desh garments limited

Awal Centre (7th Floor)
34, Kemal Ataturk Avenue
Banani C/A., Dhaka-1213.

Sub: Third Quarter Unaudited Financial Statement
of the Company as at 31 March, 2017

As per Rule of Bangladesh Securities and Exchange Commission, we are pleased to enclose herewith the Unaudited Third Quarter Financial Position, Comprehansive Income Statement, Statement of Cashflows and Statement of Changes in Equity as at 31 March, 2017.

Sd/-

Company Secretary

Date :30/04/2017

AMARSTOCK

Desh Garments Limited

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017
(UNAUDITED)

Taka in '000

PARTICULARS	Notes	31 March 2017	30 June 2016
Assets:			
Non-Current Assets		**103,743**	**107,370**
Property Plant & Equipment	1.00	103,743	107,370
Current Assets		**93,267**	**139,754**
Inventories	2.00	26,372	51,109
Investment in Shares	3.00	5,812	5,812
Investment in FDR	4.00	20,469	13,064
Loans, Advances and Deposits	5.00	2,656	1,256
Income Tax Deduction at Source	6.00	14,888	12,964
Cash and Bank Balances	7.00	23,070	55,549
Total Assets		**197,010**	**247,124**
Liabilities:			
Shareholders' Equity		**96,405**	**62,080**
Share Capital	8.01	52,572	40,440
Tax Holiday Reserve	9.00	7,273	7,273
General Reserve	10.00	1,478	1,478
Capital Reserve	11.00	41,296	41,296
Retained Earning - As per Profit and Loss Account	12.00	(6,214)	(28,407)
Non-Current Liabilities			
Deferred Tax on Revaluation		**10,324**	**10,324**
Current Liabilies		**90,281**	**174,720**
Loans and Overdraft	13.00	7,686	23,286
Liabilty for Goods		41,273	109,848
Accrued Expenses		10,574	17,187
Creditors		2,565	4,797
Unclaimed Dividend		238	238
Dividend Payable		8,262	8,262
Employees Providend Fund		208	208
Provision for Income Tax	14.00	19,475	10,894
Total Equity and Liabilities		**197,010**	**247,124**
Net Assets Value Per Share (Restated)		**20.30**	**13.77**

Sd/-
Managing Director

Sd/-
Chief Financial Officer

AMARSTOCK

Desh Garments Limited

COMPREHENSIVE INCOME STATEMENT
FOR THE THIRD QUARTER ENDED MARCH 31, 2017
(UNAUDITED)

Taka in '000

Particulars	July 01 2016 to March 31 2017	July 01 2015 to March 31 2016	Jan. 2017 to March 2017	Jan. 2016 to March 2016
A. **TURNOVER AND OTHER INCOME**				
Export/Sale	275,527	302,290	66,139	67,593
B. **COST AND EXPENSES**				
Cost of Goods Sold	215,704	267,642	46,000	58,805
Administration, Selling & Interest Expenses	16,271	16,925	2,774	4,055
Total Cost and Expenses	231,975	284,567	48,774	62,860
C. **Profit Before WPF & Tax (A-B)**	**43,552**	**17,723**	**17,365**	**4,733**
Less : Workers Profit Participation & WF	2,074	843	827	225
Add: Other Income	1,428	1,428	-	-
D. **Net Profit Before Tax**	42,906	18,308	16,538	4,508
Less : Provision for Income Tax	8,581	4,505	3,308	1,127
E. **Net Profit After Tax**	**34,325**	**13,803**	**13,230**	**3,381**
F. **Earning Per Share (EPS) (Restated)**	**6.53**	**2.63**	**2.52**	**0.64**

THIRD QUARTER REPORT
AS AT 31 MARCH, 2017
(UNAUDITED)

Sd/-
Managing Director

Sd/-
Chief Financial Officer

desh garments limited

RSTOCK

Desh Garments Limited

CASH FLOWS STATEMENT (UNAUDITED) FOR THE THIRD QUARTER ENDED MARCH 31, 2017

Taka in '000

Particulars	July 01 2016 to March 31 2017	July 01 2015 to March 31 2016
A. **Cash Flows from Operating Activities :**		
Collections from turnover and other income	276,955	303,718
Payments for costs and expenses	(283,042)	(325,146)
Advance Income Tax	(1,924)	(2,000)
Interest paid on short term loan	(892)	(1,946)
	(8,903)	**(25,374)**
B. **Cash Flows from Investing Activities :**		
Acquisition of Fixed Assets	(571)	(8,941)
Investment in FDR	(7,405)	(7,039)
FDR Encashment	-	10,300
	(7,976)	**(5,680)**
C. **Cash Flows from Financial Activities :**		
Dividend paid	-	-
Loan Received / (Paid)	(15,600)	(14,809)
Net Cash Inflows/(Outflows) for the Half Year	**(32,479)**	**(45,863)**
a) Opening Cash and Bank Balance	(55,549)	(68,372)
b) Closing Cash and Bank Balance	23,070	22,509
	(32,479)	**(45,863)**
Net Operating Cash Flow Per Share (Restated)	**(1.69)**	**(4.83)**

