

MAQ Enterprises Limited
Notes to the Financial Statements
For the Year Ended June 30, 2023

01.00 Significant Accounting Policies & Other Material Information

01.01 Legal Form of the Entity :

MAQ Enterprises Limited was originally incorporated as a Private Company Limited by Shares on June 14, 1974 under the Companies Act 1913 and it was converted into a Public Limited Company on March 23, 1995 and offered its share to the public with the approval of the Securities and Exchange Commission (SEC) in the month of July 1996. The shares of the company are listed in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The registered office of the Company is located at 42/1, Segun Bagicha, Dhaka-1000 and the Industrial Units are located at Kadamtoly, Faridabad, Dhaka - 1204.

01.02 Nature of Business Activities:

The Principal activities of the Company was concentrated on manufacturing and exporting various kinds of Corrugated Carton Box, Back Board, Neck Board, Paper Board etc. At present the Company is involved in selling and purchasing of wastage.

02.00 Basis of preparation

02.01 Accounting Convention:

For preparing and presenting the financial statements of the Company the following assumptions, measurement base, laws, rules, regulations and accounting pronouncements have been considered: going concern, accrual, historical cost convention, Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh, the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges, the Accounting Standards issued by The Institute of Chartered Accountants of Bangladesh (ICAB) and International Accounting Standards (IAS).

02.02 Fixed Assets:

The cost of acquisition comprises purchase price, including duties and non-refundable taxes, and any directly attributable cost of bringing the asset to working condition for its intended use. The Company has a freehold land of 2.4050 acre located at Kadamtali, Demra (Plot No. 591,592,593) as fixed asset. The land is capitalized at cost of acquisition.

02.03 Depreciation:

Land is held on a freehold basis and is not depreciated considering the unlimited life.

02.04 Other Corporate Debt, Accounts Payable, Trade and Other Liabilities:

These liabilities are carried at the anticipated settlement amount in respect of goods and services received, whether or not billed by the supplier.

02.05 Provisions:

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

02.06 Cash & Cash Equivalent:

This represents only cash in hand and at bank.

02.07 Other Current Assets:

Other current assets have a value on realization in the ordinary course of the company's business, which is at least equal to the amount at which they are stated in the Statement of Financial Position.

02.08 Employment Benefits:

The company has not operated any contributory Provident Fund and Gratuity Plan for their employees.

02.09 Earnings Per Share:

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

Basic earning

This represents earnings/(loss) for the year attributable to ordinary share holders. As there was no preference dividend, minority interest or extra ordinary items, the Net Profit for the year has been considered as fully attributable to the ordinary shareholders.

No diluted earnings/(loss) are required to be calculated for the year as there was no scope for dilution during the year under review.

02.10 Reporting Currency:

02.11 Information by Industry Segments and Geographical areas:

No mention is made because the company does not have any segment other than the manufacturing and sale of paper and does not have any business unit abroad.

02.12 General:

Figures have been rounded off to the nearest Taka.

02.13 Payment to Directors

The Board of Directors consists by 4 Directors and 1 Independent director. During the year total 6 board meetings were held, No remuneration paid to the directors.

Notes	Particulars	Amount in Taka	
		30-Jun-23	30-Jun-22
03.00	Property, Plant & Equipment: Tk 20,266,717		
	Land	<u>2,02,66,717</u>	<u>2,02,66,717</u>
	Closing Balance	<u>2,02,66,717</u>	<u>2,02,66,717</u>
	In the year 1977 we purchased M.M.Oil Mills with 2.405 Acres of Land Standing in between River Buriganga and Dhaka-Narayanganj Road from the Government of Bangladesh. Being the land situated on the river bank, BIWTA claiming 150 feet from the bank as per Gazette published by the Government and R&H claiming the land as they have acquired the same in the year 1933-1934 leavings only 22 decimals useable. The matter has been taken up with the concern authorities as well as legal steps has been taken to resolve the issue.		
04.00	Intangible Assets: Tk 2,523,264		
	This is as per last year accounts	<u>25,23,264</u>	<u>25,23,264</u>
		<u>25,23,264</u>	<u>25,23,264</u>
	Intangible assets have not been written off as per the decision by the management.		
05.00	Deferred Revenue Expense: Tk 0		
	Opening Interest Expense	1,11,17,073	1,11,17,073
	Less: Adjusted with interest waiver	1,11,17,073	-
		<u>-</u>	<u>1,11,17,073</u>
	Interest as Short Term Loan (Block) of BDT 11,117,073 were charged and recognized as Deferred Revenue Expense.		
06.00	Advance, Deposit & Prepayment: Tk 20,475,046		
	Advance & Prepayment (Note:06.01)	1,96,35,742	1,96,35,742
	Security Deposit (Note:06.02)	<u>8,39,304</u>	<u>8,39,304</u>
		<u>2,04,75,046</u>	<u>2,04,75,046</u>
06.01	Advance & Prepayment: Tk 19,635,742		
	Advance Against Purchase	63,83,133	63,83,133
	Advance Income Tax	1,27,13,288	1,27,13,288
	Tax Deduction at Source	4,65,536	4,65,536
	Value Added Tax (VAT)	<u>73,785</u>	<u>73,785</u>
		<u>1,96,35,742</u>	<u>1,96,35,742</u>
06.02	Security Deposit: Tk 839,304		
	Security Deposit - Titas Gas	4,97,752	4,97,752
	Margin Deposit	21,835	21,835
	Bank Guarantee - Sonali Bank Ltd.	62,894	62,894
	Bank Guarantee - Pubali Bank Ltd.	1,87,448	1,87,448
	Security Deposit at PDB	<u>69,375</u>	<u>69,375</u>
		<u>8,39,304</u>	<u>8,39,304</u>

