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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the **TWENTY-THIRD ANNUAL GENERAL MEETING of APEX SPINNING & KNITTING MILLS LIMITED** will be held at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206 on **Sunday the September 28, 2014 at 09.00 A.M.** to transact the following business:

AGENDA

1. To receive and adopt the Audited Financial Statements for the year ended 31st March 2014 and report of the Auditors and Directors thereon.
2. To declare Cash Dividend @ 20% for the year 2013-2014 as recommended by the Board of Directors.
3. To elect Directors.
4. To appoint Auditors for the year 2014-2015 and fix their remuneration.

Dated: Dhaka
August 12, 2014

By Order of the Board of Directors

Sd/-
Jesmin Sultana
Assistant Company Secretary

NOTES:

1. The record date shall be on **August 07, 2014**.
2. The Shareholders whose name will appear in the Register of Members of the Company or in the Depository on the "Record Date" will be eligible to attend the Annual General Meeting and be entitled to the Dividend.
3. A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead as per Para 99 of the Articles of Association of the Company. The Proxy Form duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the Meeting.
4. In pursuance of BSEC's Notification No. SEC/SRMI/2000-953/1950 dated October 24, 2000 gazetted on November 07, 2000, the Company shall hold discussions in the Annual General Meeting strictly in conformity with the provisions of the Companies Act, 1994.
5. Admittance to the meeting venue will be strictly on production of the Attendance Slip sent with the Notice.

Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/উপহার কুপন/খাবার/যাতায়াত ভাতা প্রদানের ব্যবস্থা থাকবে না।

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Chairman	:	Mr. Zafar Ahmed
Managing Director	:	Mr. Zahur Ahmed PhD
Director (Representative of Apex Foods Ltd.)	:	Mrs. Shawkat Ara Ahmed
Director (Representative of Apex Foods Ltd.)	:	Mr. Shahriar Ahmed
Director (ICB Representative)	:	Mr. Md. Moshir Rahman
Independent Director	:	Mr. Kazi Faruq Kader

AUDIT COMMITTEE

Chairman	:	Mr. Kazi Faruq Kader, Independent Director
Member	:	Mr. Zahur Ahmed PhD, Director
Member	:	Mr. Shahriar Ahmed, Director
Member	:	Mr. Md. Moshir Rahman, Director

SENIOR CORPORATE OFFICIALS

Chief Financial Officer	:	Mr. Kamruzzaman FCA
Head of Internal Audit	:	Mr. Ashish Kumar Paul FCA
Assistant Company Secretary	:	Ms. Jesmin Sultana

LEGAL ADVISORS

K. Fazlul Quadir
Abdur Razzaque & Associates
Md. Shahjahan Khan

AUDITORS

Hussain Farhad & Co.
Chartered Accountants

BANKERS

Eastern Bank Limited
Principal Branch
Dilkusha C/A, Dhaka-1000.
&
The Hongkong & Shanghai Banking Corporation Ltd.
Dhaka Main Office, Dhaka.

REGISTERED OFFICE

Rupayan Golden Age, 5th & 6th floor
99 Gulshan Avenue, Gulshan, Dhaka-1212
Bangladesh.

FACTORY

Mouza & P.O. Chandora
P.S. Kaliakoir, Dist. Gazipur
Bangladesh.

Five Years Statistics

Figure in Thousand Taka

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Results of Operations:					
Turnover	2,511,696	2,445,606	2,524,441	2,231,013	1,586,094
Gross Profit	221,196	207,910	200,281	165,840	151,918
Operating Profit	36,786	35,693	30,089	21,928	17,917
Net Profit before Tax	41,597	40,167	30,068	22,023	18,168
Net Profit after Tax	18,796	18,487	16,827	13,528	13,815
EPS with fair valuation surplus/deficit	3.35	2.01	2.45	-	-
EPS without fair valuation surplus/deficit	2.24	2.20	2.00	16.11	16.45
Dividend Per Share*	2.00	1.80	1.80	15.00	15.00
Financial Positions:					
Total Assets	1,136,263	1,181,592	1,048,473	1,070,254	833,306
Property, Plant and Equipment-Gross	1,160,317	1,141,895	1,057,887	1,047,715	999,165
Property, Plant and Equipment - Net	273,063	307,546	287,050	326,710	342,492
Gross Working Capital	841,181	861,399	747,510	730,506	481,193
Net Working Capital	124,047	95,307	113,068	66,775	54,237
Working Capital Loan	3,653	35,631	23,858	61,994	96,812
Share Capital	84,000	84,000	84,000	84,000	84,000
Share Premium	15,000	15,000	15,000	15,000	15,000
Reserve and Surplus	307,435	313,188	309,821	305,593	297,171
Share Holders Equity	417,912	414,292	412,543	404,593	396,171
Long Term Loan	-	-	-	301	19,211
Key Financial Ratios:					
Current Ratio	1.17	1.12	1.18	1.10	1.13
Debt to Total Assets (%)	63.11	64.84	60.65	62.20	52.46
Return on Equity (%)**	4.50	4.46	4.08	3.34	3.49
Net Asset Value Per Share	49.75	49.32	49	482	472
Dividend Payout Ratio	89.38	81.79	89.85	93.14	91.21
Interest Service Coverage Ratio	5.89	4.62	4.04	2.72	2.04
Others:					
Market Price Per Share (31 st March)	96.67	56.00	103.01	2,036.00	790.00
Price Earnings Multiple**	43.20	25.45	51.42	126.42	48.04
Number of Employees	4,574	4,690	3,925	4,458	4,208
Capacity Utilization (%)	89.11	78.20	86.07	85.18	78.31

* The Board of Directors recommended Cash Dividend @Tk. 2/- per Share for the year 2013-14.

** Return on equity and Price earnings multiple have been calculated on the basis of EPS without fair valuation surplus/deficit of investments.

*** During the year 2011-12, the face value of Shares have been converted into Tk. 10/- each from Tk. 100/- each.

Corporate Governance Compliance Status Report

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance 1969.

Condition No.	Title	Compliance Status	Explanation for non compliance with the condition
1.1	Board's Size: Board members should not be less than 5 (Five) and more than 20 (Twenty).	Complied	
1.2	Independent Directors		
1.2 (i)	Independent Director: At least 1/5 th (We have five Directors and One Independent Director)	Complied	
1.2 (ii)a)	Less than 1% Shares	Complied	
1.2 (ii)b)	Not a Sponsor of The Company	Complied	
1.2 (ii)c)	Does not have other relationship	Complied	
1.2 (ii)d)	Not a Member, Director or Officer of any Stock Exchange.	Complied	
1.2 (ii)e)	Not a Shareholder, Director or Officer of any Stock Exchange or an intermediary of the capital market.	Complied	
1.2 (ii)f)	Not a Partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	Complied	
1.2 (ii)g)	Not an Independent Director more than three listed Companies.	Complied	
1.2 (ii)h)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBF)	Complied	
1.2 (ii)i)	Not convicted for a Criminal offence	Complied	
1.2 (iii)	Appointment by the Board and approved in AGM.	Complied	
1.2 (iv)	Post can not remain vacant more than 90 days	Complied	
1.2 (v)	Lay down a code of conduct and annual compliance.	Complied	
1.2 (vi)	Tenure of the Independent Director.	Complied	
1.3	Qualification of Independent Director (ID)		
1.3 (i)	Independent Director shall be knowledgeable	Complied	
1.3 (ii)	Should be a Corporate Leader/Business Leader	Complied	
1.3 (iii)	Special cases for relaxation of qualifications.	Not Applicable	
1.4	Chairman of the Board and Chief Executive Officer: Individual Chairman of the Board, Chief Executive and clearly defined roles and responsibilities.	Complied	
1.5	The Directors' Report to Shareholders		
1.5 (i)	Industry outlook and possible future developments in the industry	Complied	
1.5 (ii)	Segment-wise or product-wise performance	Complied	
1.5 (iii)	Risks and concerns	Complied	
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	Complied	
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	Not applicable	

1.5 (vi)	Basis for related party transactions- a statement of all related party transactions.	Complied	
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	Not applicable	There was no such event during the year.
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc	Not applicable	There was no such event during the year.
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	Complied	
1.5 (x)	Remuneration to directors including independent directors.	Complied	
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	Complied	
1.5 (xii)	Proper books of account of the issuer company have been maintained.	Complied	
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	Complied	
1.5 (xiv)	IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	Complied	
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored	Complied	
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	Complied	
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	Not applicable	
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	Complied	
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	Not applicable	
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	Complied	
1.5 (xxi)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	Complied	
1.5 (xxi)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	Complied	
1.5 (xxi)c)	Executives;	Complied	

1.5 (xxi)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	Complied	
1.5 (xxii)a)	A brief resume of the director;	Complied	
1.5 (xxii)b)	Nature of his/her expertise in specific functional areas;	Complied	
1.5 (xxii)c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	Complied	
2	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS):		
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining of their respective roles, responsibilities and duties.	Complied	
2.2	Attendance of CFO and the Company Secretary at Board of Directors meeting.	Complied	
3	AUDIT COMMITTEE:		
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	Complied	
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	Complied	
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	Complied	
3.1	Constitution of the Audit Committee		
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members	Complied	
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	Complied	
3.1(iii)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management experience.	Complied	
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service.	Not applicable	
3.1(v)	The company secretary shall act as the secretary of the Committee	Complied	
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director	Complied	
3.2	Chairman of the Audit Committee		
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	Complied	
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	Complied	
3.3	Role of Audit Committee		
3.3(i)	Oversee the financial reporting process	Complied	

3.3(ii)	Monitor choice of accounting policies and principles.	Complied	
3.3(iii)	Monitor Internal Control Risk management process.	Complied	
3.3(iv)	Oversee hiring and performance of external auditors	Complied	
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	Complied	
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	Complied	
3.3(vii)	Review the adequacy of internal audit function.	Complied	
3.3(viii)	Review statement of significant related party transactions submitted by the management	Complied	
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by Statutory auditors.	Complied	
3.3(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee, on a quarterly basis and annual basis.	Not applicable	
3.4	Reporting of the Audit Committee		
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors	Complied	
3.4.1(ii)a)	report on conflicts of interests;	Not applicable	There was no such event to report
3.4.1(ii)b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	Not applicable	There was no such event to report
3.4.1(ii)c)	Suspected infringement of laws, including securities related laws, rules and regulations;	Not applicable	There was no such event to report
3.4.1(ii)d)	Any other matter which shall be disclosed to the Board of Directors Immediately.	Not applicable	There was no such event to report
3.4.2	Reporting to the Authorities	Not applicable	There was no such event to report
3.5	Reporting to the Shareholders and General Investors.	Not applicable	There was no such event to report
4	EXTERNAL/STATUTORY AUDITORS:		
4 (i)	Appraisal or valuation services or fairness opinions.	Complied	
4 (ii)	Financial information systems design and implementation	Complied	
4 (iii)	Book-keeping or other services related to the accounting records or financial statements	Complied	
4 (iv)	Broker-dealer services	Complied	
4 (v)	Actuarial services.	Complied	
4 (vi)	Internal audit services.	Complied	
4 (vii)	Any other service that the Audit Committee determines.	Complied	
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	Complied	

5	SUBSIDIARY COMPANY:		
5 (i)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	Not applicable	
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding Company shall be a director on the Board of Directors of the subsidiary company.	Not applicable	
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	Not applicable	
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	Not applicable	
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not applicable	
6	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):		
6.(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	Complied	
6 (i)a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied	
6 (i)b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	Complied	
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	Complied	
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:		
7 (i)	The company shall obtain a certificate from a Professional Accountant/ Secretary (Chartered Accountant/Cost & Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines.	Complied	
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report regarding compliance.	Complied	

To the shareholders of Apex Spinning & Knitting Mills Limited

Certificate on compliance of conditions of corporate governance guidelines

We have examined compliance status of Apex Spinning & Knitting Mills Limited regarding conditions of corporate governance guidelines issued by the Bangladesh Securities and Exchange Commission as stipulated in Condition No. 7(i) of the BSEC notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

The compliance of conditions of corporate governance guidelines as stated in the aforementioned notification and reporting of the status of compliance is the responsibility of the Company's management. Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, except as reported on the attached status of compliance statement, the Company has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated 7th August 2012.

Sd-

MD. Waliullah, FCA

Senior Partner

ICAB Enrolment Number-247

For Malek Siddiqui Wali

Chartered Accountants

Dhaka, 19th July, 2014

AUDIT COMMITTEE REPORT

The audit committee of APEX SPINNING & KNITTING MILLS LIMITED was formed as per the terms of reference approved by the Board in accordance with the notification of Bangladesh Securities and Exchange Commission no. SEC/CMRRCD/2006-158/134/Admin/44, dated 7th August 2012.

The Audit committee of the company comprises of four Directors, nominated by the Board of Directors of the Company, headed by the Independent Director, Mr. Kazi Faruq Kader. The other members of the committee are, Mr. Zahur Ahmed PhD, Mr. Shahriar Ahmed and Mr. Md. Moshir Rahman.

