	59,000	-	2,370,495	15%	1,602,573	115,188	1,717,761	652,734
Vehicles	14,017,137	-	-	14,017,137	20%	10,982,607	606,906	11,589,513	2,427,624
Electric Equipment	26,556,391	544,663	-	27,101,054	15%	23,277,434	573,543	23,850,977	3,250,077
Books and Periodicals	8,082	-	-	8,082	10%	6,036	205	6,241	1,841
Total	**2,913,100,192**	**73,596,042**	**-**	**2,986,696,234**		**1,339,654,021**	**164,801,703**	**1,504,455,724**	**1,482,240,510**

Factory Overhead	156,532,131
Administrative Expense	8,269,572
Total	**164,801,703**

Consolidated Schedule of Property, Plant & Equipment
As at 30 June 2012

The Company

Particulars	Balance as at 01.07.2011	Addition during the Period	Revaluation during the Period	Total as at 30.06.2012.	Rate of Dep.	Depreciation as at 01-7-2011	Depreciation during the Period	Total Depreciation	W. D. Value as at 30.06.2012.
Land and Land Development	157,504,800	138,379,303	90,892,200	386,776,303	0%	-		-	386,776,303
Buildings	418,926,098	1,325,194	84,208,987	504,460,279	7.50%	166,518,704	18,930,555	185,449,259	319,011,020
Plant and Machinery	1,631,348,533	-	278,803,276	1,910,151,809	15%	984,346,258	97,050,341	1,081,396,599	828,755,210
Electric Sub - station & Power Connection	47,527,682	-	3,484,247	51,011,929	15%	19,825,758	4,155,289	23,981,047	27,030,882
Office Equipment	10,100,218	331,533	-	10,431,751	15%	7,770,510	349,456	8,119,966	2,311,785
Furniture and Fixture	7,075,249	299,767	-	7,375,016	10%	4,589,972	248,528	4,838,500	2,536,516
Air Conditioner	2,266,495	45,000	-	2,311,495	15%	1,485,410	117,163	1,602,573	708,922
Vehicles	14,017,137	-	-	14,017,137	20%	10,223,974	758,633	10,982,607	3,034,530
Electric Equipment	26,349,068	207,323	-	26,556,391	15%	22,735,381	542,053	23,277,434	3,278,957
Books and Periodicals	8,082	-	-	8,082	10%	5,809	227	6,036	2,046
Total	**2,315,123,362**	**140,588,120**	**457,388,710**	**2,913,100,192**		**1,217,501,776**	**122,152,245**	**1,339,654,021**	**1,573,446,171**

Factory Overhead	116,044,633
Administrative Expense	6,107,612
Total	**122,152,245**

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Annexure-B

DELTA SPINNERS LIMITED
Schedule of Inventory (Raw Cotton)
As at 30 June 2013

Sl. No.	Particular	Pound	Rate	Amount
1	PIMA Grade-2 USA Origin Raw Cotton	1,389,662.07	145.00	201,501,000.15
2	MCU-5 Indian Raw Cotton	2,147,931.40	86.00	184,722,100.40
3	CIS 17/16 Origin Raw Cotton	1,012,336.00	125.00	126,542,000.00
4	CIS 11/8 Origin Raw Cotton	986,046.51	86.00	84,799,999.86
5	DCH-32 Indian Raw Cotton	142,827.59	116.00	16,568,000.44
6	GIZA 86 Origin Raw Cotton	495,833.33	120.00	59,499,999.60
7	Egyptian Cotton GIAZ 88	119,900.00	130.00	15,587,000.00
8	BUNNY BRAHMA Indian Origin Raw Cotton	467,736.26	91.00	42,563,999.66
9	Sanker-6 Indian Raw Cotton	591,622.97	89.00	52,654,444.33
Total				**784,438,544**

DELTA SPINNERS LIMITED
Schedule of Inventory (Finished Yarn)
As at 30 June 2013

Sl. No	Particular	Pound	Rate	Amount
1	74 H	31,442.88	227.50	7,153,255
2	62 H	32,683.53	205.00	6,700,124
3	54 H	29,601.98	190.75	5,646,578
4	78 C	5,684.15	223.00	1,267,565
5	76 C	7,929.14	223.00	1,768,198
6	70 C	7,934.13	207.00	1,642,365
7	65 C	5,718.56	197.00	1,126,556
8	80 A.C	4,034.36	248.00	1,000,521
9	76 A.C	8,029.30	220.00	1,766,446
10	74 A.C	8,637.39	220.00	1,900,226
11	64 A.C	2,783.81	202.00	562,330
12	60 A.C	4,702.86	175.00	823,001
13	56	945.45	165.00	155,999
14	52 A.C	2,242.03	146.00	327,336
15	50 A.C	3,604.82	145.00	522,699
16	43 A.C	1,617.07	121.00	195,665
17	60 C	938.49	168.00	157,666
18	40 C	467.20	122.00	56,998
19	50 N.C	740.74	135.00	100,000
20	30 R.C	484.31	94.00	45,525
21	10C	2,480.00	50.00	124,000
	Total			**33,043,056**

DELTA SPINNERS LIMITED
Schedule of Inventory (Finished Yarn)
As at 30 June 2013

Sl. No	Particular	Pound	Rate	Amount
1	74 H	37,476.00	227.50	8,525,790
2	62 H	39,151.82	205.00	8,026,123
3	54 H	33,271.71	190.75	6,346,579
4	78 C	12,857.50	223.00	2,867,223
5	76 C	4,910.89	223.00	1,095,128
6	70 C	9,295.45	207.00	1,924,158
7	65 C	4,986.91	197.00	982,421
8	80 A.C	5,759.40	248.00	1,428,331
9	76 A.C	5,301.20	220.00	1,166,264
10	74 A.C	6,025.55	220.00	1,325,621
11	64 A.C	2,086.80	202.00	421,534
12	60 A.C	1,856.13	175.00	324,823
13	56	101.82	165.00	16,800
14	52 A.C	1,550.21	146.00	226,331
15	50 A.C	2,262.94	145.00	328,126
16	43 A.C	1,343.70	121.00	162,588
17	60 C	334.65	168.00	56,221
18	40 C	267.11	122.00	32,587
19	50 N.C	342.65	135.00	46,258
20	30 R.C	1,361.70	94.00	128,000
21	10C	1,913.74	50.00	95,687
	Total			**35,526,590**

