desh
garments
limited

Awal Centre (7th Floor)
34, Kemal Ataturk Avenue

Banani C/A., Dhaka-1213.

Sub: First Quarter Unaudited Financial Statements
of the Company as at 30 September, 2018

As per Rule of Bangladesh Securities and Exchange Commission, we are pleased to enclose herewith the Unaudited First Quarter Financial Position, Statement of Comprehansive Income, Statement of Cashflows and Statement of Changes in Equity as at 30 September, 2018.

Company Secretary

Date : 14/11/2018

DESH GARMENTS LIMITED
DHAKA

AMAR STOCK

# Desh Garments Limited

## STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018
## (UNAUDITED)

Taka in '000

| NET ASSETS | Notes | 30 Sept 2018 | 30 June 2018 |
|---|---|---|---|
| **Assets:** | | | |
| **Non-Current Assets** | | **129,212** | **128,436** |
| Property Plant & Equipment | 2.00 | 129,212 | 128,436 |
| **Current Assets** | | **237,693** | **247,300** |
| Inventories | 3.00 | 102,666 | 124,675 |
| Investment in Shares | 4.00 | 7,143 | 7,201 |
| Investment in FDR | 5.00 | 1,577 | 1,577 |
| Accounts Receivable | 6.00 | 25,053 | 27,070 |
| Loans, Advances and Deposits | 7.00 | 1,052 | 1,006 |
| Advance Income Tax | 8.00 | 20,305 | 18,615 |
| Cash and Bank Balances | 9.00 | 79,897 | 67,156 |
| **Total Assets** | | **366,905** | **375,736** |
| **Liabilities:** | | | |
| **Shareholders' Equity** | | **133,809** | **125,552** |
| Share Capital | 10.00 | 60,458 | 60,458 |
| Tax Holiday Reserve | 11.00 | 7,273 | 7,273 |
| General Reserve | 12.00 | 1,478 | 1,478 |
| Capital Reserve | 13.00 | 50,243 | 50,243 |
| Gain/ (loss) on Marketable Securities (Unrealized) | | (204) | (142) |
| Retained Earning | 14.00 | 14,561 | 6,242 |
| **Non-Current Liabilities** | | **32,596** | **28,512** |
| Deferred Tax | 15.00 | 1,425 | 1,220 |
| Long Term Loan | 16.00 | 31,171 | 27,292 |
| **Current Liabilies** | | **200,500** | **221,672** |
| Loans and Overdraft | 17.00 | 76,235 | 52,368 |
| Liabilty for Goods | 18.00 | 67,058 | 113,365 |
| Accrued Expenses | 19.00 | 18,634 | 19,058 |
| Creditors | 20.00 | 8,658 | 8,127 |
| Unclaimed Dividend | 21.00 | 238 | 238 |
| Dividend Payable | 22.00 | 9,788 | 9,788 |
| Employees Providend Fund | 23.00 | 208 | 208 |
| Provision for Income Tax | 24.00 | 19,681 | 18,519 |
| **Total Equity and Liabilities** | | **366,905** | **375,736** |
| **Net Assets Value Per Share** | | **22.13** | **20.77** |