The committee has worked closely with the company's financial term to ensure that the audit processes adopted in connection with the financial statements are deal with best practice. The committee was empowered to examine the matter related to financial and other affairs of the Company. This committee ensures a sound financial reporting system and updated information to the Board of Directors.

The committee normally meets in the next month of every quarter. During the year 2013-14, six Audit Committee meeting were held, the details of attendance of each member at the Audit Committee meetings are as follows:

Name of the Member	Number of Audit Committee Meeting held	Attended
Mr. Kazi Faruq Kader	6	6
Mr. Zahur Ahmed PhD	6	6
Mr. Shahriar Ahmed	6	6
Mr. Md. Moshir Rahman	6	6

During the year the Audit Committee review and carry out the following tasks:

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors.
- Review along with the management, the annual financial statements before submission to the Board for approval.
- Review along with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.
- Review statement of significant related party transactions submitted by the management.
- Sufficient effectiveness of the internal financial controls.
- Compliance of all applicable legal and regulatory rules and regulations.
- Various reports of operational activities and streamlined the operations of the Company.
- The committee reviewed the audit plan for the year 2013-14 and oversees the performance of external auditors.
- Reviewed compliance of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.

The Audit Committee is of the view that the internal control and procedures are adequate to present a true and fair view of the activities and financial status of the Company.

Dated Dhaka the 19th July 2014

On behalf of the Audit Committee
Sd/-
Kazi Faruq Kader
Chairman

CEO & CFO's Declaration to the Board of Directors

Date: July 19, 2014

The Board of Directors
Apex Spinning & Knitting Mills Limited
Rupayan Golden Age (5th & 6th Floor)
99 Gulshan Avenue, Gulshan
Dhaka-1212, Bangladesh.

Subject: CEO & CFO's Declaration to the Board of Directors

Dear Sirs:

In compliance with the condition no. 6 imposed by the Bangladesh Securities & Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 issued under Section 2CC of the Securities & Exchange Ordinance, 1969, we do hereby certify to the Board of Directors that:

- (i) We have reviewed the financial statements for the year ended on 31st March 2014 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - (b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sincerely yours,

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer (CFO)

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It is an honor and pleasure for me to welcome you all to the Twenty-third Annual General Meeting of your Company and to present the Annual Report for the year ended 31st March 2014.

Global Economy:

The world economy, has experienced subdued growth continuing from last year, underperforming across almost all regions in the last fiscal year. Cyclical movements in growth remain synchronized among world economies. Looking ahead, global growth is projected to strengthen from 3 percent in 2013 to 3.6 percent in 2014 and 3.9 percent in 2015, broadly unchanged from the October 2013 outlook. This is attributable to the renewed increase in financial volatility in late January – although market pressures were relatively broadly based, countries with higher inflation and wider current account deficits were generally more affected. Some emerging economies have tightened macroeconomic policies to shore up confidence and strengthen their commitment to policy objectives. Overall, financial conditions have tightened further in some emerging market economies. The cost of capital has increased as a result, and this is expected to dampen investment and weigh on growth.

Downside risks, old and new, still dominate the outlook. Unexpected rapid normalization of U.S. monetary policy or renewed bouts of high risk aversion on the part of investors could result in further financial turmoil. This would lead to difficult adjustments in some emerging market economies, with a risk of contagion and broad-based financial stress, and thus lower growth.

Bangladesh Economy:

Despite social unrest in the first half of fiscal year 2013 - 14 (July-June), real GDP grew by 6.1% and the economy is expected to continue to grow at a brisk pace in 2014 - 15. Bangladesh has set target to be in the middle income group status by the year 2021. This is expected to be achieved through simultaneous improvement of political, economic, social, technological, rule of law and the environment, leading to eradication of numbers of the absolute poor.

Domestic demand was depressed in the first half of the year because the prolonged political unrest ahead of parliamentary elections in January 2014, dented consumer and investor confidence. This is reflected in lower private credit growth, a decline in imports of consumer goods and capital machinery, and modest growth in imports of raw materials. Growth is expected to rebound to 6.2% in FY2015, aided by higher remittance and export growth, as well as by prospects for continued economic recovery in the U.S. and the Euro zone. A likely rise in consumer and investor confidence as the political situation stabilizes is also expected to stimulate demand and strengthen growth momentum.

While the economy is likely to retain its competitive advantage in producing clothing and apparel, rising incomes, better regulation and improved infrastructure will encourage a move towards higher value-added sectors. This could include the assembly of high-tech goods, boosting trade in this sector. In the long term, rising Foreign Direct Investment (FDI) inflows should support investment in Bangladesh. Growing household incomes should open up the market for consumer goods, including high-tech products.

My sincere thanks to all the respectable Shareholders for extending their continuous support and confidence in the Board of Directors of your Company. I also like to put on record my sincere appreciation to the Banks, Financial and Regulatory Agencies, Suppliers, Customers, various people with whom we have interacted in the course of business, management staff and members of the Company at all levels for their cooperation and sincere efforts in the growth of your Company.

Dhaka
19th July, 2014

Sd/-
Zafar Ahmed
Chairman

REPORT OF THE DIRECTORS

Dear Shareholders,

The Directors are pleased to submit to you the Annual Report together with the Auditors' Report and Audited Financial Statements of the Company for the year ended 31st March 2014.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994 and Bangladesh Securities & Exchange Commission's (BSEC) notification no- SEC/CMRRCD/2006-158/134/Admin/44 dated 07th August 2012.

(i) Industry outlook and possible future developments in the industry:

In regards to RMG exports, performance in Q1 of fiscal 2014 was impressive. RMG exports will need to register a growth of 8.6% over the next three quarters from the same time last year if the overall RMG growth target of 12.2% for fiscal 2014 is to be achieved. This appears to be an attainable target in view of current trends and emerging market signals.

In spite of Bangladesh's good performance in both the EU and the US markets, Vietnam has been outperforming Bangladesh in the US market and Cambodia in the EU market. In the foreseeable future, the advantage and attention that Bangladesh has enjoyed, thanks to the China plus one policy pursued by major buyers, is likely to face increasing competitive pressure from Vietnam, Cambodia and also India, among others. Bangladesh will need to keep competitors on the radar screen and calibrate policies and initiatives accordingly.

Bangladesh's RMG export performance received a positive jolt in the EU market in recent times, thanks to changes in the rules of origin for woven-RMG products under the EU-GSP scheme. Also a sharp depreciation of the currencies of some of Bangladesh's competitors, particularly India, has put Bangladesh to some disadvantage.

Bangladesh at present is delicately poised in view of the anticipated challenges and the emerging possibilities in a fast changing global apparels market. Let us seize the opportunities by doing the needed homework and by being adequately equipped and ready.

(ii) Segment-wise or product-wise performance:

As Apex Spinning & Knitting Mills Limited produces only Readymade Garment there is no scope for Product wise performance reporting. However, country wise export details are given in note 17 of the Annual Report.

(iii) Risks and concerns:

The sunny picture of Bangladesh RMG has changed. The most pressing challenge is rebuilding the garment industry's image and addressing supply bottlenecks. This industry is now at a critical crossroads, as recent high fatality factory fires and a building collapse have exposed the hazards workers face and also severely tarnished the industry's image.

The time to act is now. Bangladesh must act now to articulate and enforce improved standards for building safety and worker health and security, so that garments industry can continue to grow and other industries can follow its example.

The power problem has slightly eased off but more uninterrupted power supply needs to be ensured throughout the year to run the industries efficiently.

(iv) Analysis of Cost of Goods sold, Gross Profit Margin and Net Profit Margin:

(a) Cost of Goods Sold:

This year's cost of goods sold was Tk. 2,290 million as compared to last year's cost of goods sold of Tk. 2,238 million. This is due to the fact that there has been an increased in the gross turnover during the year. During the year 1,782,218 dozens of garments were produced as against last year's production of 1,564,095 dozens. The increase in production quantity is 218,123 dozens over the last year. Production capacity utilized during the year was 89.11%. There was an increase in Wages and Salaries to the tune of Tk. 107.63 million as against last year.

(b) Gross Profit:

The company has achieved an export turnover of Tk. 2,511.70 million during the year ended 31st March 2014. Last year's turnover was Tk. 2,445.60 million. The increase in turnover is 2.70% over the last year. Gross profit earned during the year was Tk. 221.20 million as against last year's gross profit of Tk. 207.91 million.

(c) Net Profit:

Net profit (after tax) earned during the year was Tk. 18.80 million as compared to last year's Net Profit (after tax) of Tk. 18.49 million. There is no significant difference from last year's net profit. The benefit of additional sales was absorbed by additional cost.

(v) Extra-Ordinary gain or loss:

During the year there was no realized extra-ordinary gain or loss made by the company. An amount of Tk. 9.37 million has been shown as Fair Valuation Surplus for Investment in the Statement of Comprehensive Income which represents the difference between the closing price of investment in the Shares of Apex Foods Limited and the price shown in the last Statement of Financial Position. This accounting effect was given in order to comply with the latest requirement of Bangladesh Accounting Standards (BAS) / Bangladesh Financial Reporting Standards (BFRS). Details are given in Note 12 of the Annual Report.

(vi) Related party transactions:

During the year the company carried out a number of transactions with related parties in the normal course of business and the payments are made through Letter of Credits (L/C).

Name of the Parties	Relationship	Nature of Transactions	2013-14	2012-13
i. Matex Bangladesh Ltd.	Common Director	Dyes and Chemical Purchase	117,065,290	89,456,975
ii. Apex Yarn Dyeing Ltd.	Common Director	Yarn Dyeing & Threads Purchase	97,106,307	137,890,382

(vii) Utilization of proceeds from public issues and/ or rights issues:

There was no public issues and/ or right issue offered during the year.

(viii) Financial results after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.:

Initial Public Offering was made on February 10, 1994. Since then the company is performing well.

(ix) Variance between Quarterly Financial performance and Annual Financial Statements:

There is significant increase in EPS (i.e. up to 3rd Quarter, EPS from operational activities was Tk. 1.39 but annually it has been Tk. 2.24) is mainly due to decrease of operating expenses in last quarter of 2013-14.

(x) Remuneration to directors including independent directors:

The remunerations of Directors including Independent Director are as follows:

Name of the Directors	Director / Independent Director	Yearly Remuneration
Mr. Zahur Ahmed PhD	Director	1,800,000
Mr. Shahriar Ahmed	Director	1,200,000
Mr. Kazi Faruq Kader	Independent Director	600,000

- (xi) The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- (xii) Proper books of account of the issuer company have been maintained.
- (xiii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- (xiv) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.
- (xv) The system of internal control is sound in design and has been effectively implemented and monitored.
- (xvi) There are no significant doubts upon the issuer company's ability to continue as a going concern.
- (xvii) Deviation from the last year's operating results:**

During the year turnover has slightly increased. But due to increase in wages and salaries there is no significant deviation in operating result.

- (xviii) Key operating and financial data of at least preceding 5 (five) years:**

"Figure in thousand Taka"

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Operational Data:						
Turnover	2,511,696	2,445,606	2,524,441	2,231,013	1,586,094	1,649,533
Gross Profit	221,196	207,910	200,281	165,840	151,918	155,273
Operating Profit	36,786	35,693	30,089	21,928	17,917	21,005
Net Profit before Tax	41,597	40,167	30,068	22,023	18,168	21,094
Net Profit after Tax	18,796	18,487	16,827	13,528	13,815	13,118
EPS with fair valuation surplus/deficit	3.35	2.01	2.45	-	-	-
EPS without fair valuation surplus/deficit	2.24	2.20	2.00	16.11	16.45	15.62
Dividend Per Share	2.00	1.80	1.80	15.00	15.00	15.00
Financial Data:						
Total Assets	1,136,263	1,181,592	1,048,473	1,070,254	833,306	914,796
Property, Plant and Equipment-Gross	1,160,317	1,141,895	1,057,887	1,047,715	999,165	952,079
Property, Plant and Equipment - Net	273,063	307,546	287,050	326,710	342,492	362,481
Gross Working Capital	841,181	861,399	747,510	730,506	481,193	542,694
Net Working Capital	124,047	95,307	113,068	66,775	54,237	54,348
Working Capital Loan	3,653	35,631	23,858	61,994	96,812	121,585
Share Capital	84,000	84,000	84,000	84,000	84,000	84,000
Share Premium	15,000	15,000	15,000	15,000	15,000	15,000
Reserve and Surplus	307,435	313,188	309,821	305,593	297,171	297,657
Share Holders Equity	417,912	414,292	412,543	404,593	396,171	396,657
Long Term Loan	-	-	-	301	19,211	50,298

- (xix) Dividend:**

Board of Directors has recommended Cash Dividend of Tk. 2.00 per Share of Tk. 10.00 each for the year 2013-14. Upon your approval in this General Meeting, the dividend will be paid to the Shareholders whose names appear in the Share Registers of the Company or in the Depository as on 7th August 2014 at the close of office.