Annexure-C

DELTA SPINNERS LIMITED
Schedule of Trade & Other Receivable
As at 30 June 2013

Sl. No	Name of the Party	Amount
1	Hamid Trading Co.	7,320,104
2	Taraque Traders	6,314,588
3	Rajmony Yearn Traders	8,892,357
4	Biponony Bitan	6,305,775
5	Bostra Bitan	7,342,345
6	Shohidul Huq & Co.	5,254,562
7	Somsar Ali Talucder Co.	6,421,879
8	Sherajgonj Yearn Tarading	7,345,967
9	Pabna Year Trading & Co.	6,421,756
10	Haider Munshi Yearn Traders	7,806,256
11	Horimohon Sha & Co.	6,376,642
12	Somsor Pordar Traders	6,902,134
13	Sha & Yearn Traders	7,245,890
14	Alock nath Sha & C.	6,261,054
15	Ashim Vuson Yearn Traders	8,174,523
16	Sumon Sha Bostra Bitan	7,434,178
17	Dabidas Sha Yearn Suppliers	6,429,366
18	Amor Sha & Co.	7,154,249
19	Shamim Traders	7,389,651
20	Bonkim Box Traders	6,890,306
21	Bicrompur Traders	7,528,064
22	Mir Yearn Suppliers	8,012,747
23	Jahanjir Ali Trading House	6,097,154
24	Shohaj Traders	7,256,077
25	Juyel Yearn Suppliers	6,128,942
26	Gorisha Trading Co.	5,982,461
27	Collanpur Trading Co	7,321,908
28	Shahidujjaman & Co.	6,247,620
29	Comol Canti Sha Trading House	6,130,899
30	Shahab Ali Traders	7,019,724
31	Janab Ali Trading House	8,428,936
32	Shayem Sikder House	7,149,034
33	Aminuddin & Co.	6,340,784
34	Shanaul Huq & Co.	6,947,256
35	Shahariya Traders	7,235,951
36	Shohag Yearn & Co.	6,881,353
37	Rajlaxmi Yearn Traders	9,390,109
38	Suvro Taxtail Mills	7,503,050
39	Abu Jafor Traders	8,534,210
40	Bonggoloxmi Yearn Traders	10,590,235
41	Sri Hori Yearn Traders	8,650,036
42	Laxmi Bilas Sutar Godighar	8,123,638
43	Tangail Sutaghar	9,820,320
44	Pabna yearn Traders	8,057,525
45	Norsindy Yearn Traders	10,105,776
46	SM Taxtail	8,646,208
47	Bostra Vander	9,267,502
48	Khairul Hasan & Son	7,894,325
49	A.B.M Jahidur Haq & Co.	8,936,509
50	Baracquk Bostra Bitan	7,557,905
	Total	**373,469,840**

DELTA SPINNERS LIMITED

Auditors Report in pursuance of section 135(1) under Para 24(1) of part – II of the Third Schedule of Companies Act 1994

We have audited the financial statement for the year ended 30th June, 2013. The accounts for the year ended 30th June, 2010, 2011 and 2012 were audited by Basu Banerjee Nath & Co. Chartered Accountants and the accounts for the year ended 30th June, 2009 was audited by K.M. Alam & Co. Chartered Accountants. In pursuance of Section 135 (1) under paragraph 24 (1) of Part-II of Third Schedule of the Companies Act 1994 our report is as under:

A Statement of Financial Position

PARTICULARS	2012-13	2011-12	2010-11	2009-10	2008-09
Property, Plant & Equipment	1,342,309,167	1,434,946,868	1,097,621,586	1,236,717,362	1,232,044,362
Preliminary expenses	-	-	-	233,952	259,946
Issue expenses	-	-	-	939,557	1,043,952
Investment	139,563,050	139,763,050	8,000,000	-	-
NON-CURRENT ASSETS	**1,481,872,217**	**1,574,709,918**	**1,105,621,586**	**1,237,890,871**	**1,233,348,260**
Inventory	910,241,426	810,714,039	678,427,351	602,586,814	536,780,654
LC margin	-	81,086,362	35,179,000	19,613,000	14,788,156
Accounts Receivable	373,469,840	93,173,559	80,578,193	77,503,984	48,254,611
Advance, deposit & pre-payments	80,022,695	41,898,751	36,429,789	37,297,484	39,570,337
Cash & cash equivalent	11,443,578	9,645,229	15,339,934	125,887,946	5,630,949
Other Advance	-	-	119,083,050	-	-
CURRENT ASSETS	**1,375,177,539**	**1,036,517,940**	**965,037,317**	**862,889,228**	**645,024,707**
TOTAL ASSETS	**2,857,049,756**	**2,611,227,858**	**2,070,658,903**	**2,100,780,099**	**1,878,372,967**
Share Capital	458,628,000	305,752,000	305,752,000	305,752,000	152,876,000
Capital Reserve	-	-	4,210,092	4,210,092	4,210,092
Revaluation Reserve	565,896,710	628,834,161	285,947,789	285,947,789	285,947,789
Tax Holiday Reserve	-	-	34,008,975	34,008,975	34,008,975
Proposed Dividend	-	-	-	30,575,200	15,287,600
Retained Earnings	203,241,635	245,839,938	30,585,892	(11,555,436)	50,458,024
SHARE HOLDERS EQUITY	**1,227,766,345**	**1,180,426,099**	**660,504,748**	**648,938,620**	**542,788,480**
BDBL A/C No-0088	34,016,661	42,599,665	59,848,000	82,499,312	99,521,882
BDBL A/C No-0089	32,623,055	36,757,484	52,757,484	34,506,111	43,102,147
BDBL A/C No-0090	55,561,110	59,724,452	90,103,376	126,286,682	151,834,696
BDBL A/C No-0098	7,370,871	15,245,763	26,969,811	37,464,060	57,942,324
BDBL A/C No-0103	12,954,511	28,081,832	34,722,909	47,350,909	-
BDBL A/C No-0111-R	36,331,115	-	-	-	-
Sponsor Investment (Interest Free)	-	-	-	-	35,796,000
Premier Leasing & Finance Ltd.	490,021,728	472,181,353	508,389,876	528,125,525	439,991,233
The Union Capital Ltd.	-	-	-	18,962,947	-
Southeast Bank Ltd.	24,556,100	46,696,748	59,021,868	80,010,862	81,779,778
Deferred Tax Liabilities	44,404,077	32,671,360	60,628,946	63,100,807	-
NON-CURRENT LIABILITIES	**737,839,228**	**733,958,657**	**892,442,270**	**1,018,307,215**	**909,968,060**
Short Term Loan	487,237,777	3,251,250	3,522,720	3,929,925	4,472,865
Working Capital Loan	-	352,495,625	327,592,601	323,825,383	341,702,934
Current portion of Long Term Loan	273,231,414	223,754,758	103,576,196	-	-
Interest payable to BDBL	35,835,039	25,485,702	10,325,607	53,400,307	38,245,933
Unclaimed Dividend	43,889,345	44,064,353	30,838,442	18,413,263	11,375,842
Unclaimed Dividend (Directors)	9,466,197	9,466,197	9,466,197	9,466,197	9,466,197
Accounts Payable	717,209	664,807	1,154,867	1,559,802	1,698,229
Liabilities for expenses	11,842,613	9,665,421	7,886,092	7,574,005	6,851,744
Workers Profit Participation Fund	4,744,132	3,788,243	1,110,236	570,368	75,139
Provision for Tax : Current Tax	24,480,457	24,206,746	22,238,927	14,795,014	11,727,544
CURRENT LIABILITIES	**891,444,183**	**696,843,102**	**517,711,885**	**433,534,264**	**425,616,427**
TOTAL LIABILITIES	**1,629,283,411**	**1,430,801,759**	**1,410,154,155**	**1,451,841,479**	**1,335,584,487**
TOTAL EQUITY AND LIABILITIES	**2,857,049,756**	**2,611,227,858**	**2,070,658,903**	**2,100,780,099**	**1,878,372,967**