Security Deposits are made to Govt. & Statutory Authorities & hence considered good.

Notes	Particulars	Amount in Taka	
		30-Jun-23	30-Jun-22
07.00	Loan to Associate Company: Tk 82,701,635		
	Opening Balance	7,92,20,530	7,96,86,569
	Addition during the year	34,81,105	-
	Less: Adjusted during the year	-	4,66,039
		8,27,01,635	7,92,20,530
08.00	Accounts Receivable: Tk 102,709		
	Accounts Receivable	1,02,709	1,02,709
		1,02,709	1,02,709
09.00	Cash & Cash Equivalents: Tk 19,872		
	Cash in Hand	14,300	1,50,500
	Cash at Bank (Note:09.01)	5,572	2,474
		19,872	1,52,974
09.01	Cash at Bank: Tk 5,572		
	Uttara Bank Ltd. STD (A/C No.-4170)	3	1,142
	First Security Islami Bank Ltd.(A/C No.- 597)	5,570	1,332
		5,572	2,474
10.00	Share Capital: Tk 250,000,000		
	Authorised Capital		
	5,000,000 Ordinary Shares of Tk.100 each	50,00,00,000	50,00,00,000
	Issued, Subscribed & Paid-up Capital		
	2,500,000 Ordinary Shares of Tk.100 each	25,00,00,000	25,00,00,000
		25,00,00,000	25,00,00,000

10.01 Share Holding By Categories:

GROUP	NO. OF SHARES	NO. OF SHARES
Sponsors	12,50,000	12,50,000
Foreign	57,800	68,550
ICB	2,25,784	2,25,784
Other Company	35,984	37,484
General Public	9,30,432	9,18,182
Total	25,00,000	25,00,000

GROUP	% of Shares	% of Shares
Sponsors	50.00%	50.00%
Foreign	2.31%	2.74%
ICB	9.03%	9.03%
Other Company	1.44%	1.50%
General Public	37.22%	36.73%
Total	100.00%	100.00%

Notes	Particulars	Amount in Taka	
		30-Jun-23	30-Jun-22
11.00	Retained Earnings: Tk (262,221,179)		
	Opening Balance	(32,72,54,977)	(32,70,03,655)
	Add: Net Profit/ (Loss) During the Year	(4,37,933)	(2,51,322)
	Interest Waiver	6,54,71,731	-
		<u>(26,22,21,179)</u>	<u>(32,72,54,977)</u>
12.00	Long Term Loan (Blocked): Tk 0		
	Sonali Bank CC Hypo (A/c No.37000416)	52,34,629	52,34,629
	Sonali Bank CC Hypo (A/c No.37001918)	5,66,14,383	5,66,14,383
	Sonali Bank Hypo (A/c No.3700408)	7,11,94,653	7,11,94,653
		<u>13,30,43,664</u>	<u>13,30,43,664</u>
	Less : Loan paid previous the year	1,29,60,925	1,29,60,925
		<u>12,00,82,740</u>	<u>12,00,82,740</u>
	Less : Paid/Adjustment during the year	12,00,82,740	-
		<u>-</u>	<u>12,00,82,740</u>
13.00	Share Application Money: Tk 1,654,153		
	Share Application Money	16,54,153	16,54,153
		<u>16,54,153</u>	<u>16,54,153</u>
14.00	Dividend Payable: Tk 2,218,964		
	This is as per last year accounts	22,18,964	22,18,964
		<u>22,18,964</u>	<u>22,18,964</u>
15.00	Short Term Loan: Tk 0		
	Sonali Bank CC Hypo (A/c No.37000424)	43,31,778	43,31,778
	Less : Loan paid during the year	43,31,778	-
		<u>-</u>	<u>43,31,778</u>
16.00	Liability for Expenses: Tk 2,115,954		
	Salary & Allowances	11,000	29,187
	VAT on Sales	2,79,954	2,79,954
	Audit Fee	1,65,000	1,65,000
	DSE Renewal Fee	16,60,000	15,35,000
		<u>21,15,954</u>	<u>20,09,141</u>
17.00	Provision for Tax: Tk 3,591,207		
	Opening Balance	46,03,066	50,40,377
	Add: During the Year	6,426	38,453
		<u>46,09,491</u>	<u>50,78,831</u>
	Less: Paid During the Year	10,18,284	4,75,765
		<u>35,91,207</u>	<u>46,03,066</u>
18.00	Revenue: Tk 1,070,920		
	Sale of Wastage	10,70,920	64,08,880
		<u>10,70,920</u>	<u>64,08,880</u>