(xx) Board meetings:

During the year 4 (Four) Board Meetings were held. The attendance record of the Directors is as follows:

Name of Directors	Meeting attended
Mr. Zafar Ahmed	4
Mr. Zahur Ahmed PhD	4
Mrs. Shawkat Ara Ahmed	4
Mr. Shahriar Ahmed	4
Mr. Md. Moshir Rahman	4
Mr. Kazi Faruq Kader	4

(xxi) The pattern of shareholding:

Name wise details	No. Shares
a) Parent/subsidiary/Associated Companies and other related parties	
Apex Foods Limited	2,263,200
Apex Lingerie Limited	143,000
Apex Yarn Dyeing Limited	136,400
b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit:	
Mr. Zafar Ahmed – Director	842,400
Mr. Zahur Ahmed PhD – Director	944,400
Mrs. Shawkat Ara Ahmed – Director	126,000
Mr. Shahriar Ahmed – Director	47,400
Mr. Md. Moshir Rahman- Director	NIL
Mr. Kazi Faruk Kader – Independent Director	NIL
Mr. Kamruzzaman FCA– Chief Financial Officer	NIL
Mr. Ashish Kumar Paul FCA– Head of Internal Audit	NIL
Ms. Jesmin Sultana – Assistant Company Secretary	NIL
c) Senior Corporate Executives	
	NIL
d) Shareholders holding ten percent (10%) or more voting interest in the Company	
Mr. Zafar Ahmed	842,400
Mr. Zahur Ahmed PhD	944,400
Apex Foods Limited	2,263,200
ICB Unit Fund	1,195,000

(xxii) Appointment/re-appointment of directors of the company:

Mrs. Shawkat Ara Ahmed and Mr. Shahriar Ahmed are retiring from the Board in terms of the Articles of Association of the Company and being eligible, offer themselves for re-election. The details work profiles of Mrs. Shawkat Ara Ahmed and Mr. Shahriar Ahmed are given below:

Mrs. Shawkat Ara Ahmed

- a. Mrs. Shawkat Ara Ahmed is a Graduate from Dhaka University. She joined in this Company in 1996 and since then she is working in this sector. During her long tenure with the Company, Mrs. Shawkat Ara Ahmed gathered vast knowledge about this sector. Mrs Shawkat Ara Ahmed is now acting as the Director of the Company.
- b. Since her joining in this sector, she has gathered sufficient knowledge to run the Company.
- c. She is also holding the Directorship of (i) Apex Foods Limited and (ii) Matex Bangladesh Limited.
- d. She is not a member of any Committee of the Board.

Mr. Shahriar Ahmed

- a. Mr. Shahriar Ahmed obtained his MBA from Johnson & Wales University, USA and after completion of his education, joined in this Company in 2004. He is working in this sector since 2004. During his long tenure with the Company, Mr. Shahriar has gathered vast knowledge about this sector. Mr. Shahriar is now acting as the Director of the Company.
- b. Since his joining in this sector, he has gathered sufficient knowledge to run the Company.
- c. He is also holding the Directorship of (i) Apex Foods Limited, (ii) Apex Lingerie Limited, (iii) Apex Yarn Dyeing Limited, (iv) Apex Textile Printing Mills Limited and (v) Matex Bangladesh Limited.
- d. Presently, Mr. Shahriar is a Member of the Audit Committee.

(xxiii) Auditors:

The retiring Auditors M/s. Hussain Farhad & Co., Chartered Accountants, being eligible, offer themselves for re-appointment as Auditors of the Company for the year 2014-15.

(xxiv) Corporate Governance Compliance Report:

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Report" is annexed.

Dhaka
19th July, 2014

On behalf of the Board

Sd/-
Zafar Ahmed
Chairman

পরিচালকগণের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারগণ,

আপনাদের কোম্পানীর পরিচালকগণ ২০১৪ সালের ৩১শে মার্চ তারিখে সমাপ্ত হিসাব বৎসরের বার্ষিক প্রতিবেদন এর সাথে নিরীক্ষকের প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী আপনাদের সম্মুখে উপস্থাপন করতে পেরে আনন্দিত।

পরিচালনা পর্ষদের প্রতিবেদন প্রণয়নের ক্ষেত্রে কোম্পানী আইন ১৯৯৪ এর ১৮৪ ধারা ও বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের (বিএসইসি) নোটিফিকেশন নং- এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/প্রশাসন/৪৪ তারিখ- আগস্ট ৭, ২০১২ অনুসরণ করা হয়েছে।

১. শিল্প সম্পর্কিত ধারণা এবং এই শিল্পের ভবিষ্যত উন্নয়নের সম্ভাবনাঃ

তৈরী পোশাক রপ্তানীর ক্ষেত্রে ২০১৪ সালের প্রথম প্রান্তিকের ফলাফল ছিল খুবই আশা ব্যঞ্জক। তৈরী পোশাকের রপ্তানী লক্ষ্যমাত্রা যদি ১২.২ শতাংশ অর্জন করতে হয় তবে পরবর্তী তিন প্রান্তিকে এই খাতে ৮.৬ শতাংশ প্রবৃদ্ধি নিশ্চিত করতে হবে। এই খাতের বর্তমান ধারাবাহিকতা ও বর্ধিত চাহিদার নিরিখে নির্ধারিত লক্ষ্যমাত্রা অর্জন করা সম্ভব বলেই প্রতীয়মান হয়।

ইউরোপীয় ইউনিয়ন ও মার্কিন যুক্তরাষ্ট্রের বাজারে বাংলাদেশী পণ্যের সম্ভাষণজনক ফলাফল স্বত্বেও, মার্কিন যুক্তরাষ্ট্রের বাজারে ভিয়েতনাম এবং ইউরোপের বাজারে কম্বোডিয়া বাংলাদেশকে ছাড়িয়া গিয়েছে। চায়না প্লাস ওয়ান পলিসির জন্য বাংলাদেশ যে সুবিধা ও মনোযোগ ভোগ করেছে তা অদূর ভবিষ্যতে ভিয়েতনাম, কম্বোডিয়া এবং ভারত ও অন্যান্যদের সাথে প্রতিদ্বন্দ্বীতার সম্মুখীন হবে। প্রতিদ্বন্দ্বী হিসাবে এদের অবস্থান, শক্তি পরিমাপ করা এবং প্রয়োজনীয় পদক্ষেপ বাংলাদেশের নেওয়া প্রয়োজন হবে।

বর্তমান সময়ে বাংলাদেশের তৈরী পোশাক রপ্তানী অবদানে ই ইউ বাজার হতে ইতিবাচক ঝাঁকুনি খেয়েছে। ধন্যবাদ যে, ই ইউ জিএসপি অধীন বোনা তৈরী পোশাকের পণ্যের জন্য রুলস অব অরিজিন পরিবর্তন করা হয়েছে। এছাড়াও বাংলাদেশের কিছু প্রতিদ্বন্দ্বী দেশসমূহের মুদ্রামানের অবমূল্যায়নের ফলে, বিশেষ করে ভারতের, বাংলাদেশ কিছুটা প্রতিকূল অবস্থায় আছে।

বর্তমানে বাংলাদেশকে যথাযথভাবে ভারসাম্য রক্ষা করে দ্রুত পরিবর্তনশীল বিশ্ব উদীয়মান বাজারে আগামীদিনের প্রতিযোগিতা মোকাবেলা করার জন্য তৈরী হতে হবে। এই সুযোগকে কাজে লাগাতে হলে প্রয়োজনীয় এবং যথাযথ কর্ম পরিকল্পনার মাধ্যমে প্রস্তুত হতে হবে।

২. খাতওয়ারি অথবা পণ্য ভিত্তিক ফলাফলঃ

যেহেতু এপেক্স স্পিনিং এন্ড নিটিং মিলস্ লিমিটেড শুধু মাত্র তৈরী পোশাক উৎপাদনকারী প্রতিষ্ঠান সেহেতু এখানে পণ্য ভিত্তিক ফলাফলের বিবরণ দেওয়ার কোন সুযোগ নেই। যাহোক বার্ষিক প্রতিবেদনের ১৭ নং নোটে প্রতিষ্ঠানটি কোন দেশে কত রপ্তানী করেছে তার বিস্তারিত বিবরণ দেওয়া হয়েছে।

৩. ঝুঁকি ও উদ্বেগ সমূহঃ

বাংলাদেশের তৈরী পোশাকের তেজি চিত্র পরিবর্তন হয়ে গিয়েছে। এখন মূল নজর হবে এই খাতের ভাবমূর্তি পুনরুদ্ধার এবং ধীরগতির সরবরাহ সমস্যার সমাধান। সম্প্রতি কারখানায় আগুন লাগার ঘটনা এবং একটি কারখানা ধসের ফলে শ্রমিকরা যে ঝুঁকিপূর্ণ কর্মপরিবেশে রয়েছে তা প্রকাশ হয়ে পড়ায় এ শিল্প সংকটপূর্ণ পথ অতিক্রম করেছে।

সময় এসেছে কাজ করার। বাংলাদেশকে অবশ্যই যথাযথ ও মানসম্মত করে ভবন নিরাপত্তা, শ্রমিকের স্বাস্থ্য ও নিরাপত্তার মান নিশ্চিত করতে হবে। যাতে করে এই শিল্প নিশ্চিত ভাবে এগিয়ে যায় যেন অন্যান্য শিল্প এই উদাহরণকে অনুসরণ করতে পারে।

বৈদ্যুতিক সমস্যার কিছুটা উন্নতি হয়েছে। কিন্তু এই খাতকে যথাযথ ভাবে এগিয়ে নিতে হলে সারা বছর ধরে নিরবচ্ছিন্ন বিদ্যুৎ সরবরাহ নিশ্চিত করতে হবে।

৪. বিক্রিত পণ্যের ব্যয় বিশ্লেষণ, মোট প্রান্তিক মুনাফা এবং নীট প্রান্তিক মুনাফাঃ

ক) বিক্রিত পণ্যের ব্যয়ঃ

এই বৎসর বিক্রিত পণ্যের ব্যয় ছিল ২,২৯০ মিলিয়ন টাকা, যা গত বৎসর ছিল ২,২৩৮ মিলিয়ন টাকা। এর কারণ চলতি বছরে মোট বিক্রয় বেড়েছে। চলতি বৎসর ১,৭৮২,২১৮ ডজন তৈরি পোষাক উৎপাদন হয়েছে যা গত বৎসর ছিল ১,৫৬৪,০৯৫ ডজন। গত বৎসরের তুলনায় এ বৎসর ২১৮,১২৩ ডজন উৎপাদন বৃদ্ধি পেয়েছে। চলতি বৎসরে কোম্পানীর উৎপাদন ক্ষমতার ৮৯.১১% ব্যবহৃত হয়েছে। গত বৎসরের তুলনায় মজুরী এবং বেতন ১০৭.৬৩ মিলিয়ন টাকা বৃদ্ধি পেয়েছে।

খ) মোট মুনাফাঃ

৩১শে মার্চ ২০১৪ সমাপ্ত বৎসরে কোম্পানী মোট বিক্রয় করেছে ২,৫১১.৭০ মিলিয়ন টাকা। গত বৎসর বিক্রয় ছিল ২,৪৪৫.৬০ মিলিয়ন টাকা। গত বৎসরের তুলনায় এ বৎসর ২.৭০ শতাংশ বিক্রয় বৃদ্ধি পেয়েছে। এ বৎসর মোট মুনাফা অর্জিত হয়েছে ২২১.২০ মিলিয়ন টাকা, যা গত বৎসর ছিল ২০৭.৯১ মিলিয়ন টাকা।

গ) নীট মুনাফাঃ

এ বৎসর কর পরবর্তী নীট মুনাফা হয়েছে ১৮.৮০ মিলিয়ন টাকা, যা গত বৎসর ছিল ১৮.৪৯ মিলিয়ন টাকা। গত বৎসরের কর পরবর্তী নীট মুনাফার সহিত চলতি বৎসরে কোন উল্লেখযোগ্য পার্থক্য নেই। অতিরিক্ত খরচের কারণে অতিরিক্ত বিক্রয়ের মুনাফা শোষিত হয়েছে।

৫. অস্বাভাবিক লাভ বা ক্ষতিঃ

এ বৎসর বাস্তবিক প্রাপ্ত কোন অস্বাভাবিক লাভ বা ক্ষতি নেই। তবে ৯.৩৭ মিলিয়ন টাকা বিনিয়োগের সুষ্ঠু মূল্যায়নের ফলে উদ্ধৃত হয়েছে যাহা সমন্বিত আয় বিবরণীতে দেখানো হয়েছে যাহা এপেক্স ফুডস্ লিমিটেড এর শেষারে বিনিয়োগের সমাপনী বাজার মূল্য এবং গত বৎসরের আর্থিক অবস্থার বিবরণীতে দেখানো মূল্যের পার্থক্য, এটা বাংলাদেশ এ্যাকাউন্টিং স্ট্যান্ডার্ডস্ (বি.এ.এস) / বাংলাদেশ ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস্ (বি.এফ.আর.এস) অনুযায়ী হিসাব বিবরণীতে দেখানো হয়েছে। বার্ষিক প্রতিবেদনের ১২নং নোটে বিস্তারিত বিবরণ দেওয়া হয়েছে।