B Statement of Comprehensive Income

PARTICULARS	2012-13	2011-12	2010-11	2009-10	2008-09
Sales Turnover	1,654,925,495	1,447,465,863	1,340,031,168	942,147,065	839,731,038
Cost of Goods Sold	1,386,812,101	1,210,445,322	1,131,333,285	843,572,736	757,354,919
Gross Profit	**268,113,394**	**237,020,541**	**208,697,883**	**98,574,329**	**82,376,119**
Operating Expenses:	**195,147,634**	**157,682,399**	**161,110,610**	**59,672,165**	**53,873,765**
Administrative & Selling Expenses	38,388,908	35,478,464	34,308,122	35,211,722	30,768,957
Financial Expenses	156,758,726	122,203,935	125,628,979	24,330,054	22,959,930
Written off Expenses	-	-	1,173,509	130,389	144,878
Net Profit before WPP Fund	**72,965,760**	**79,338,142**	**47,587,273**	**38,902,164**	**28,502,354**
Contribution to WPP Fund	3,474,560	3,778,007	2,266,061	1,852,484	1,357,255
Other income	6,404	1,087,224	10,311,163	200,375	-
Net Profit before tax	**69,497,604**	**76,647,359**	**55,632,375**	**37,250,055**	**27,145,099**
Provision for tax: Current Tax	(10,424,641)	(11,497,104)	(8,344,856)	5,587,508	1,568,925
Deferred Tax (Expenses) / Income	(11,732,717)	27,957,586	2,471,861	-	-
Adjustment for tax liability	-	-	(7,487,162)	-	-
Net profit after tax	**47,340,246**	**93,107,841**	**42,272,218**	**31,662,547**	**25,576,174**
Profit Brought Forward	245,839,938	30,716,782	(11,555,436)	50,458,024	40,169,450
Issue of Bonus Share	(152,876,000)	-	-	-	-
Prior year's adjustment	-	(130,890)	-	-	-
Transferred from Capital Reserve	-	4,210,092	-	-	-
Transferred from Revaluation Reserve	62,937,451	114,502,338	-	-	-
Transferred from Tax Holiday Reserve	-	34,008,975	-	-	-
Adjustment for tax liability	-	-	-	(63,100,807)	-
Dividend Paid for 2011	-	(30,575,200)	-	-	-
Proposed Dividend	-	-	-	(30,575,200)	(15,287,600)
Profit available for appropriation	**203,241,635**	**245,839,938**	**30,716,782**	**(11,555,436)**	**50,458,024**
Earning per share	1.03	2.03	0.92	0.69	0.56
Net Assets Value Per Share	26.77	25.74	14.40	14.15	11.84

C Statement of Cash Flow

PARTICULARS	2012-13	2011-12	2010-11	2009-10	2008-09
Cash Flow from Operating Activities					
Collection from Turnover	1,374,635,618	1,434,870,497	1,330,520,959	914,303,114	833,214,954
Payment for Cost and Expenses	(1,363,597,082)	(1,305,058,060)	(1,197,506,146)	(927,615,583)	(840,145,033)
Income tax paid	(10,150,930)	(9,529,285)	(8,388,105)	(2,520,038)	(2,500,000)
WPP Fund Paid During the Year	(2,518,671)	(1,100,000)	(1,726,193)	(1,357,255)	(1,383,869)
Net Cash Flow from Operating Activities	**(1,631,065)**	**119,183,152**	**122,900,515**	**(17,189,762)**	**(10,813,948)**
Cash Flow from Investing Activities					
Fixed Assets	(72,132,963)	(2,088,817)	(1,597,499)	(144,001,576)	(170,402,247)
FDR Investment	-	-	-	119,180,337	-
Investment in Delta Ceramics Ltd.	200,000	(12,680,000)	(127,083,050)	-	-
Net Cash Flow from Investing Activities	**(71,932,963)**	**(14,768,817)**	**(128,680,549)**	**(24,821,239)**	**(170,402,247)**
Cash Flow from Financing Activities					
Right Share Issue	-	-	-	152,876,000	-
Short Term Loan Increase/(Decrease)	131,490,902	(271,470)	(407,205)	(542,940)	(542,940)
Working Capital Loan Increase/(Decrease)	10,349,337	24,903,024	3,767,218	(17,877,551)	132,314,247
Long Term loan Increase/(Decrease)	41,624,510	4,812,630	(72,929,294)	45,238,348	79,612,697
Financial Expenses	-	(122,203,935)	(17,048,676)	(9,175,680)	(13,899,575)
Interest on Loan	(107,927,364)	-	-	-	-
Dividend Paid	(175,008)	(17,349,289)	(18,150,021)	(8,250,179)	(15,287,600)
Net Cash Flow from Financing Activities	**75,362,377**	**(110,109,040)**	**(104,767,978)**	**162,267,998**	**182,196,829**
Increase/(Decrease) in Cash and Cash Equivalents	1,798,349	(5,694,705)	(110,548,012)	120,256,997	980,634
Opening Cash and Cash Equivalents	**9,645,229**	**15,339,934**	**125,887,946**	**5,630,949**	**4,650,315**
Closing Cash and Cash Equivalents	**11,443,578**	**9,645,229**	**15,339,934**	**125,887,946**	**5,630,949**