Awal Centre (7th Floor)
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Banani C/A, Dhaka-1213

Sd/-
Managing Director

-

Sd/-
Chief Financial Officer

Desh Garments Limited

STATEMENT OF CHANGES IN EQUITY

FOR THE THIRD QUARTER ENDED 31 MARCH 2017

Taka in '000

31 March, 2017

Particulars	Share Capital	Tax Holiday Reserve	General Reserve	Capital Reserve	Retained Earnings	Total
At 01 July 2016	40,440	7,273	1,478	41,296	(28,407)	62,080
Net Profit for the period	-	-	-	-	34,325	34,325
Stock Devidend 2015-16	12,132	-	-	-	(12,132)	-
At 31 March 2017	52,572	7,273	1,478	41,296	(6,214)	96,405

31 March, 2016

Particulars	Share Capital	Tax Holiday Reserve	General Reserve	Capital Reserve	Retained Earnings	Total
At 01 July 2015	33,700	7,273	1,478	36,215	(44,442)	34,224
Net Profit for the period	-	-	-	-	13,803	13,803
Stock Devidend 2014-15	6,740	-	-	-	(6,740)	-
At 31 March 2016	40,440	7,273	1,478	(37,379)	(37,379)	48,027

Sd/-
Managing Director

Sd/-
Chief Financial Officer

DESH GARMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD FROM 01.07.2016 TO 31.03.2017

				Taka in' 000
1.00	**Property Plant & Equipment :**		TK.	**103,743**
	The break up of the amount is as follows:			
	At Cost 01.07.2016			169,696
	Addition during the period			571
	TOTAL			170,267
	Less : Accumulated depreciation			66,524
	Written Down Value As On 31.03.2017			**103,743**
2.00	**Inventories :**		TK.	**26,372**
	The detailed break up of the amount is as follows:			
	a) Fabrics	11,595		
	b) Accessories Assorted	4,725		
	c) Carton	192		
	d) Finished Goods	3,510		
	e) Work in Progress	6,350		**26,372**
3.00	**Investment In Shares:**		TK.	**5,812**
	Being the above amount carried from last accounts			
4.00	**Investment In FDR:**		Tk.	**20,469**
	The break up of the amount is as follows:			
	Balance as on 01.07.2016			13,064
	Add: During the period			7,405
				20,469
5.00	**Loans, Advances & Deposits :**		Tk.	**2,656**
	The break up of the amount is as follows:			
	Advance against purchase			2,356
	Security Deposits			300
				2,656
6.00	**Income Tax Deduction at Source :**		Tk.	**14,788**
	The break up of the amount is as follows:			
	Balance as on 01.07.2016			12,964
	Add: During the period			1,924
				14,888

7.00 Cash & Bank Balances : Tk. **23,070**

The break up of the amount is as follows:

Cash in hand	253
Cash at banks	22,817
	23,070

8.00 Authorised Capital :

The company has an Authorised Capital of Tk.100,000,000 divided into 10,000,000 ordinary shares of Tk. 10 each

8.01 Issued, Subscribed and Paid- up Capital : **52,572**

It represents the paid up of the company consisting of 5,257,200 ordinary shares of Tk. 10 each for cash and fully paid up.

9.00 Tax Holiday Reserve : TK. **7,273**

It represents accumulated Special Reserve U/S 45 of the Income Tax Ordinance 1984.

10.00 General Reserve : TK. **1,478**

This is as per last account.

11.00 Capital Reserve : TK. **41,296**

Being the above amount carried from last accounts

12.00 Retained Earnings : Tk. **(6,214)**

The break up of the amount is as follows:

Accumulated loss up to 30 June 1991 due to cyclone	(65,559)
Accumulated profit for the period from 1992 to dec'2016	59,345
	(6,214)

13.00 Loans & Overdraft : Tk. **7,685**

The break up of the amount is as follows:

Bank Loans and Overdraft	248
Directors Loan (Unsecured)	7,438
	7,686

14.00 Provision for Income Tax : Tk. **19,475**

The break up of the amount is as follows:

Balance as on 01.07.2016	10,894
Addition: During the period	8,581
	19,475

15.00 Deviation of Earning Per Share (EPS) :

Turnover reduced by Tk.8.85% from 30.23 crore during 2016 to Tk.27.55 crore during 2017. On the other hand cost of goods sold reduced by 19.41% to Tk.21.57 crore during 2017 from 26.76 crore during corresponding previous year. This gain in cost of goods sold increased the profit before tax 145.74% to 4.36 crore from 1.77 crore of previous year. This increase profit shot up the EPS to 6.53 from 2.63. The inprovement is cost of production was acheived through obtaining of higher unit C.M. of garments and much better worker time utilization through more effective management controls.

16.00 Net Operations Cash Flow Per Share :

The basic reasons for decreasing net operating Cash Flow per share for decreasing the liability for goods i.e. more payment to materials supplies during the period than the preceding period.

17.00 Impairment test of investment and property, plant and equipment (PPE) :

We have test the impairment of "Investment and PPE" but no impair of Investment and PPE as on 31 March, 2017