৬. আন্তঃ সম্পর্কিত কোম্পানীর লেনদেন সমূহঃ

এ বৎসর আন্তঃ সম্পর্কিত কোম্পানী সমূহের মধ্যে অনেক গুলো স্বাভাবিক ব্যবসায়িক লেনদেন হয়েছে যাহা ঋণ পত্রের মাধ্যমে সম্পন্ন এবং পরিশোধিত হয়েছে।

পার্টির নাম	সম্পর্ক	লেনদেনের ধরন	২০১৩-২০১৪	২০১২-২০১৩
ক) ম্যাটেক্স বাংলাদেশ লিমিটেড	একই পরিচালক	রং এবং রাসায়নিক দ্রব্য ক্রয়	১১৭,০৬৫,২৯০	৮৯,৪৫৬,৯৭৫
খ) এপেক্স ইয়ার্ন ডাইং লিমিটেড	একই পরিচালক	সুতার রং করন এবং সুতা ক্রয়	৯৭,১০৬,৩০৭	১৩৭,৮৯০,৩৮২

৭. পাবলিক ইস্যু অথবা রাইট ইস্যু হইতে প্রাপ্ত তহবিলের ব্যবহারঃ

এ বৎসর কোন পাবলিক ইস্যু অথবা রাইট ইস্যু করা হয় নাই।

৮. ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও), রিপিট পাবলিক অফারিং (আর. পি. ও), রাইট অফার, ডাইরেক্ট লিস্টিং ইত্যাদি থেকে অর্থ বা তহবিল প্রাপ্তির পর কোম্পানীর আর্থিক অবস্থা :

১৯৯৪ সালের ফেব্রুয়ারী মাসের ১০ তারিখে ইনিশিয়াল পাবলিক অফারিং (আই.পি.ও) হয় এর পর থেকে কোম্পানী ভালো করে যাচ্ছে।

৯. বার্ষিক আর্থিক বিবরণী এবং ত্রৈমাসিক আর্থিক অবস্থার বিবরণীর মধ্যে পার্থক্যঃ

২০১৩-২০১৪ এর শেষ ত্রৈমাসিকে পরিচালন ব্যয় হ্রাস পাওয়ার কারণে শেষার প্রতি আয় উল্লেখযোগ্য ভাবে বৃদ্ধি পেয়েছে (অর্থাৎ তৃতীয় প্রান্তিক পর্যন্ত পরিচালন কার্যক্রমে শেষার প্রতি আয় ছিল ১.৩৯ টাকা কিন্তু বাৎসরিক ইহা হয়েছে ২.২৪ টাকা)।

১০. স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিকঃ

স্বতন্ত্র পরিচালক সহ পরিচালকদের পারিশ্রমিক নিম্নরূপঃ

পরিচালকদের নাম	পরিচালক/স্বতন্ত্র পরিচালক	বাৎসরিক পারিশ্রমিক
জনাব জহুর আহমেদ পিএইচডি	পরিচালক	১৮,০০,০০০/-
জনাব শাহরিয়ার আহমেদ	পরিচালক	১২,০০,০০০/-
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক	৬,০০,০০০/-

১১. কোম্পানীর ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীতে কোম্পানীর আর্থিক অবস্থা, কার্যক্রমের ফলাফল, নগদ প্রবাহ, মূলধনের পরিবর্তন সঠিক ভাবে উপস্থাপন করা হয়েছে।

১২. কোম্পানীর হিসাব বহি সমূহ যথাযথ ভাবে সংরক্ষণ করা হয়েছে।

১৩. আর্থিক বিবরণী প্রস্তুতিতে যথোপযুক্ত হিসাবনীতি সমূহ ধারাবাহিক ভাবে প্রয়োগ করা হয়েছে এবং হিসাব গত পরিমাপক সমূহ যুক্তিযুক্ত ও বিচক্ষণ সিদ্ধান্তের উপর প্রতিষ্ঠিত।

১৪. ইন্টারন্যাশনাল এ্যাকাউন্টিং স্ট্যান্ডার্ডস (আই.এ.এস)/বাংলাদেশ এ্যাকাউন্টিং স্ট্যান্ডার্ডস (বি.এ.এস)/ ইন্টারন্যাশনাল ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আই.এফ.আর.এস)/ বাংলাদেশ ফিন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বি.এফ.আর.এস) যাহা বাংলাদেশে প্রযোজ্য তাহা অনুসরণ করে আর্থিক বিবরণী প্রস্তুত করা হয়েছে এবং কোথাও কোন ব্যত্যয় থাকলে তাহা যথাযথ ভাবে প্রকাশ করা হয়েছে।

১৫. অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সুসংহত ও কার্যকর ভাবে বাস্তবায়ন ও পর্যবেক্ষণ করা হয়েছে।

১৬. কোম্পানীর চলমান অস্তিত্বের সামর্থ্যের ক্ষেত্রে কোনরূপ তাৎপর্যপূর্ণ সন্দেহের অবকাশ নাই।

১৭. গত বৎসরের পরিচালনগত ফলাফলের সহিত চলতি বৎসরের ব্যবধানঃ

এ বছর বিক্রয় সামান্য বৃদ্ধি পেয়েছে কিন্তু মজুরী এবং বেতন বৃদ্ধি কারণে পরিচালনগত ফলাফলের সহিত চলতি বৎসরের কোন উল্লেখযোগ্য ব্যবধান নেই।

১৮. পূর্ববর্তী পাঁচ বছরের মূখ্য পরিচালন এবং অর্থনৈতিক উপাত্তঃ

(সংখ্যা হাজার টাকায়)

বিবরণ	২০১৩-১৪	২০১২-১৩	২০১১-১২	২০১০-১১	২০০৯-১০	২০০৮-০৯
পরিচালন তথ্য:						
বিক্রয়	২,৫১১,৬৯৬	২,৪৪৫,৬০৬	২,৫২৪,৪৪১	২,২৩১,০১৩	১,৫৮৬,০৯৪	১,৬৪৯,৫৩৩
মোট মুনাফা	২২১,১৯৬	২০৭,৯১০	২০০,২৮১	১৬৫,৮৪০	১৫১,৯১৮	১৫৫,২৭৩
পরিচালন মুনাফা	৩৬,৭৮৬	৩৫,৬৯৩	৩০,০৮৯	২১,৯২৮	১৭,৯১৭	২১,০০৫
করপূর্ব মুনাফা	৪১,৫৯৭	৪০,১৬৭	৩০,০৬৮	২২,০২৩	১৮,১৬৮	২১,০৯৪
করপরবর্তী মুনাফা	১৮,৭৯৬	১৮,৪৮৭	১৬,৮২৭	১৩,৫২৮	১৩,৮১৫	১৩,১১৮
বিনিয়োগের সৃষ্ট মূল্যায়ন সহ শেয়ার প্রতি	৩.৩৫	২.০১	২.৪৫	-	-	-
বিনিয়োগের সৃষ্ট মূল্যায়ন ব্যতীত শেয়ার প্রতি আয়	২.২৪	২.২০	২.০০	১৬.১১	১৬.৪৫	১৫.৬২
প্রতি শেয়ারের জন্য লভ্যাংশ	২.০০	১.৮০	১.৮০	১৫.০০	১৫.০০	১৫.০০
আর্থিক তথ্য:						
মোট সম্পদ	১,১৩৬,২৬৩	১,১৮১,৫৯২	১,০৪৮,৪৭৩	১,০৭০,২৫৪	৮৩৩,৩০৬	৯১৪,৭৯৬
সমপত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-মোট	১,১৬০,৩১৭	১,১৪১,৮৯৫	১,০৫৭,৮৮৭	১,০৪৭,৭১৫	৯৯৯,১৬৫	৯৫২,০৭৯
সমপত্তি, যন্ত্রপাতি ও যন্ত্রাংশ-নীট	২৭৩,০৬৩	৩০৭,৫৪৬	২৮৭,০৫০	৩২৬,৭১০	৩৪২,৪৯২	৩৬২,৪৮১
মোট চলতি মূলধন	৮৪১,১৮১	৮৬১,৩৯৯	৭৪৭,৫১০	৭৩০,৫০৬	৪৮১,১৯৩	৫৪২,৬৯৪
নীট চলতি মূলধন	১২৪,০৪৭	৯৫,৩০৭	১১৩,০৬৮	৬৬,৭৭৫	৫৪,২৩৭	৫৪,৩৪৮
চলতি মূলধন ঋণ	৩,৬৫৩	৩৫,৬৩১	২৩,৮৫৮	৬১,৯৯৪	৯৬,৮১২	১২১,৫৮৫
শেয়ার মূলধন	৮৪,০০০	৮৪,০০০	৮৪,০০০	৮৪,০০০	৮৪,০০০	৮৪,০০০
শেয়ার প্রিমিয়াম	১৫,০০০	১৫,০০০	১৫,০০০	১৫,০০০	১৫,০০০	১৫,০০০
সংরক্ষণ এবং উদ্বৃত্ত	৩০৭,৪৩৫	৩১৩,১৮৮	৩০৯,৮২১	৩০৫,৫৯৩	২৯৭,১৭১	২৯৭,৬৫৭
শেয়ার মালিকদের ইকুইটি	৪১৭,৯১২	৪১৪,২৯২	৪১২,৫৪৩	৪০৪,৫৯৩	৩৯৬,১৭১	৩৯৬,৬৫৭
দীর্ঘ মেয়াদী ঋণ	-	-	-	৩০১	১৯,২১১	৫০,২৯৮

১৯. লভ্যাংশ:

কোম্পানীর পরিচালকমন্ডলী ২০১৩-১৪ হিসাব বৎসরে প্রতি ১০/- (দশ) টাকার শেয়ারের জন্য ২.০০ টাকা হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করছেন। এই বার্ষিক সাধারণ সভায় আপনাদের অনুমোদন সাপেক্ষে সেই সমস্ত শেয়ারহোল্ডারদের লভ্যাংশ প্রদান করা হবে যাদের নাম কোম্পানীর সদস্য বহিতে অথবা ডিপোজিটরিতে আগষ্ট ০৭, ২০১৪ ইং তারিখে কার্য সমাপ্ত সময়ে অন্তর্ভুক্ত থাকবে।

২০. বোর্ডের সভা:

এ বৎসর বোর্ডের ৪ (চার) টি সভা অনুষ্ঠিত হয়েছে। পরিচালকগণের উপস্থিতির তালিকা নিম্নে প্রদত্ত হল:

পরিচালকবৃন্দের নাম	সভায় উপস্থিতি
জনাব জাফর আহমেদ	৪
জনাব জহুর আহমেদ পিএইচডি	৪
জনাবা শওকত আরা আহমেদ	৪
জনাব শাহরিয়ার আহমেদ	৪
জনাব মুহম্মদ মশিউর রহমান	৪
জনাব কাজী ফারুক কাদের	৪

২১. শেয়ারহোল্ডিংস সংক্রান্ত বিবরণ:

নাম অনুসারে বিবরণ	শেয়ার সংখ্যা	
ক) প্যারেন্ট/ সাবসিডিয়ারী/ এসোসিয়েটেড কোম্পানী এবং অন্যান্য সম্পর্কিত পার্টিসমূহ:		
এপেক্স ফুডস্ লিমিটেড	২,২৬৩,২০০	
এপেক্স ল্যানজারী লিমিটেড	১৪৩,০০০	
এপেক্স ইয়ার্ন ডাইং লিমিটেড	১৩৬,৪০০	
খ) পরিচালকবৃন্দ, প্রধান নির্বাহী কর্মকর্তা, কোম্পানী সচিব, প্রধান অর্থ কর্মকর্তা, অভ্যন্তরীণ নিরীক্ষা প্রধান:		
জনাব জাফর আহমেদ	পরিচালক	৮৪২,৪০০
জনাব জহুর আহমেদ পিএইচডি	পরিচালক	৯৪৪,৪০০
জনাবা শওকত আরা আহমেদ	পরিচালক	১২৬,০০০
জনাব শাহরিয়ার আহমেদ	পরিচালক	৪৭,৪০০
জনাব মুহম্মদ মশিউর রহমান	পরিচালক	-
জনাব কাজী ফারুক কাদের	স্বতন্ত্র পরিচালক	-
জনাব কামরুজ্জামান, এফসিএ	প্রধান অর্থ কর্মকর্তা	-
জনাব আশীষ কুমার পাল এফসিএ	অভ্যন্তরীণ নিরীক্ষা প্রধান	-
জনাবা জেসমিন সুলতানা	সহকারী কোম্পানী সচিব	-
গ) উর্ধ্বতন করপোরেট নির্বাহীগণ		-
ঘ) কোম্পানীতে ১০ শতাংশ অথবা তার চেয়ে বেশী ভোটের অধিকারী শেয়ারহোল্ডার:		
জনাব জাফর আহমেদ		৮৪২,৪০০
জনাব জহুর আহমেদ পিএইচডি		৯৪৪,৪০০
এপেক্স ফুডস্ লিমিটেড		২,২৬৩,২০০
আইসিবি ইউনিট ফান্ড		১,১৯৫,০০০