D. Dividend

The Company declared dividend during the last 5 (five) years as below :

2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
10% to all the shareholders	10% to all the shareholders	10% to all the shareholders	50% Stock to all the shareholders	10% to all the shareholders

E. Subsidiary Company

The Company have a subsidiary company till the Balance Sheet date. The name of the subsidiary Company is "Delta Ceramics Limited" has been incorporated on 11th April, 2011 and investment was 80% of its paid up capital.

F. Proceeds of the Issue of Shares

An amount of Tk. 139,563,050.00 (Taka 8,000,000.00 in share capital and Taka 131,563,050.00 as Share Money Deposit) has been paid by the Company to its subsidiary company till the Balance Sheet date.

G. Preparation of Financial Statements after 30th June, 2013

The Company did not prepare any financial statement for any period subsequent to 30th June, 2013.

H. Statement of Financial Position

The Statement of Financial Position as at 30th June, 2013 has been duly certified by us.The Statement of Financial Position as at 30th June, 2010, 2011 and 2012 has been duly certified by Basu Banerjee Nath & Co. Chartered Accountants and those for the year ended 30th June, 2009 audited by K. M. Alam & Co. Chartered Accountants.

I. Statement of Comprehensive Income

The statement of Comprehensive Income for the year ended 30th June, 2013 has been duly certified by us.The statement of Comprehensive Income for the year ended 30th June, 2010, 2011 and 2012 has been duly certified by Basu Banerjee Nath & Co. Chartered Accountants and those for the year ended 30th June, 2009 audited by K. M. Alam & Co. Chartered Accountants.

J. Statement of Cash Flows

The statement of Cash Flows for the year ended 30th June, 2013 has been duly certified by us. The statement of Cash Flows for the year ended 30th June, 2010, 2011 and 2012 has been duly certified by Basu Banerjee Nath & Co. Chartered Accountants and those for the year ended 30th June, 2009 audited by K. M. Alam & Co. Chartered Accountants.

Sd/-	Sd/-	Sd/-
Executive Director and Company Secretary	**Chief Financial Officer**	**MAHFEL HUQ & CO** CHARTERED ACCOUNTANTS

Dated,
Dhaka, 6th January, 2014

Delta Spinners Limited
Auditors Certificate Regarding Ratio Analysis

We have examined the following accounting ratios of Delta Spinners Limited for their financial years ended 30th June, 2009 to 2013 which have been submitted by the management of the company to us. The preparation of the following ratio analysis is the responsibility of the Company's management. Our responsibility is to review them and certify as to whether they have been properly prepared using acceptable principles on the basis of audited financial statements for the year ended 30th June, 2009 to 2013. In our opinion, the ratios have been prepared properly using acceptable accounting principles.

					RATIO				
					Years				
					2012-13	2011-12	2010-11	2009-10	2008-09
A	**Liquidity Ratio:**	-							
	Current Ratio	=	Current Assets / Current Liabilities	=	1.54	1.49	1.86	1.99	1.52
	Quick Ratio	=	(Current Assets - Inventories) / Current Liabilities	=	0.52	0.32	0.55	0.60	0.25
	Times Interest Earned (Times)	=	Income from Operation + Finance Cost / Finance Cost	=	1.44	1.62	1.36	2.52	2.18
	Debt Equity Ratio	=	Long Term Debt / Share Holders Equity	=	0.60	0.62	1.35	1.57	1.68
B	**Operating Ratio**	-							
	Accounting Receivable Turnover (Times)	=	Sales / Average Accounts Receivable		7.09	16.66	16.95	14.98	18.66
	Inventory Turnover Ratio (Times)	=	Cost of Goods Sold / Average Inventory	=	1.61	1.63	1.77	1.48	1.72
	Assets Turnover Ratio (Times)	=	Sales / Average Total Assets	=	0.61	0.62	0.64	0.47	0.47
C	**Profitability Ratio**	-							
	Gross Margin Ratio %	=	Gross Profit / Sales	=	16.20%	16.37%	15.57%	10.46%	9.81%
	Operating Income Ratio %	=	Operating Profit / Sales	=	4.20%	5.22%	3.38%	3.93%	3.23%
	Net Income Ratio %	=	Net Profit After Tax / Sales	=	3.57%	4.50%	2.97%	3.36%	3.05%
	Return on Assets %	=	Net Profit After Tax / Average Total Assets	=	2.16%	2.78%	1.91%	1.59%	1.44%
	Return on Equity %	=	Net Profit After Tax / Average Shareholders' Equity	=	4.91%	7.08%	6.08%	5.31%	4.76%
	Earnings Per Share (Taka) (after considering the Deferred Tax)	=	Net Profit After Tax / No of Shares	=	1.03	2.03	0.92	0.69	0.56
	Earnings Per Share (Taka) (without considering the Deferred Tax)	=	Net Profit After Tax / No of Shares	=	1.29	1.42	0.87	0.69	0.56
D	**Tangible Assets Per Share (Taka)**	=	Total Tangible Assets / No of Shares	=	59.25	53.89	44.97	45.81	40.96

Sd/-	Sd/-	Sd/-
Executive Director and Company Secretary	**Chief Financial Officer**	**MAHFEL HUQ & CO**
		CHARTERED ACCOUNTANTS

Dated,
Dhaka, 6th January, 2014

DELTA SPINNERS LIMITED AND IT'S SUBSIDIARY

Auditors Report in pursuance of section 135(1) under Para 24(1) of part – II of the Third Schedule of Companies Act 1994