Notes	Particulars	Amount in Taka	
		30-Jun-23	30-Jun-22
19.00	Cost of Goods Sold: Tk 975,054		
	Purchase of Wastage	9,75,054	58,15,705
		<u>9,75,054</u>	<u>58,15,705</u>
20.00	Administrative Expenses: Tk 520,532		
	Salary & Allowances	1,32,000	3,50,250
	Bonus	11,000	58,375
	Stationery	2,390	265
	Electric Goods	2,740	655
	Traveling & Conveyance	18,287	720
	Entertainment	2,655	450
	Audit Fee	1,65,000	1,65,000
	Business Promotion	190	300
	Misc. Expenses	320	250
	DSE Renewal Fee	1,25,000	1,25,000
	AGM Expenses	55,800	98,500
	Factory Maintenance	5,150	1,100
		<u>5,20,532</u>	<u>8,00,865</u>
21.00	Financial Expenses: Tk 6,857		
	Bank Charges	6,857	5,233
		<u>6,857</u>	<u>5,233</u>
22.00	Other Income: Tk 16		
	Bank Interest	16	54
		<u>16</u>	<u>54</u>
23.00	Net Asset Value (NAV) Per Share with Revaluation		
	Net Asset Value	52,78,821	(5,97,54,977)
	Number of Shares	25,00,000	25,00,000
	Net Asset Value Per Share (NAV)	<u>2.11</u>	<u>(23.90)</u>
	During the year the Company has received interest waiver from Sonali Bank Ltd. For which Retained Earnings has been changed significantly. That's why the NAV has been changed significantly.		
24.00	Earnings Per Share (EPS)		
	Surplus for the year	(4,37,933)	(2,51,322)
	Number of Shares	25,00,000	25,00,000
	Earnings Per Share	<u>(0.18)</u>	<u>(0.10)</u>
	EPS has also been decreased compare to the Financial Year 2021-2022, due to decreased of sales and increase of cost of products.		
25.00	Net Operating Cash Flows Per Share (NOCFPS)		
	Operating Cash Inflow during the Period	(13,36,120)	(5,63,472)
	Number of Shares	25,00,000	25,00,000
		<u>(0.53)</u>	<u>(0.23)</u>
	During the year, the Company has paid for purchase more collection from sales. Moreover, significant amount paid for taxation which collective lead the decreased NOCFPS during the year.		

Notes	Particulars	Amount in Taka	
		30-Jun-23	30-Jun-22

26.00 Reconciliation of Profit/(Loss) after Tax with Cash Flows from Operating Activities

Net Profit/(Loss) after Tax	Profit/Loss A/	(4,37,933)	(2,51,322)
Add: Depreciation	Annexure-"A"	-	-
Add: Finance Cost	Note-21	6,857	5,232.94
(Increase)/Decrease in Advance, Deposits and Prenavment	Note-06	(0)	-
Increase/(Decrease) in Trade and Other Payables	Note-16	1,06,814	20,09,141
Increase/(Decrease) in Provision for Income Tax	Note-17	(10,11,858)	46,03,066
		(13,36,120)	63,66,117

27.00 Tax Assessment Status

Income tax return submitted by the company under income tax ordinance 1984. Income tax paid under section-74 basis of return.

Income year	Assessment Year	Provision	Tax Liabilities	Remarks
2017-2018	2018-2019	7,46,947	6,54,536	1,32,037
2018-2019	2019-2020	4,95,304	4,77,100	5,71,242
2019-2020	2020-2021	1,91,247	91,171	1,18,735
2020-2021	2021-2022	67,524	67,512	1,32,037
2021-2022	2022-2023	6,424		

28.00 Event After the Reporting Period

a) The Board of Directors of the Company in it's meeting held on 30 October 2023 approved the financial statements of the Company for the year ended 30 June 2023 and authorized the same for issue.

b) There is no other significant event that has occurred between the Financial Position date and the date when the Financial Statements were authorized for issue by the Board of Directors.

Company Secretary

Director

Managing Director