২২. কোম্পানীর পরিচালকবৃন্দের নিয়োগ/পুনঃ নিয়োগঃ

জনাবা শওকত আরা আহমেদ এবং জনাব শাহরিয়ার আহমেদ কোম্পানীর সংঘবিধি মোতাবেক বোর্ড থেকে পদত্যাগ করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন। জনাবা শওকত আরা আহমেদ এবং জনাব শাহরিয়ার আহমেদ এর কর্মজীবনের বিস্তারিত বিবরণ নিম্নরূপঃ-

জনাবা শওকত আরা আহমেদ:

- ক) জনাবা শওকত আরা আহমেদ, ঢাকা বিশ্ববিদ্যালয় থেকে স্নাতক ডিগ্রী অর্জন করেন। ১৯৯৬ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ১৯৯৬ সাল থেকে এই খাতে কাজ করছেন এবং এই খাতে অনেক জ্ঞান অর্জন করেছেন। তিনি বর্তমানে এই কোম্পানীর একজন পরিচালক।
- খ) এই শিল্পে যোগদান করা থেকে এ পর্যন্ত এ শিল্প সম্পর্কে তিনি কোম্পানী পরিচালনার জন্য গভীর জ্ঞান অর্জন করেছেন।
- গ) তিনি এই কোম্পানীর পরিচালক ছাড়াও (১) এপেক্স ফুডস্ লিমিটেড এবং (২) ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।
- ঘ) বর্তমানে তিনি কোন কমিটির সদস্য পদে নেই।

জনাব শাহরিয়ার আহমেদঃ

- ক) জনাব শাহরিয়ার আহমেদ, যুক্তরাষ্ট্রের জনসন এন্ড ওয়েলস বিশ্ববিদ্যালয় হইতে এমবিএ ডিগ্রী অর্জন করেন এবং তার শিক্ষা জীবন শেষ করে ২০০৪ সালে তিনি এই কোম্পানীতে যোগদান করেন। তিনি ২০০৪ সাল থেকে এই শিল্প খাতে কাজ করছেন। এই দীর্ঘ সময়ে তিনি এই শিল্প খাতে গভীর জ্ঞান অর্জন করেছেন। তিনি এখন এই কোম্পানীর একজন পরিচালক।
- খ) এই শিল্পে যোগদান করা থেকে এ পর্যন্ত এ শিল্প সম্পর্কে তিনি কোম্পানী পরিচালনার জন্য গভীর জ্ঞান অর্জন করেছেন।
- গ) তিনি এই কোম্পানীর পরিচালক ছাড়াও (১) এপেক্স ফুডস্ লিমিটেড, (২) এপেক্স ল্যানজারি লিমিটেড, (৩) এপেক্স ইয়ার্ন ডাইং লিমিটেড, (৪) এপেক্স টেক্সটাইল প্রিন্টিং মিলস্ লিমিটেড ও (৫) ম্যাটেক্স বাংলাদেশ লিমিটেড-এর পরিচালক পদে নিযুক্ত আছেন।
- ঘ) বর্তমানে, জনাব শাহরিয়ার আহমেদ অডিট কমিটির একজন সদস্য।

২৩. নিরীক্ষকঃ

অবসর গ্রহনকারী নিরীক্ষক মেসার্স হুসাইন ফরহাদ এন্ড কোম্পানী, চার্টার্ড এ্যাকাউন্ট্যান্টস যোগ্য বিধায় ২০১৪-২০১৫ হিসাব বৎসরের জন্য পুনঃ নিরীক্ষক নিয়োগের জন্য আবেদন করেছেন।

২৪. কর্পোরেট গভর্নেন্স কমপ্লায়েন্স প্রতিবেদনঃ

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের চাহিদা অনুযায়ী কর্পোরেট গভর্নেন্স প্রতিবেদন সংযুক্ত করা হলো।

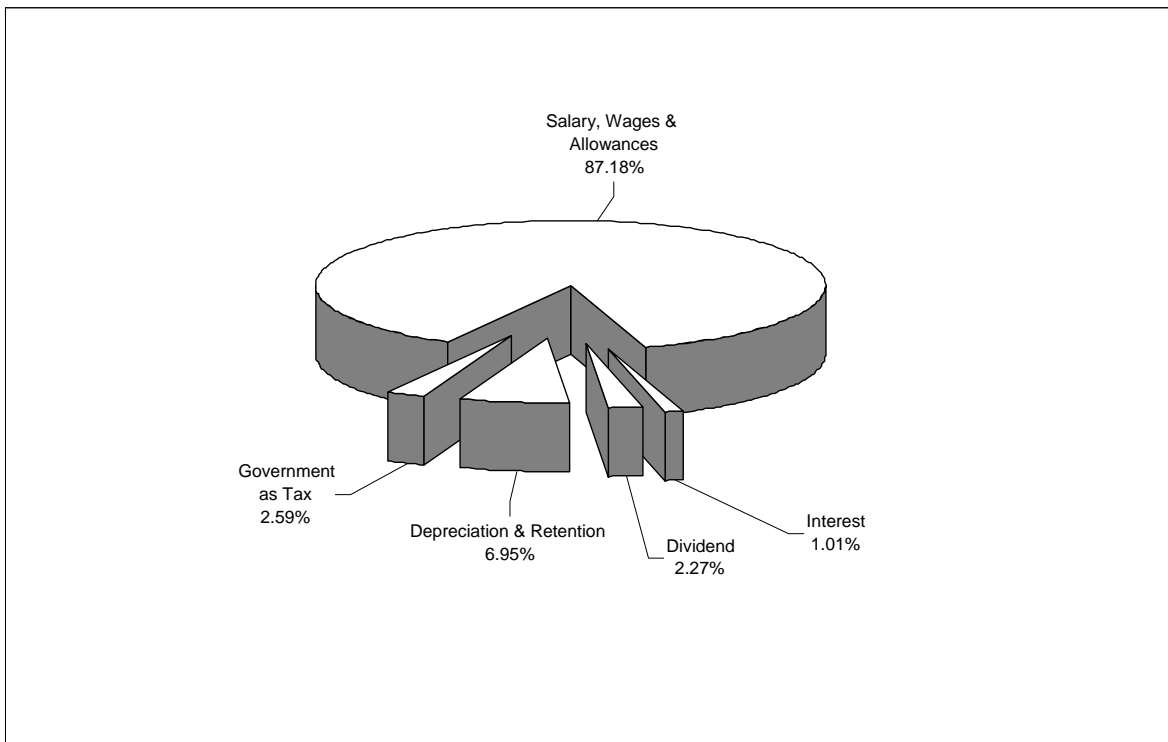
ঢাকা
১৯ জুলাই, ২০১৪

বোর্ডের পক্ষে
স্বা/-
জাফর আহমেদ
সভাপতি

VALUE ADDED STATEMENT

Value in Taka

PARTICULARS	2013-14	%	2012-13	%
VALUE ADDED:				
Turnover	2,511,696,289		2,445,605,553	
Less: Bought in Materials & Services	1,770,797,203		1,812,985,136	
	740,899,086		632,620,417	
APPLICATIONS:				
Government as Tax	19,181,632	2.59	18,038,450	2.85
Employees as Salary Wages & Allowances	645,877,467	87.18	525,658,677	83.09
Providers of Loan as Interest	7,519,649	1.01	9,870,731	1.56
Providers of Capital as Dividend	16,800,000	2.27	15,120,000	2.39
Depreciation & Retention	51,520,338	6.95	63,932,559	10.11
	740,899,086	100.00	632,620,417	100.00



Auditors' Report to the Shareholders of Apex Spinning & Knitting Mills Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Apex Spinning & Knitting Mills Limited ("the Company") which comprise the statement of financial position as at 31 March 2014, and the 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 information.

Management's Responsibility for the Financial Statements

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

Auditors' 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. 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 our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 give a true and fair view of the financial position of Apex Spinning & Knitting Mills Limited as at 31 March 2014, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- 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 statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account; and
- d). the expenditure incurred was for the purposes of the Company's business.

Dated; Dhaka
July 19, 2014

Sd/-
Hussain Farhad & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT 31st MARCH, 2014

	Notes	31.03.2014	Value in Taka 31.03.2013
ASSETS			
Non Current Assets:			
		295,082,474	320,192,788
Property, Plant and Equipment	2	273,062,546	307,545,925
Investment	3	22,019,928	12,646,863
Current Assets:			
		841,180,582	861,399,042
Inventories	4	195,968,761	185,096,657
Trade Debtors	5	336,933,164	281,068,866
Advances, Deposits & Prepayments	6	43,694,569	91,466,877
Other Receivable	7	9,588,500	3,508,563
Cash & Cash Equivalents	8	254,995,588	300,258,079
TOTAL ASSETS		1,136,263,056	1,181,591,830
EQUITY AND LIABILITIES			
Shareholders' Equity			
		417,911,706	414,291,979
Share Capital	9	84,000,000	84,000,000
Share Premium	10	15,000,000	15,000,000
Reserve and Surplus	11	307,434,644	313,187,982
Fair valuation surplus of Investment	12	11,477,062	2,103,997
Non Current Liabilities			
		1,218,053	1,207,660
Deferred Tax Liability		1,218,053	1,207,660
Current Liabilities			
		717,133,297	766,092,191
Working Capital Loan	13	3,652,512	35,630,613
Short Term Loan	14	78,459,840	79,523,049
Trade Creditors	15	574,250,309	553,551,150
Sundry Creditors	16	60,770,636	97,387,379
Total Liabilities		718,351,350	767,299,851
TOTAL EQUITY AND LIABILITIES		1,136,263,056	1,181,591,830
Net Assets Value Per Share		49.75	49.32

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
July 19,2014

Sd/-
Hussain Farhad & Co.
Chartered Accountants

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH, 2014**

	Notes	2013-14	Value in Taka 2012-13
TURNOVER	17	2,511,696,289	2,445,605,553
Cost of goods sold	18	2,290,499,979	2,237,695,155
GROSS PROFIT		221,196,310	207,910,398
OPERATING EXPENSES:		184,410,064	172,217,495
Administrative & selling overhead	20	176,890,415	162,346,764
Financial expenses	21	7,519,649	9,870,731
OPERATING PROFIT		36,786,246	35,692,903
Other Income	22	7,000,561	6,588,199
PROFIT BEFORE PPF & WF		43,786,807	42,281,102
Provision for contribution to PPF & WF		2,189,340	2,114,055
PROFIT BEFORE TAX		41,597,467	40,167,047
Tax Expenses:			
Current tax	23	22,790,953	21,959,735
Deferred tax expenses/(income)		10,393	(280,089)
NET PROFIT AFTER TAX		18,796,121	18,487,401
Other comprehensive income:			
Fair valuation surplus/ (Deficit) of investment	12	9,373,065	(1,617,961)
TOTAL COMPREHENSIVE INCOME		28,169,186	16,869,440
EPS with fair valuation surplus/deficit	26	<u>3.35</u>	<u>2.01</u>
EPS without fair valuation surplus/deficit	26	<u>2.24</u>	<u>2.20</u>

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
July 19,2014

Sd/-
Hussain Farhad & Co.
Chartered Accountants

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2014**

Value in Taka

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 31st March'13	84,000,000	15,000,000	129,700,699	180,735,465	2,751,818	2,103,997	414,291,979
Net profit after tax of 2013-14	-	-	-	18,796,121	-	-	18,796,121
Final dividend for the year 2012-13	-	-	-	(15,120,000)	-	-	(15,120,000)
Fair valuation surplus/(deficit) of investment	-	-	-	-	-	9,373,065	9,373,065
Prior years' adjustment *				(9,429,459)			(9,429,459)
As at 31st March'14	84,000,000	15,000,000	129,700,699	174,982,127	2,751,818	11,477,062	417,911,706

* Please refer to Note No. 27 for prior years' adjustment.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Capital Gain	Fair Valuation Surplus	Total
As at 31st March'12	84,000,000	15,000,000	129,700,699	177,368,064	2,751,818	3,721,958	412,542,539
Net profit after tax of 2012-13	-	-	-	18,487,401	-	-	18,487,401
Final dividend for the year 2011-12	-	-	-	(15,120,000)	-	-	(15,120,000)
Fair valuation surplus/(deficit) of investment	-	-	-	-	-	(1,617,961)	(1,617,961)
As at 31st March'13	84,000,000	15,000,000	129,700,699	180,735,465	2,751,818	2,103,997	414,291,979

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
July 19,2014

Sd/-
Hussain Farhad & Co.
Chartered Accountants

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2014**

	Value in Taka	
	2013-14	2012-13
CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from turnover	2,455,831,991	2,467,507,403
Other income	7,000,561	6,588,199
Interest & other financial charges paid	(69,848,583)	(76,122,641)
Income tax paid	(26,299,676)	(26,351,805)
Payment for costs and expenses	(2,345,673,486)	(2,219,701,381)
Net cash generated from operating activities (a)	21,010,807	151,919,775
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, plant and equipment acquired	(18,421,685)	(84,008,435)
Investment in shares	-	(352,303)
Net cash used in investing activities (b)	(18,421,685)	(84,360,738)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Working capital loan received/(repaid)	(31,978,101)	11,772,599
Short term loan received/(repaid)	(1,063,210)	46,373,558
Dividend paid	(14,810,302)	(14,746,783)
Net cash generated from financing activities (c)	(47,851,613)	43,399,374
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(45,262,491)	110,958,411
Cash and cash equivalents on opening	300,258,079	189,299,668
Cash and cash equivalents on closing	254,995,588	300,258,079
Net Operating Cash Flow Per Share	2.50	18.09

Annexed notes form an integral part of these Financial Statements.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

Signed in terms of our report of even date.