We have audited the accounts for the year ended 30th June, 2013 and the financial statements of it's subsidiary Delta Ceramics Limited for the period 11 April, 2011 to 30th June, 2012. The accounts for the year of 2010, 2011 and 2012 were audited by Basu Banerjee Nath & Co. Chartered Accountants and the accounts for the year ended 30th June, 2009 was audited by K.M. Alam & Co. Chartered Accountants. In pursuance of Section 135 (1) under paragraph 24 (1) of Part-II of Third Schedule of the Companies Act 1994 our report is as under:

A Consolidated Statement of Financial Position

PARTICULARS	2012-2013	2011-2012	2010-11	2009-10	2008-09
Property, Plant & Equipment	1,482,240,510	1,573,446,171	1,097,621,586	1,236,717,362	1,232,044,362
Preliminary expenses	-	316,275	-	233,952	259,946
Issue expenses	-	-	-	939,557	1,043,952
Unallocated Capital Expenditure	989,954	989,954	-	-	-
Investment	-	-	8,000,000	-	-
NON-CURRENT ASSETS	**1,483,230,464**	**1,574,752,400**	**1,105,621,586**	**1,237,890,871**	**1,233,348,260**
Inventory	910,241,426	810,714,039	678,427,351	602,586,814	536,780,654
LC margin	-	81,086,362	35,179,000	19,613,000	14,788,156
Accounts Receivable	375,346,269	93,675,018	80,578,193	77,503,984	48,254,611
Advance, deposit & pre-payments	80,123,234	41,968,251	36,429,789	37,297,484	39,570,337
Other Advance	-	-	119,083,050	-	-
Cash & cash equivalent	11,587,045	12,160,004	15,339,934	125,887,946	5,630,949
CURRENT ASSETS	**1,377,297,974**	**1,039,603,674**	**965,037,317**	**862,889,228**	**645,024,707**
TOTAL ASSETS	**2,860,528,438**	**2,614,356,074**	**2,070,658,903**	**2,100,780,099**	**1,878,372,967**
Share Capital	458,628,000	305,752,000	305,752,000	305,752,000	152,876,000
Capital Reserve	-	-	4,210,092	4,210,092	4,210,092
Revaluation Reserve	565,896,710	628,834,161	285,947,789	285,947,789	285,947,789
Tax Holiday Reserve	-	-	34,008,975	34,008,975	34,008,975
Proposed Dividend	-	-	-	30,575,200	15,287,600
Retained Earnings	204,108,725	246,264,789	30,585,892	(11,555,436)	50,458,024
Equity attributable to owners of the Company	**1,228,633,435**	**1,180,850,950**	**660,504,748**	**648,938,620**	**542,788,480**
Non-Controlling Interest	**2,216,773**	**2,106,213**	**-**	**-**	**-**
SHARE HOLDERS EQUITY	**1,230,850,208**	**1,182,957,163**	**660,504,748**	**648,938,620**	**542,788,480**
BDBL A/C No-0088	34,016,661	42,599,665	59,848,000	82,499,312	99,521,882
BDBL A/C No-0089	32,623,055	36,757,484	52,757,484	34,506,111	43,102,147
BDBL A/C No-0090	55,561,110	59,724,452	90,103,376	126,286,682	151,834,696
BDBL A/C No-0098	7,370,871	15,245,763	26,969,811	37,464,060	57,942,324
BDBL A/C No-0103	12,954,511	28,081,832	34,722,909	47,350,909	-
BDBL A/C No-0111-R	36,331,115	-	-	-	-
Sponsor Investment (Interest Free)	-	-	-	-	35,796,000
Premier Leasing & Finance Ltd.	490,021,728	472,181,353	508,389,876	528,125,525	439,991,233
The Union Capital Ltd.	-	-	-	18,962,947	-
Southeast Bank Ltd.	24,556,100	46,696,748	59,021,868	80,010,862	81,779,778
Deferred Tax Liabilities	44,404,077	32,671,360	60,628,946	63,100,807	-
NON-CURRENT LIABILITIES	**737,839,228**	**733,958,657**	**892,442,270**	**1,018,307,215**	**909,968,060**
Short Term Loan	487,237,777	3,251,250	3,522,720	3,929,925	4,472,865
Working Capital Loan	-	352,495,625	327,592,601	323,825,383	341,702,934
Current portion of Long Term Loan	273,231,414	223,754,758	103,576,196	-	-
Interest payable to BDBL	35,835,039	25,485,702	10,325,607	53,400,307	38,245,933
Unclaimed Dividend	43,889,345	44,064,353	30,838,442	18,413,263	11,375,842
Unclaimed Dividend (Directors)	9,466,197	9,466,197	9,466,197	9,466,197	9,466,197
Accounts Payable	717,209	664,807	1,154,867	1,559,802	1,698,229
Liabilities for expenses	11,905,753	9,943,935	7,886,092	7,574,005	6,851,744
Workers Profit Participation Fund	4,744,132	3,788,243	1,110,236	570,368	75,139
Provision for Tax : Current Tax	24,812,136	24,525,384	22,238,927	14,795,014	11,727,544
CURRENT LIABILITIES	**891,839,002**	**697,440,254**	**517,711,885**	**433,534,264**	**425,616,427**
TOTAL LIABILITIES	**1,629,678,230**	**1,431,398,911**	**1,410,154,155**	**1,451,841,479**	**1,335,584,487**
TOTAL EQUITY AND LIABILITIES	**2,860,528,438**	**2,614,356,074**	**2,070,658,903**	**2,100,780,099**	**1,878,372,967**