Dated; Dhaka
July 19,2014

Sd/-
Hussain Farhad & Co.
Chartered Accountants

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

a. Legal Form of the Enterprise:

The Apex Spinning & Knitting Mills Limited is a Public Limited Company registered under the Companies Act, 1913. The Company was incorporated in Bangladesh on 25.11.1990. Shares of the Company are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

b. Address of Registered Office and Factory:

The Registered Office of the Company is located at Rupayan Golden Age, 5th & 6th Floor, 99 Gulshan Avenue, Gulshan, Dhaka-1212 and the Factory is located at Chandora, P.O. Chandora, P.S. Kaliakoir, Dist. Gazipur.

c. Nature of Business Activities:

The Company owns and operates a 100% export oriented vertically integrated knitting, dyeing & finishing and garment factory.

d. Accounting Convention and Basis:

These Financial Statements have been prepared under the Historical Cost Convention and Going Concern basis in accordance with applicable Bangladesh Accounting Standards which does not vary from the requirements of the Companies Act 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

e. Application of Bangladesh Accounting Standards (BAS):

The following BASs are applicable for the financial statements for the year under review:

BAS-1	Presentation of financial statements
BAS-2	Inventories
BAS-7	Statement of Cash Flows
BAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS-10	Events after the Balance Sheet date
BAS-12	Income Taxes
BAS-14	Segment Reporting
BAS-16	Property, Plant and Equipment
BAS-18	Revenue
BAS-21	The Effects of Changes in Foreign Exchange Rates
BAS-23	Borrowing Costs
BAS-24	Related Party Disclosures
BAS-33	Earnings Per Share
BAS-37	Provisions, Contingent Liabilities and Contingent Assets
BAS-39	Financial Instruments: Recognition and Measurement

f. Property, Plant and Equipment:

These are stated at historical cost less accumulated depreciation in accordance with BAS 16 "Property, Plant and Equipment".

g. Depreciation on Property, Plant and Equipment:

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, Plant and Equipment. Depreciation is provided for the period in use of the assets. Depreciation is calculated on the cost of fixed assets in order to write off such amounts over the estimated useful lives of such assets. Depreciation has been charged on additions made during the year from the month in which that assets are put into commercial operations. Depreciation is provided on all fixed assets except land at the following rates on reducing balance basis over the periods appropriate to the estimated useful lives of the different types of assets:

The rates of depreciation of each class of assets are as follows:

Factory Building	20 %
Civil Construction	10 %
Plant & Machinery	20 %
Effluent Treatment Plant	20%
Gas Installation	15%
Electric Installation	15%
Boiler	15 %
Generator	15 %
Water Treatment Plant	20%
Factory Equipments	15 %
Other Equipments	15 %
Deep Tube-well & Tanks	15%
Motor Vehicles	20 %
Furniture & Fixtures	10 %
Laboratory equipments	15%
Office Equipments	15 %
Motor Cycles	20%

h. Disposal of Property, Plant and Equipment:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and sales proceeds. There was no disposal of any Property, Plant and Equipment during the year 2013-14.

i. Inventories:

Inventories in hand as at 31st March, 2014 have been valued at lower of cost and net realizable value in accordance with BAS 2 "Inventories" after making due allowance for any obsolete or slow moving items.

j. Income Tax:

The Company is a Publicly Traded Company, as per the Income Tax Ordinance, 1984. Since the company is 100% export oriented Ready Made Garment Industry, the tax has been deducted at source @ 0.80% from April 2013 to March 2014 on the export proceeds and provision has been made accordingly. However, the tax provision has been made @ 27.50% on interest earned and exchange gain and 20% on dividend income as per provision of the Income Tax Ordinance, 1984.

k. Deferred Tax:

Deferred tax assets or deferred tax liabilities have been accounted for in accordance with BAS 12 "Income Taxes". Deferred tax arises due to temporary difference, deductible or taxable for the events or transactions recognized in the statement of comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the financials statement. Deferred tax asset or liability is the amount of income tax payable or recoverable in future period(s) recognized in the current period. The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority.

I. Trade Debtors:

These are considered good and realizable. Export bills receivables are stated at the original invoice value.

m. Creditors and Accrued Expenses:

Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the suppliers.

n. Earning Per Share:

The Company calculates Earnings Per Share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of statement of comprehensive income and the computation of EPS is stated in Note 26.

i. Basic Earnings:

This represents earnings for the year attributable to ordinary shareholders. There was no preference dividend and minority interest, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

ii. Weighted Average Number of Ordinary Shares Outstanding During The Year:

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the period.

iii. Basic Earnings Per Share:

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

iv. Diluted Earnings Per Share:

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

o. Statement of Cash Flows:

Statement of Cash Flows has been prepared in accordance with BAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and considering the provisions of paragraph 19 of BAS 7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method".

p. Foreign Exchange:

Foreign currencies are converted into Bangladesh Taka at the rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Statement of Financial Position date in accordance with BAS 21 "The Effects of Changes in Foreign Exchange Rates". The closing conversion rate was Tk. 77.20 per US Dollar.

q. Revenue Recognition:

Exports are made against confirmed L/C and firm contracts. The sale proceeds are accounted for upon shipments and after satisfying all the conditions for revenue recognition as provided in BAS 18 "Revenue".

r. Employee Benefit Obligations:

The Company operates a contributory provident fund and a Group Insurance Scheme for its permanent employees. A Board of Trustee administrates the provident fund.

s. Contribution to PPF & WF:

This is being calculated @ 5% of the net profit before charging such contribution provided as per provisions of the Bangladesh Labor Act 2006 and is payable to workers' as defined in the said Act.

t. Risk and uncertainties for use of estimates in preparation of financial statements:

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

u. Financial Risk Management:

The company management has overall responsibility for the establishment and oversight of the company's risk management frame-work. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risk from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

Credit risk:

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. cash at bank and other external receivable are nominal.

Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligation through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing but till to date this was not required as the Company has not faced such a situation.

Market risk:

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk:

As at 31 March 2014 there was no exposure of currency risk which significantly affected the foreign currency transactions made during the year under review.

(b) Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no such foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

v. Comparative information:

Comparative information have been disclosed in respect of the year 2012-13 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current periods financial statements.

Last year's figures have been rearranged where considered necessary to conform to current year's presentation.

w. Reporting currency and level of precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to nearest Taka.

x. Reporting period:

Financial Statements of the Company cover one year from 1st April to 31st March consistently.

y. General:

- The Financial Statements include the following components as per BAS 1 "Presentation of Financial Statements".
 - i) Statement of Financial Position as at 31st March, 2014
 - ii) Statement of Comprehensive Income for the year ended 31st March, 2014
 - iii) Statement of Changes in Equity for the year ended 31st March, 2014
 - iv) Statement of Cash Flows for the year ended 31st March, 2014 and
 - v) Accounting Policies and explanatory notes.

2. PROPERTY, PLANT AND EQUIPMENT: TK. 273,062,546

SL. NO.	PARTICULAR	COST			RATE %	DEPRECIATION			
		Balance as at 01.04.13	Addition During year	Balance as at 31.03.14		Balance as at 01.04.13	Charged for the year	Balance as at 31.03.14	W.D.V as at 31.03.14
1	Land & Land Development	21,423.102	-	21,423.102	-	-	-	-	21,423.102
2	Factory Building	243,514,687	5,013,214	248,527,901	20	165,122,549	16,228,776	181,351,325	67,176,576
3	Civil Construction	50,962,739	2,094,125	53,056,864	10	29,083,169	2,243,691	31,326,860	21,730,004
4	Plant & Machinery	618,271,705	2,498,313	620,770,018	20	494,611,719	24,980,886	519,592,605	101,177,413
5	Effluent Treatment Plant	15,957,348	1,746,072	17,703,420	20	12,045,858	811,399	12,857,257	4,846,163
6	Gas Installation	7,208,772	-	7,208,772	15	6,702,014	76,014	6,778,028	430,744
7	Electric Installation	10,764,273	-	10,764,273	15	8,072,481	403,769	8,476,250	2,288,023
8	Boiler	13,367,693	-	13,367,693	15	10,607,658	414,005	11,021,663	2,346,030
9	Generator	75,799,413	3,774,261	79,573,674	15	53,142,490	3,587,252	56,729,742	22,843,933
10	Water Treatment Plant	7,302,353	-	7,302,353	20	5,513,729	357,725	5,871,454	1,430,899
11	Factory Equipments	12,049,916	603,000	12,652,916	15	9,159,045	483,587	9,642,632	3,010,284
12	Other Equipments	7,024,728	540,918	7,565,646	15	4,390,286	446,751	4,837,037	2,728,609
13	Deep Tube-Well & Tanks	8,867,538	569,000	9,436,538	15	5,057,687	606,253	5,663,940	3,772,598
14	Motor Vehicles	8,511,244	-	8,511,244	20	7,393,197	223,609	7,616,806	894,438
15	Furniture & Fixtures	26,665,450	1,392,002	28,057,452	10	12,769,178	1,485,694	14,254,872	13,802,580
16	Laboratory Equipments	576,027	-	576,027	15	532,179	6,577	538,756	37,271
17	Office Equipments	13,587,674	190,780	13,778,454	15	10,106,579	548,860	10,655,439	3,123,016
18	Motor Cycles	40,625	-	40,625	20	39,544	216	39,760	865
		1,141,895,287	18,421,685	1,160,316,972		834,349,362	52,905,064	887,254,426	273,062,546

Charged to:

Factory Overhead	50,646,686
Administrative & Selling Overhead	<u>2,258,378</u>
	<u>52,905,064</u>

PROPERTY, PLANT AND EQUIPMENT FOR 2012-13

SL. NO.	PARTICULAR	COST			RATE %	DEPRECIATION			
		Balance as at 01.04.12	Addition During year	Balance as at 31.03.13		Balance as at 01.04.12	Charged for the year	Balance as at 31.03.13	W.D.V as at 31.03.13
1	Land & Land Development	21,423.102	-	21,423.102	-	-	-	-	21,423.102
2	Factory Building	226,912,179	16,602,508	243,514,687	20	145,524,514	19,598,035	165,122,549	78,392,138
3	Civil Construction	50,962,739	-	50,962,739	10	26,652,106	2,431,063	29,083,169	21,879,570
4	Plant & Machinery	554,655,680	63,616,025	618,271,705	20	463,696,722	30,914,997	494,611,719	123,659,986
5	Effluent Treatment Plant	15,957,348	-	15,957,348	20	11,067,985	977,873	12,045,858	3,911,490
6	Gas Installation	7,208,772	-	7,208,772	15	6,612,586	89,428	6,702,014	506,758
7	Electric Installation	10,764,273	-	10,764,273	15	7,597,459	475,022	8,072,481	2,691,792
8	Boiler	13,367,693	-	13,367,693	15	10,120,593	487,065	10,607,658	2,760,035
9	Generator	75,799,413	-	75,799,413	15	49,144,209	3,998,281	53,142,490	22,656,923
10	Water Treatment Plant	7,302,353	-	7,302,353	20	5,066,573	447,156	5,513,729	1,788,624
11	Factory Equipments	12,013,916	36,000	12,049,916	15	8,648,891	510,154	9,159,045	2,890,871
12	Other Equipments	6,706,938	317,790	7,024,728	15	3,925,384	464,902	4,390,286	2,634,442
13	Deep Tube-Well & Tanks	8,108,838	758,700	8,867,538	15	4,385,360	672,327	5,057,687	3,809,851
14	Motor Vehicles	8,511,244	-	8,511,244	20	7,113,685	279,512	7,393,197	1,118,047
15	Furniture & Fixtures	24,598,594	2,066,856	26,665,450	10	11,225,148	1,544,030	12,769,178	13,896,272
16	Laboratory Equipments	576,027	-	576,027	15	524,441	7,738	532,179	43,848
17	Office Equipments	12,977,118	610,556	13,587,674	15	9,492,268	614,311	10,106,579	3,481,095
18	Motor Cycles	40,625	-	40,625	20	39,274	270	39,544	1,081
		1,057,886,852	84,008,435	1,141,895,287		770,837,198	63,512,164	834,349,362	307,545,925

Charged to:

Factory Overhead	61,074,041
Administrative & Selling Overhead	<u>2,438,123</u>
	<u>63,512,164</u>

	<u>31.03.2014</u>	<u>31.03.2013</u>
3. INVESTMENT: TK. 22,019,928		
(i) Apex Foods Limited (Public Limited Company) (Total number of Shares 169,250 and Total cost of Shares Tk. 8,973,415.)	20,450,478	11,077,413
(ii) Central Depository Bangladesh Limited (571,181 Share of Tk. 10/- each including 414,236 Bonus Shares and 56,945 Right Shares @ Tk. 10/- each.)	1,569,450	1,569,450
	<u>22,019,928</u>	<u>12,646,863</u>

- Investment in shares of Apex Foods Limited has been valued at market price on 31.03.2014 as per BAS 39.