B Consolidated Statement of Comprehensive Income

PARTICULARS	2012-13	2011-12	2010-2011	2009-10	2008-09
Sales Turnover	1,665,803,050	1,451,818,503	1,340,031,168	942,147,065	839,731,038
Cost of Goods Sold	1,396,102,838	1,213,979,924	1,131,333,285	843,572,736	757,354,919
Gross Profit	**269,700,212**	**237,838,579**	**208,697,883**	**98,574,329**	**82,376,119**
Operating Expenses:	**195,849,974**	**157,820,675**	**161,110,610**	**59,672,165**	**53,873,765**
Administrative & Selling Expenses	39,087,852	35,616,216	34,308,122	35,211,722	30,768,957
Financial Expenses	156,762,122	122,204,459	125,628,979	24,330,054	22,959,930
Written off Expenses	-	-	1,173,509	130,389	144,878
Net Profit before WPP Fund	**73,850,238**	**80,017,904**	**47,587,273**	**38,902,164**	**28,502,354**
Contribution to WPP Fund	3,474,560	3,778,007	2,266,061	1,852,484	1,357,255
Other income	6,404	1,087,224	10,311,163	200,375	-
Net Profit before tax	**70,382,082**	**77,327,121**	**55,632,375**	**37,250,055**	**27,145,099**
Provision for tax: Current Tax	(10,756,320)	11,752,015	8,344,856	5,587,508	1,568,925
Deferred Tax (Expenses) / Income	(11,732,717)	27,957,586	2,471,861	-	-
Adjustment for tax liability	-	-	7,487,162	-	-
Net profit after tax	**47,893,045**	**93,532,692**	**42,272,218**	**31,662,547**	**25,576,174**
Non-Controlling Interest 20% of NPAT	(110,560)	-	-	-	-
Profit for Ordinary Shareholders	**47,782,485**	**93,532,692**	**42,272,218**	**31,662,547**	**25,576,174**
Issue of Bonus Share	(152,876,000)	-	-	-	-
Profit Brought Forward	246,264,789	30,716,782	(11,555,436)	50,458,024	40,169,450
Prior year's adjustment	-	(130,890)	-	-	-
Transferred from Capital Reserve	-	4,210,092	-	-	-
Transferred from Revaluation Reserve	62,937,451	114,502,338	-	-	-
Transferred from Tax Holiday Reserve	-	34,008,975	-	-	-
Adjustment for tax liability	-	-	-	(63,100,807)	-
Dividend Paid for 2011	-	(30,575,200)	-	-	-
Proposed Dividend	-	-	-	(30,575,200)	(15,287,600)
Profit available for appropriation	**204,108,725**	**246,264,789**	**30,716,782**	**(11,555,436)**	**50,458,024**
Earnings per share	1.04	2.04	0.92	0.69	0.56
Net Assets Value Per Share	26.82	25.76	14.40	14.15	11.84

C Consolidated Statement of Cash Flow

PARTICULARS	2012-13	2011-12	2010-11	2009-10	2008-09
Cash Flow from Operating Activities					
Collection from Turnover	1,384,138,203	1,440,027,470	1,330,520,959	914,303,114	833,214,954
Payment for Cost and Expenses	(1,373,485,862)	(1,309,588,276)	(1,197,506,146)	(927,615,583)	(840,145,033)
Income tax paid	(10,469,568)	(9,529,285)	(8,388,105)	(2,520,038)	(2,500,000)
Prepayments and Deposits	-	(69,500)	-	-	-
WPP Fund Paid During the Year	(2,518,671)	(1,100,000)	(1,726,193)	(1,357,255)	(1,383,869)
Net Cash Flow from Operating Activities	**(2,335,898)**	**119,740,409**	**122,900,515**	**(17,189,762)**	**(10,813,948)**
Cash Flow from Investing Activities					
Fixed Assets	(73,596,042)	(141,894,349)	(1,597,499)	(144,001,576)	(170,402,247)
FDR Investment	-	-	-	119,180,337	-
Investment in Delta Ceramics Ltd.	-	-	(127,083,050)	-	-
Net Cash Flow from Investing Activities	**(73,596,042)**	**(141,894,349)**	**(128,680,549)**	**(24,821,239)**	**(170,402,247)**
Cash Flow From Financing Activities					
Fund received by DCL from Delta Spinners Ltd.	-	127,083,050	-	-	-
Share Capital increase of Delta Ceramics Ltd.	-	2,000,000	-	-	-
Right Share Issue	-	-	-	152,876,000	-
Short Term Loan Increase/(Decrease)	131,490,902	(271,470)	(407,205)	(542,940)	(542,940)
Working Capital Loan Increase/(Decrease)	10,349,337	24,903,024	3,767,218	(17,877,551)	132,314,247
Long Term Loan Increase/(Decrease)	41,624,510	4,812,630	(72,929,294)	45,238,348	79,612,697
Financial Expenses	-	(122,203,935)	(17,048,676)	(9,175,680)	(13,899,575)
Interest on Loan	(107,930,760)	-	-	-	-
Dividend Paid	(175,008)	(17,349,289)	(18,150,021)	(8,250,179)	(15,287,600)
Net Cash Flow from Financing Activities	**75,358,981**	**18,974,010**	**(104,767,978)**	**162,267,998**	**182,196,829**
Increase/(Decrease) in Cash & Cash Equivalent	(572,959)	(3,179,930)	(110,548,012)	120,256,997	980,634
Opening Cash and Cash Equivalents	**12,160,004**	**15,339,934**	**125,887,946**	**5,630,949**	**4,650,315**
Closing Cash and Cash Equivalents	**11,587,045**	**12,160,004**	**15,339,934**	**125,887,946**	**5,630,949**

D. Dividend

The Company declared cash dividend during the last 5 (five) years as below :

2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
10% to all the shareholders	10% to all the shareholders	10% to all the shareholders	50% stock to all the shareholders	10% to all the shareholders

E.	Subsidiary Company	The Company have a subsidiary company till the Balance Sheet date. The name of the subsidiary Company is "Delta Ceramics Limited" has been incorporated on 11th April, 2011 and investment was 80% of its paid up capital.
F.	Proceeds of the Issue of Shares	An amount of Tk. 139,563,050.00 (Taka 8,000,000.00 in share capital and Taka 131,563,050.00 as Share Money Deposit) has been paid by the Company to its subsidiary company till the Balance Sheet date.
G.	Preparation of Financial Statements after 30th June, 2013	The Company did not prepare any financial statement for any period subsequent to 30th June, 2013.
H.	Statement of Financial Position	The Statement of Financial Position as at 30th June, 2013 has been duly certified by us.The Statement of Financial Position as at 30th June, 2010, 2011 and 2012 has been duly certified by Basu Banerjee Nath & Co. Chartered Accountants and those for the year ended 30th June, 2009 audited by K. M. Alam & Co. Chartered Accountants.
I.	Statement of Comprehensive Income	The Statement of Comprehensive Income for the year ended 30th June, 2013 has been duly certified by us.The Statement of Comprehensive Income for the year ended 30th June, 2010, 2011 and 2012 has been duly certified by Basu Banerjee Nath & Co. Chartered Accountants and those for the year ended 30th June, 2009 audited by K. M. Alam & Co. Chartered Accountants.
J.	Statement of Cash Flows	The Statement of Cash Flows for the year ended 30th June, 2013 has been duly certified by us.The Statement of Cash Flows for the year ended 30th June, 2010, 2011 and 2012 has been duly certified by Basu Banerjee Nath & Co. Chartered Accountants and those for the year ended 30th June, 2009 audited by K. M. Alam & Co. Chartered Accountants.

Sd/-	Sd/-	Sd/-
Executive Director and Company Secretary	**Chief Financial Officer**	**MAHFEL HUQ & CO** CHARTERED ACCOUNTANTS

Dated,
Dhaka, 6th January, 2014

NB: Bangladesh Securities and Exchange Commission, vide letter No. SEC/Enforcement/1085/2013/658 dated December 19, 2013, imposed penalty for violating the Securities and Exchange Ordinance, 1969 section-18 (non-compliance in audited financial statements from June 30, 2007 to 2012 year-end) and subsequently the company paid the same.

DELTA SPINNERS LIMITED AND IT'S SUBSIDIARY

Auditors Certificate Regarding Ratio Analysis

We have examined the following accounting ratios of Delta Spinners Limited and it's subsidiary Delta Ceramics Limited. Delta Ceramics Limited for their financial years ended 30th June, 2013 which have been submitted by the management of the Company to us. The preparation of the following ratio analysis is the responsibility of the Company's management. Our responsibility is to review them and certify as to whether they have been properly prepared using acceptable principles on the basis of audited financial statements for the years 2009 to 2013. In our opinion, the ratios have been prepared properly using acceptable accounting principles.

					RATIO				
					Years				
					2012-13	2011-12	2010-11	2009-10	2008-09
A	**Liquidity Ratio:**	-							
	Current Ratio	=	Current Assets / Current Liabilities	=	1.54	1.49	1.86	1.99	1.52
	Quick Ratio	=	(Current Assets - Inventories) / Current Liabilities	=	0.52	0.33	0.55	0.60	0.25
	Times Interest Earned (Times)	=	Income from Operation + Finance Cost / Finance Cost	=	1.45	1.62	1.36	2.52	2.18
	Debt Equity Ratio	=	Long Term Debt / Share Holders Equity	=	0.60	0.62	1.35	1.57	1.68
B	**Operating Ratio**	-							
	Accounting Receivable Turnover (Times)	=	Sales / Average Accounts Receivable	=	7.10	16.66	16.95	14.98	18.66
	Inventory Turnover Ratio (Times)	=	Cost of Goods Sold / Average Inventory	=	1.62	1.63	1.77	1.48	1.72
	Assets Turnover Ratio (Times)	=	Sales / Average Total Assets	=	0.61	0.62	0.64	0.47	0.47
C	**Profitability Ratio**	-							
	Gross Margin Ratio %	=	Gross Profit / Sales	=	16.19%	16.38%	15.57%	10.46%	9.81%
	Operating Income Ratio %	=	Operating Profit / Sales	=	4.22%	5.25%	3.38%	3.93%	3.23%
	Net Income Ratio %	=	Net Profit After Tax / Sales	=	3.58%	4.52%	2.97%	3.36%	3.05%
	Return on Assets %	=	Net Profit After Tax / Average Total Assets	=	2.18%	2.80%	1.91%	1.59%	1.44%
	Return on Equity %	=	Net Profit After Tax / Average Shareholders' Equity	=	4.94%	7.11%	6.08%	5.31%	4.76%
	Earnings Per Share (Taka) (after considering the Deferred Tax)	=	Net Profit After Tax / No of Shares	=	1.04	2.04	0.92	0.69	0.56
	Earnings Per Share (Taka) (without considering the Deferred Tax)	=	Net Profit After Tax / No of Shares	=	1.30	1.43	0.87	0.69	0.56
D	**Tangible Assets Per Share (Taka)**	=	Total Tangible Assets / No of Shares	=	62.37	57.00	44.97	45.81	40.96

Sd/-
Executive Director and Company Secretary

Sd/-
Chief Financial Officer

Sd/-
MAHFEL HUQ & CO
CHARTERED ACCOUNTANTS

Dated,
Dhaka, 6th January, 2014

delta spinners limited

Registered and Corporate Office
254-B, Khilgaon Chowdhury Para, Dhaka-1219
Phone: +88-02-7213597, 7213697 **Fax:** +88-02-7213569
E-mail: deltagrp@bdmail.net; **Website:** www.delta-spinners.com

Folio/BO Account No :
Name :
Address :

LETTER OF OFFER FOR RIGHTS ISSUE

Dear Shareholder (s)

We are pleased to inform you that the Board of Directors in its meeting recommended to issue **9,17,25,600** Ordinary Shares as rights shares of **Tk.10.00** each at par an issue price of Tk. 10.00 each at the rate of 02 (two) [R]:01 (one) i.e. 02 (two) rights share for every 01 (one) existing shares held, which was approved by the Shareholders in the Extra Ordinary General Meeting held on November 04, 2012. As a registered Shareholder as on **April 28, 2014** (Record date for entitlement), you are entitled to subscribe your rights share.

If you wish to accept the above Rights Share in full or in part, you are required to submit completed Application Form-A annexed hereto with necessary payments. You may, however, renounce your rights in respect of all or part of your entitlement in favor of others in which case the Renunciation Form-B and Form-C annexed here to be submitted duly filled in by you and the renouncee(s) along with necessary payments.

The rights cannot be exercised for fraction of a share i.e. below full unit of share.

All the payments for accepted shares are to be made in cash or by P.O/DD/Cheque @ **Tk.10.00** each at par and to be deposited with any of the Branches of Bankers to the Issue during Companying hours from **August 05, 2014** to **August 31, 2014** (both days inclusive). Any extension of time will be notified through national dailies. Payments through P.O/DD/Cheque, must be payable to "**Delta Spinners Limited**" and must be drawn on a Company in the same town where the Branch of Bankers to the Issue in which the application form has been submitted is situated. It is to be noted that all transactions above **Tk.1.00** lac must be effected through Demand Draft/Crossed Cheque/Pay Orders.