Market Price of Listed Companies Shares (As on 31.03.2014)

Apex Foods Limited	120.83	65.45
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4. INVENTORIES: TK. 195,968,761

Finished Goods	Quantity			
T Shirts	2,195	Doz	2,494,088	3,511,496
	2,195	Doz	2,494,088	3,511,496
Work in Process				
Dyed Fabric	9,171	Kg	3,909,139	12,122,760
Knitted Fabric	51,274	Kg	15,894,940	21,602,221
Greige Fabric	96,212	Kg	38,673,105	20,028,403
Garments	14,657	Doz	15,093,792	16,328,779
			73,570,976	70,082,163
Raw Materials				
Yarn	202,844	Kg	68,300,691	57,630,870
Dyes & Chemicals	61,821	Kg	28,553,409	21,382,887
	264,665	Kg	96,854,100	79,013,757
Accessories			23,049,597	32,489,241
			<u>195,968,761</u>	<u>185,096,657</u>

- The above Inventories are as per physical checking made, valued and certified by Inventory team consists of Management staff and Internal Auditors.
- Inventories in hand have been valued at lower of cost and net realizable value.
- Inventories are hypothecated against working capital facilities from the Banks.

5. TRADE DEBTORS: TK 336,933,164

Export Bills Receivable	<u>336,933,164</u>	<u>281,068,866</u>
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- The aging of the trade debtors are maximum 30 (Thirty) days and these are considered good and subsequently realized in full.

	<u>31.03.2014</u>	<u>31.03.2013</u>
6. ADVANCES, DEPOSITS AND PREPAYMENTS: TK. 43,694,569		
Advance Income Tax	31,714,303	79,989,515
Staff Advance	44,000	1,068,199
Securities & Deposits	7,259,426	6,534,322
Advance against expenses	<u>4,676,840</u>	<u>3,874,841</u>
	<u>43,694,569</u>	<u>91,466,877</u>

- Staff Advances are being regularly adjusted.
- Advance Income Tax, securities and deposits are made to statutory bodies and hence secured.
- No amount was due by Directors and other Officers of the Company or by Associated Undertaking.

7. OTHER RECEIVABLE: TK. 9,588,500

Cash incentive receivable	<u>9,588,500</u>	<u>3,508,563</u>
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- This represents the audited certificate amount receivable from Bank against cash incentive. The amount has subsequently been received from the Bank.
- The ageing of the Cash incentive receivable are maximum 06 (Six) months.

8. CASH AND CASH EQUIVALENTS: TK. 254,995,588

Cash and Bank Balances:

	20,000	20,000
Cash in hand		
Cash at bank :		
CD Account with Eastern Bank Ltd., Dhaka	15,824	16,974
CD Account with Dhaka Bank Ltd., Dhaka	28,972	29,092
CD Account with SCB, Dhaka	152,879	133,049
CD Account with Mutual Trust Bank, Chandora	75,949	80,449
CD Account with Mutual Trust Bank, Dilkusha, Dhaka	88,190	89,460
CD Account with AB Bank, Dhaka	44,843	46,113
CD Account with Dutch Bangla Bank Ltd., Dhaka	170,642	177,597
CD Account with HSBC-Dividend, Dhaka	78	18
CD Account with Eastern Bank Ltd. -Dividend, Dhaka	183	7,401
Fixed Deposit Receipts Account with Eastern Bank Ltd.	47,936,730	43,470,812
Foreign Currency Account with Eastern Bank Ltd., Dhaka-USD	4,334,888	50,228,435
Foreign Currency Account with HSBC, Dhaka-USD	368,754	341,004
STD Account with SCB, Dhaka	739,492	739,842
STD Account with Eastern Bank Ltd., Principal Branch, Dhaka	198,525	190,242
STD Account with HSBC, Dhaka	1,168	1,151
CC Accounts with Eastern Bank Ltd., Dhaka	30,135	31,405
Margin Account with Eastern Bank Ltd. -USD	200,788,336	204,655,035
	<u>254,975,588</u>	<u>300,238,079</u>
	<u>254,995,588</u>	<u>300,258,079</u>

- Cash in hand was physically verified. All Bank balances were reconciled and confirmed by bank statements.

	<u>31.03.2014</u>	<u>31.03.2013</u>
9. SHARE CAPITAL : TK. 84,000,000		
Authorized Capital:		
30,000,000 Ordinary Shares of Tk. 10/= each.	300,000,000	300,000,000
	=====	=====
Issued, Subscribed & Paid up Capital:		
8,400,000 Ordinary Shares of Tk. 10/= each fully paid	84,000,000	84,000,000
	=====	=====
• There was no preference share issued by the Company.		
Composition of Shareholdings as on 31.03.2014:		
Sponsors	50.28%	50.28%
Institution	30.19%	30.79%
Foreign Shareholders	0.29%	0.29%
Public - Local	19.24%	18.64%
	-----	-----
	100.00%	100.00%
	=====	=====

The Company had the following non-resident Shareholders on 31.03.2014:

<u>NAME</u>	<u>FOLIO/BO NO.</u>	<u>NO. OF SHARE</u>
Smith New Court Far East Ltd.	00011	600
-do-	03777	2,000
Hong Kong Bank Int'l Trustee Ltd.	04037	6,360
Somers Nominees (Far East) Ltd.	04038	10,800
Investors Bank & Trust Company	04065	200
UBS Securities (East Asia) Ltd.	04689	720
Merrill Lynch Pierce , Fenner	1601670000183916	3,960

		24,640
		=====

- Dividend is paid to non-resident shareholders through their local agents.

The distribution showing the number of shareholders and their shareholdings in percentages are as follows:

<u>No. of Share Holders</u>	<u>Range</u>	<u>Total Holdings</u>	<u>In %</u>
1,394	Less than & equal 500 Shares	212,200	2.53
328	501 to 5,000 Shares	448,680	5.34
13	5001 to 10,000 Shares	101,360	1.21
9	10,001 to 20,000 Shares	132,800	1.58
6	20,001 to 30,000 Shares	149,600	1.78
0	30,001 to 40,000 Shares	0	0.00
3	40,001 to 50,000 Shares	140,800	1.67
1	50,001 to 100,000 Shares	66,400	0.79
5	100,001 to 200,000 Shares	703,000	8.37
7	200,001 to 300,000 Shares	6,445,160	76.73
0	Over 300,000 Shares	0	0.00
		-----	-----
1,766		8,400,000	100.00
=====		=====	=====

	<u>31.03.2014</u>	<u>31.03.2013</u>
10. SHARE PREMIUM: TK. 15,000,000		
	15,000,000	15,000,000
	=====	=====

- This is as per last account and represents premium of Tk. 50/= per Share of 300,000 Ordinary Shares of Tk. 100 each.

11. RESERVE AND SURPLUS: TK 307,434,644

Reserve for Re-Investment	129,700,699	129,700,699
Retained Earnings	174,982,127	180,735,465
Capital Gain	2,751,818	2,751,818
	<u>307,434,644</u>	<u>313,187,982</u>

- Reserve for Re-Investment represents Tax Holiday Reserve made up to the Tax Holiday period of the Company as per requirements of the Income Tax Ordinance, 1984. The reserve and surplus is utilized in the Company's business.

12. FAIR VALUATION SURPLUS/(DEFICIT) OF INVESTMENT: TK 11,477,062

Opening Balance	2,103,997	3,721,958
Adjustment for fair valuation surplus/(deficit) during the year	9,373,065	(1,617,961)
	-----	-----
	11,477,062	2,103,997
	=====	=====

- Fair valuation surplus of investments represents the difference of market value of the listed Company's share on the closing date and the last Balance Sheet price.

13. WORKING CAPITAL LOAN: TK. 3,652,512

Overdraft-Eastern Bank Ltd, Principal Br. Dhaka	4,913,823	50,448,778
Overdraft-HSBC, Dhaka	(1,261,311)	(14,818,165)
	-----	-----
	3,652,512	35,630,613
	=====	=====

- The Working Capital Loan was taken from Eastern Bank Ltd, Principal Branch, Dhaka and HSBC against hypothecation as Cash Credit basis. The loan is secured against Inventories and Trade Debtors of the Company. The Loan of Eastern Bank Limited bears interest @ 14.50% p.a. The rate of interest of HSBC is 13.00% p.a.

14. SHORT TERM LOAN: TK. 78,459,840

Time Loan-Eastern Bank Limited	7,168,100	9,029,397
Import Loan- Eastern Bank Limited	71,291,740	25,025,290
Time Loan-HSBC	-	45,468,362
	-----	-----
	78,459,840	79,523,049
	=====	=====

- Time loan from Eastern Bank Limited represents the amount payable within next twelve months to them against import of machinery and spare parts.
- Import loan from Eastern Bank Limited represents the amount payable to them against import of dyes, chemicals and accessories as part of continuous process.

15. TRADE CREDITORS: TK. 574,250,309 31.03.2014 31.03.2013

574,250,309 **553,551,150**
 =====

- This represents local procurement and import of Raw Materials (Yarn, Dyes & Chemicals) under Back-to-Back L/C on 90 to 120 days deferred payment and Sight L/C, which has been subsequently adjusted and moves in cycle in this trade and considered secured.

16. SUNDRY CREDITORS: TK. 60,770,636

Clearing & Forwarding	1,529,298	885,713
Creditors against Insurance Premium	-	50,590
Power, Fuel and Water	3,128,241	3,436,843
Telephone, Telex & Fax	38,743	37,011
Salary, Wages and Overtime	21,158,576	19,402,054
Audit Fees	115,000	60,000
Income Tax Payable	22,790,953	65,145,429
Contribution to PPF & WF	2,189,340	2,114,055
Provident Fund Payable	3,479,119	2,282,210
Unclaimed Dividend	4,283,172	3,973,474
Tax & VAT payable to Govt.	2,058,194	-
	60,770,636	97,387,379
	=====	=====

- Unclaimed dividend represents the dividend warrants issued but not presented to the Bank by the Shareholders within 31st March, 2014 and the unclaimed dividend was Tk. 4,281,659.90 as on June 30, 2014.
- The breakup of unclaimed dividend as on 30.06.2014 is as follows:

<u>Year</u>	<u>Taka</u>
1994-95 to 2009-10	3,214,860.60
2010-11	296,194.50
2011-12	379,308.00
2012-13	391,296.80
	<u>4,281,659.90</u>

			<u>2013-14</u>	<u>2012-13</u>
17. TURNOVER: TK 2,511,696,289				
	<u>Quantity in Doz.</u>	<u>USD</u>		
T, Polo & Sweat Shirts	1,782,523	32,551,899	2,511,696,289	2,445,605,553
			=====	=====

- Country wise break up of Export for the year 2013-14:

<u>Country</u>	<u>Quantity in Doz.</u>	<u>USD</u>
AUSTRALIA	4,654	91,723.60
AUSTRIA	12	194.60
BELGIUM	201,651	3,620,125.01
CANADA	24,725	468,791.93
CHILE	2,570	49,346.42
CHINA	43,825	806,332.56
CROATIA	11,725	208,542.39
DENMARK	60,064	1,086,569.63
UAE	40,963	723,227.88
GERMANY	436,154	8,047,654.14
GREAT BRITAIN	117,401	2,165,724.68
HONG KONG	9,947	220,749.13
INDONESIA	1,288	23,024.03
JAPAN	25,158	514,247.90
KOREA	7,601	146,246.47
MALAYSIA	3,849	74,418.89
MEXICO	3,643	67,538.39
NETHERLAND	8,587	158,372.72
NORWAY	51,409	941,396.10
POLAND	327,444	5,759,086.56
RUSSIA	26,668	473,776.97
SERBIA	4,466	78,191.94
SINGAPORE	5,537	104,450.60
SPAIN	105,232	1,859,457.50
SWEDEN	73,737	1,354,441.04
SWITZERLAND	50,554	904,529.88
THAILAND	2,285	42,520.64
TURKEY	13,657	258,235.18
USA	117,720	2,302,982.69
	-----	-----
TOTAL	1,782,523	32,551,899.47
	=====	=====