The offer will be deemed to have been declined if completed Application **Form-A** and/or Renunciation **Form-B** and **Form-C** with necessary payments have not been received by **August 31, 2014** or by such later date as may be notified through national dailies to that effect.

A self-explanatory Rights Share Offer Documents is attached for your kind information and evaluation.

By order of the Board

Sd/-
Mostafa Jamal Haider
Managing Director

“শেয়ার বাজারে বিনিয়োগ ঝুকিপূর্ণ।
জেনে ও বুঝে বিনিয়োগ করুন”

Application Form-A

delta spinners limited

Registered and Corporate Office
254-B, Khilgaon Chowdhury Para, Dhaka-1219
Phone: +88-02-7213597, 7213697 **Fax:** +88-02-7213569
E-mail: deltagrp@bdmail.net; **Website:** www.delta-spinners.com

Rights Offer of **91,725,600** Ordinary Shares of **Tk.10.00** each at par totaling **Tk.917,256,000.00** offered on the basis of **02(R):01** i.e. 02 (two) Rights share for 01 (one) existing share held on the record date **April 28, 2014.**

SUBSCRIPTION STATUS	
Opens on	Closes on
August 05, 2014	August 31, 2014
Within Banking Hours	

FORM OF ACCEPTANCE AND APPLICATION FOR SHARES

The Managing Director
Delta Spinners Limited
254-B, Khilgaon Chowdhury Para, Dhaka-1219

Dated: ..../................./2014

Dear Sir,

I/We apply for allotment of ordinary shares indicated below in response to your letter of Rights Offer and Subject to the Memorandum and Articles of Association of the Company. I/We hereby agree to accept the shares as may be allotted to me/us on the terms laid down in the letter of offer and enclose the necessary remittance @ Tk.10.00 each per share in cash or by Draft/Pay order/Cheque on.. dated .... drawn on .... Bank... Branch.

Holder's Folio/BO Account No.	No. of Shares held at the close of business on April 28, 2014	No. of Shares offered	No. of Shares Accepted	Total Amount Paid

Yours faithfully,

1. Name (in block letters) :
Address : Signature

2. Name (in block letters) :
Address : Signature

BO Account No.																

As per provision of the Depository Act, 1999 and regulations made thereunder, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Signature must be the same as furnished earlier. Incomplete or incorrectly filled application form may be rejected.

....

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received Tk. ....(Taka..)only from Mr./Ms...Folio/BO Account No.. for..no.(s) of rights shares of **Delta Spinners Limited** in Cash/PayOrder/Draft/ChequeNo..date...of...Bank ....Branch.

Application Sl. No.
Date

(Bank's Seal)

Signature of Receiving Officer

"শেয়ার বাজারে বিনিয়োগ ঝুকিপূর্ণ।
জেনে ও বুঝে বিনিয়োগ করুন"

Renunciation Form-B

Registered and Corporate Office
254-B, Khilgaon Chowdhury Para, Dhaka-1219
Phone: +88-02-7213597, 7213697 **Fax:** +88-02-7213569
E-mail: deltagrp@bdmail.net; **Website:** www.delta-spinners.com

Rights Offer of **91,725,600** Ordinary Shares of **Tk.10.00** each at par totaling **Tk.917,256,000.00** offered on the basis of **02(R):01** i.e. 02 (two) Rights share for 01 (one) existing share held on the record date **April 28, 2014.**

SUBSCRIPTION STATUS	
Opens on	Closes on
August 05, 2014	August 31, 2014
Within Banking Hours	

FORM OF RENUNCIATION

The Managing Director
Delta Spinners Limited
254-B, Khilgaon Chowdhury Para, Dhaka-1219

Dated: ..../................./2014

Dear Sir,

I/We hereby renounce my/our rights to the shares offered to me/us as noted below in favor of person(s) accepting the same and signing in application by renouncee(s) and apply for allotment in his/her/their name(s).

Holder's Folio/BO Account No.	No. of Shares held at the close of business on April 28, 2014	No. of Shares offered	No. of Shares Renounced	Value of Shares Renounced

Yours faithfully,

1. Name (in block letters) :
   Address :
   Signature

2. Name (in block letters) :
   Address :
   Signature

	Name(s) of Renouncee(s)	BO A/C No.
1	Name:	
2	Name:	

N.B. Use photocopy in case of renouncement favoring more than 2 (two) persons

As per provision of the Depository Act, 1999 and regulations made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) account number in the application form.

Note: Signature must be the same as furnished earlier. Incomplete or incorrectly filled application form may be rejected.

“শেয়ার বাজারে বিনিয়োগ ঝুকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

Renunciation Form-C

delta spinners limited

Registered and Corporate Office
254-B, Khilgaon Chowdhury Para, Dhaka-1219
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E-mail: deltagrp@bdmail.net; **Website:** www.delta-spinners.com

APPLICATION BY RENOUNCEE(S)

The Managing Director
Delta Spinners Limited
254-B, Khilgaon Chowdhury Para, Dhaka-1219

Dated: ..../................../2014

Dear Sir,

As the shareholder(s) at pre-page has/have renounced his/her/their rights to the shares offered, in my/our favor, I/We do hereby apply for the number of share noted above as renounced, by making payment of Tk. .... being the value of ....Share @ **Tk.10.00** each at par.

Yours faithfully,

1	Signature:	2	Signature:
Name (in block letters):		Name (in block letters):	
S/O. D/O. W/O.:		S/O. D/O. W/O.:	
Address:		Address:	
BO No.		BO No.	

N.B. use photocopy in case of renouncement favoring more than 2 (two) persons

Signature of the Renouncer(s):	1		2	

As per provision of the Depository Act, 1999 and regulations made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) account number in the application form.

Note: Folio No. is to be mentioned only in case of existing shareholder(s). Incomplete or incorrectly filled application form may be rejected.

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received Tk. ....(Taka ....)only from Mr./Ms..Folio/BO Account No.. for...no.(s) of rights shares of **Delta Spinners Limited** in Cash/PayOrder/Draft/ChequeNo..date ....of...Bank ....Branch.

Application Sl. No.
Date

(Bank's Seal)

Signature of Receiving Officer