18. COST OF GOODS SOLD: TK. 2,290,499,979

	<u>Quantity</u>	<u>Notes</u>		
Opening Stock of Finished Goods	2,500Doz		3,511,496	7,347,528
Add: Cost of Production	<u>1,782,218Doz</u>	19	<u>2,289,482,571</u>	<u>2,233,859,123</u>
	1,784,718Doz		2,292,994,067	2,241,206,651
Less : Closing Stock of Finished Goods	<u>2,195Doz</u>		2,494,088	3,511,496
	<u>1,782,523Doz</u>		-----	-----
			<u>2,290,499,979</u>	<u>2,237,695,155</u>

		<u>2013-14</u>	<u>2012-13</u>
19. COST OF PRODUCTION: TK. 2,289,482,571			
OPENING STOCK:		Quantity	
Raw Materials:			
Yarn	166,963 Kg	57,630,870	32,076,871
Dyes & Chemicals	71,486 Kg	21,382,887	25,030,529
		79,013,757	57,107,400
Work in Process:			
Dyed, Knitted and Greige Fabric & Garments	133,309 Kg 16,327 Doz	70,082,163	101,531,934
Accessories		32,489,241	17,512,514
		181,585,161	176,151,848
ADD: PURCHASE FOR THE YEAR			
Raw Materials(Imported) :			
Yarn	722,440 Kg	273,208,386	306,345,570
Dyes & Chemicals	1,234,905 Kg	102,693,820	105,788,268
Accessories		59,224,287	58,467,871
		435,126,493	470,601,709
Raw Materials (Local) :			
Yarn	1,526,726 Kg	598,198,024	667,684,229
Dyes & Chemicals	1,120,750 Kg	209,938,293	186,807,307
Accessories		319,350,831	288,511,490
		1,127,487,148	1,143,003,026
		1,562,613,641	1,613,604,735
		1,744,198,802	1,789,756,583
LESS : CLOSING STOCK			
Raw Materials:			
Yarn	202,844 Kg	68,300,691	57,630,870
Dyes & Chemicals	61,821 Kg	28,553,409	21,382,887
		96,854,100	79,013,757
Work in Process:			
Dyed & Knitted, Greige Fabric & Garments	156,657 Kg 14,657 Doz	73,570,976	70,082,163
Accessories		23,049,597	32,489,241
		193,474,673	181,585,161
Total Consumption		1,550,724,129	1,608,171,422
Factory Overhead :			
Carriage		4,334,988	3,777,304
Electricity		1,906,816	1,693,805
Gas, Fuel & Lubricant		38,593,671	42,184,938
Insurance		5,187,610	7,537,800
Repairs & Maintenance		36,267,843	15,182,233
Telephone Charges		77,930	65,985
Wages & Salaries		596,755,125	489,120,903
Depreciation		50,646,686	61,074,041
Fire Fighting Exp.		996,210	783,039
Vehicle Maintenance		2,552,181	2,287,870
Testing Bill		1,160,532	1,945,683
Uniform & Liveries		278,850	34,100
		2,289,482,571	2,233,859,123

- During the year 2013-14 the Company has imported goods on C & F basis.
- Cash incentive has been adjusted with the local yarn cost.

	<u>2013-14</u>	<u>2012-13</u>
20. ADMINISTRATIVE & SELLING OVERHEAD: TK. 176,890,415		
AGM Expenses	361,655	314,231
Audit Fee (Including VAT)	115,000	60,000
Bank Charges & Commission	13,064,176	16,332,907
Board Meeting Fees	12,000	20,500
Depreciation	2,258,378	2,438,123
Directors Remuneration	3,600,000	3,600,000
Entertainment	1,659,589	394,542
Export Processing & Handling Expenses	6,698,483	2,060,759
F.C. Charges	49,264,758	49,919,003
Freight & Forwarding Expenses	16,943,289	15,868,880
Insurance Premium	698,465	397,815
Legal & Professional Fees	662,637	241,754
Newspapers & Periodicals	46,106	25,130
Postage & Stamp	60,356	54,865
Power & Fuel	121,451	155,200
Printing & Stationery	5,055,167	4,396,928
Publicity & Advertisement	332,050	384,075
Renewal & Fees	3,661,499	2,247,468
Rent & Rates	4,757,167	4,578,240
Repairs & Maintenance	2,180,410	1,976,352
Salary & Allowances	46,933,002	34,423,719
Sales Promotional Expenses	5,590,906	14,199,260
Subscription & Donation	322,700	123,000
T. A & Conveyance	1,169,431	1,530,889
Telephone, Fax and Radio Link	815,092	826,629
Transportation	8,662,813	4,672,997
Vehicles Maintenance	1,843,835	1,103,498
	176,890,415	162,346,764
	=====	=====

- Directors' Remuneration paid to following Directors for their full time service :

(a) Mr. Zahur Ahmed PhD	1,800,000
(b) Mr. Shahriar Ahmed	1,200,000
(c) Mr. Kazi Faruq Kader	<u>600,000</u>
	<u>3,600,000</u>

- Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.
- Sales promotional expenses include cost of samples and courier cost for distribution of free samples to the buyers.
- There are 4 (Four) meetings held during the year.

21. FINANCIAL EXPENSES: TK. 7,519,649

Interest on Term Loan	4,851,774	6,437,031
Interest on Overdraft	2,667,875	3,433,700
	7,519,649	9,870,731
	=====	=====

	<u>2013-14</u>	<u>2012-13</u>
22. OTHER INCOME: TK. 7,000,561		
Interest earned on STD Account	37,144	159,731
Dividend Income	1,732,603	2,018,193
Foreign Exchange Gain	268,682	553,817
Interest on FDRs	4,962,132	3,856,458
	-----	-----
	7,000,561	6,588,199
	=====	=====

23. PROVISION FOR TAX FOR THE YEAR: TK. 22,790,953

This represents estimated Income Tax on net profit for the period from 1st April 2013 to 31st March 2014. The provision for deferred tax expenses/(income) is made to pay/adjust future income tax liability/asset due to accumulated temporary differences.

24. GENERAL:

a) Production Capacity (Quantity in pieces):

	%	Quantity	%	Quantity
Capacity	100	24,000,000	100	24,000,000
Production	89.11	21,386,617	78.20	18,769,137

b) Production (Quantity in Dozen):

T, Polo & Sweat Shirts	<u>1,782,218</u>	<u>1,564,095</u>
------------------------	-------------------------	-------------------------

c) Consumption:

<u>Items</u>	<u>Value</u>	<u>Percentage</u>
Imported Yarn	269,151,521	17.36%
Imported Dyes & Chemicals	101,148,493	6.52%
Imported Accessories	61,129,126	3.94%
Local Yarn	588,968,458	37.98%
Local Dyes & Chemicals	203,859,553	13.15%
Local Accessories	326,466,977	21.05%
	-----	-----
	<u>1,550,724,128</u>	<u>100.00%</u>

d) Export (Quantity in Dozen):

T, Polo & Sweat Shirts	<u>1,782,523</u>	<u>1,567,745</u>
------------------------	-------------------------	-------------------------

e) Salaries & Wages:

	<u>No. of Employees</u>	<u>Taka</u>
Above Tk. 3,000.00 per month	4,574	643,688,127
Up to Tk. 3,000.00 per month	-	-

25. PAYMENTS /PERQUISITES TO DIRECTORS/OFFICERS:

The aggregate amounts paid / provided during the year in respect of Directors and Officers of the Company as defined in the Securities and Exchange Commission Rules, 1987, are disclosed below:

	<u>Directors</u>	<u>Officers</u>
Board Meeting Fees	12,000	-
Salary and Allowance	3,600,000	65,562,716
Provident Fund Contribution	-	4,207,536
Bonus	-	5,458,483
Perquisites	-	25,819,291

26. BASIC EARNING PER SHARE (EPS) – DISCLOSURE UNDER BAS 33 “EARNINGS PER SHARE”:

$$\text{Basic EPS} = \frac{\text{Earnings attributable to Ordinary Shareholders}}{\text{Weighted average number of shares outstanding during the year 2013-14}}$$

$$\text{(a) EPS with fair valuation surplus/deficit} = \frac{28,169,186}{8,400,000} = 3.35$$

$$\text{(b) EPS without fair valuation surplus/deficit} = \frac{18,796,121}{8,400,000} = 2.24$$

- Weighted average number of Ordinary Shares outstanding during the year represents the number of Ordinary Shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific number of shares are outstanding as a proportion of the total number of days in the period.
- Significant increase in EPS (i.e. up to 3rd Quarter, EPS from operational activities was Tk. 1.39 but annually it has been Tk. 2.24) is mainly due to decrease of operating expenses in last quarter of 2013-14.

27. PRIOR YEARS' ADJUSTMENT: Tk. 9,429,459

- Tk. 9,429,459/- represents the adjustments for tax assessment up to income year 2012-13 as the assessments have been completed by the tax authority.

28. EVENTS AFTER REPORTING PERIOD:

The Board of Directors recommended cash Dividend of Tk. 2/- per Share for the year 2013-14 at the Board meeting held on July 19, 2014. The total amount of Dividend is Tk. 16,800,000/-.

There is no other significant event that has occurred between the Statement of Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the Company.

29. RELATED PARTY TRANSACTIONS:

During the year the Company carried out a number of transactions with related parties in the normal course of business and the payments are made through Letter of Credits. The names of the related parties and nature of the transactions have been set out in accordance with the provisions of BAS24: Related Party Disclosure.

Name of the Parties	Relationship	Nature of Transactions	2013-14	2012-13
i. Matex Bangladesh Ltd.	Common Director	Dyes Chemical	117,065,290	89,456,975
ii. Apex Yarn Dyeing Ltd.	Common Director	Yarn Dyeing & Threads	97,106,307	137,890,382

30. CAPITAL EXPENDITURE COMMITMENT:

- There was no capital expenditure contracted or incurred or provided for as at 31st March 2014.
- There was no material capital expenditure authorized by the Board or contracted for as at 31st March 2014.

31. DURING THE YEAR UNDER REVIEW:

- No amount of money was spent by the Company for compensating any member of the Board for special service rendered except as stated above.
- There was no claim against the Company not acknowledged as debt on 31st March 2014.
- There was no Bank Guarantee issued by the Company on behalf of the Directors.
- There is Tk. 9.21 million as Bank guarantee for which the Company is contingently liable as on 31st March 2014.
- There was no credit facility available to the Company under any contract, or availed of as on 31st March 2014 other than trade credit available in the ordinary course of business.
- There were no expenses incurred in foreign exchange on account of Royalty, Technical Experts, Professional & Advisory Fee, Interest, and Brokerage & Commission etc.
- There was no expense on account of Miscellaneous/General Expenses.

Sd/-
Zahur Ahmed PhD
Managing Director

Sd/-
Shahriar Ahmed
Director

Sd/-
Kamruzzaman FCA
Chief Financial Officer

PROXY FORM

The Director
Apex Spinning & Knitting Mills Limited
Rupayan Golden Age, 5th & 6th Floor
99 Gulshan Avenue, Gulshan, Dhaka-1212
Bangladesh

BO ID:
 Register Folio No.....
 No. of Shares.....

I/We.....
 of.....
 Being a member of APEX SPINNING & KNITTING MILLS LIMITED hereby appoints
 Mr./Mrs./Miss.....
 of.....
 as my/our proxy to attend and vote for me/us and on my/our behalf at the TWENTY-THIRD ANNUAL GENERAL MEETING of the Company will be held at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206 on Sunday the September 28, 2014 at 09.00 A.M. and or at any adjournment thereof. Signed this.....day of.....2014.

**AFFIX
 TWENTY
 TAKA
 REVENUE
 STAMP**

(Signature of the Proxy)
 BO ID:
 Register Folio No.....
 Dated.....

Signature verified
 Authorized Signatory
 Signature of the Shareholder(s)
 Dated.....

Note: A member entitled to attend and vote at the Annual General Meeting may appoint only another member as proxy to attend and vote in his/her stead. The Proxy Form duly stamped with Revenue Stamp of Tk. 20.00 only, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

APEX SPINNING & KNITTING MILLS LIMITED
 Rupayan Golden Age, 5th & 6th Floor, 99 Gulshan Avenue
 Gulshan, Dhaka-1212, Bangladesh

SHAREHOLDERS' ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the meeting venue.

I/We record my attendance at the TWENTY-THIRD ANNUAL GENERAL MEETING being held on Sunday the September 28, 2014 at 9.00 A.M. at the Trust Milonayaton, 545 Puraton Biman Bandar Sarak (Adjacent to Shahid Bir Shresta Jahangir Gate), Dhaka Cantonment, Dhaka-1206.

Name of Member (s)
 BO ID:
 Register Folio No.....holding of.....Ordinary Shares of Apex Spinning & Knitting Mills Limited.

Signature of Shareholder(s)

N.B. : (1) Please Note that AGM can only be attended by the honorable Shareholders or properly constituted Proxy. Therefore, any friend or children accompanying with honorable Shareholders or Proxy cannot be allowed into the meeting.
 (2) Please present this slip at the reception desk.