Managing Director

Chief Financial Officer

DESH GARMENTS LIMITED DHAKA

## DESH GARMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD FROM 01.07.2018 TO 30.09.2018

| | | | Taka in' 000 |
|---|---|---|---|
| 2.00 | **Property Plant & Equipment :** | TK. | **129,212** |
| | The break up of the amount is as follows: | | |
| | At Cost 01.07.2018 | | 207,471 |
| | Addition during the period | | 3,339 |
| | TOTAL | | 210,809 |
| | Less : Accumulated depreciation | | 81,597 |
| | Written Down Value As On 30.09.2018 | | **129,212** |
| 3.00 | **Inventories :** | TK. | **102,666** |
| | The detailed break up of the amount is as follows: | | |
| | a) Fabrics | | 62,175 |
| | b) Accessories Assorted | | 4,358 |
| | c) Carton | | 565 |
| | d) Finished Goods | | 27,536 |
| | e) Work in Progress | | 8,032 |
| 4.00 | **Investment in Shares:** | TK. | **7,143** |
| | The break up of the amount is as follows: | | |
| | Balance as on 01.07.2018 | | 7,201 |
| | Add: During the period | | (58) |
| 5.00 | **Investment In FDR:** | | |
| | The break up of the amount is as follows: | TK. | **1,577** |
| | Balance as on 01.07.2018 | | 1,577 |
| | Add: During the period | | - |
| 6.00 | **Accounts Receivable** | Tk. | **25,053** |
| | The break up of the amount is as follows: | | |
| | KHQ | | 20,945 |
| | Stylewise | | 4,108 |
| 7.00 | **Loans, Advances & Deposits :** | Tk. | **1,052** |
| | The break up of the amount is as follows: | | |
| | Advance against purchase | | 752 |
| | Security Deposits | | 300 |
| 8.00 | **Advance Income Tax :** | Tk. | **20,305** |
| | The break up of the amount is as follows: | | |
| | Balance as on 01.07.2018 | | 18,615 |
| | Add: During the period | | 1,690 |

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**9.00 Cash & Bank Balances :** Tk. **79,897**

The break up of the amount is as follows:

| | |
|---|---|
| Cash in hand | 512 |
| Cash at banks | 79,385 |

**10.00 Authorised Capital :**

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

**10.01 Issued, Subscribed and Paid- up Capital :** **60,458**

It represents the paid up of the company consisting of 6,045,780 ordinary shares of Tk. 10 each for cash and fully paid up.

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

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

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

This is as per last account.

**13.00 Capital Reserve :** TK. **50,243**

Being the above amount carried from last accounts

**14.00 Retained Earnings :** Tk. **14,561**

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 Sep'2018 | 80,120 |

**15.00 Deferred Tax** Tk. **1,425**

The break up of the amount is as follows:

| | |
|---|---|
| Balance as on 01.07.2018 | 1,220 |
| Add: During the period | 205 |

**16.00 Long Term Loan** Tk. **31,171**

The break up of the amount is as follows:

| | |
|---|---|
| Balance as on 01.07.2018 | 27,292 |
| Add: During the period | 3,879 |

**17.00 Loans & Overdraft :** Tk. **76,235**

The break up of the amount is as follows:

| | |
|---|---|
| Bank Loans and Overdraft | 67,692 |
| Directors Loan (Unsecured) | 8,543 |

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**18.00 Liability for Goods :** Tk. **67,058**

The break up of the amount is as follows:

| | |
|---|---|
| M/S Samwon Trading | 33,807 |
| M/s Howaye Textile Co Ltd. | 17,975 |
| M/s. Suntex In't | 5,275 |
| M/s. R.M. Interlining | 650 |
| M/s. Jiangsu Textile Dyeing & Finishing Co. | 4,648 |
| M/s. Changzhou Jinheda Textile | 3,368 |
| M/s. Men's Fashions Ltd | 87 |
| M/s. Safe Printing | 444 |
| M/s. Tiangin Textiles | 804 |

**19.00 Accrued Expenses :** Tk. **18,634**

The break up of the amount is as follows:

| | |
|---|---|
| Audit Fee | 115 |
| Salary, wages & others | 18,519 |

**20.00 Creditors :** Tk. **8,658**

The break up of the amount is as follows:

| | |
|---|---|
| Workers profit participation & W. P. F | 8,385 |
| Salary, wages & others | 273 |

**21.00 Unclaimed Dividend :** Tk. **238**

Being the above amount carried from last account

**22.00 Dividend Payable :** Tk. **9,788**

Being the above amount carried from last account

**23.00 Employees Providend Fund :** Tk. **208**

Being the above amount carried from last account

**24.00 Provision for Income Tax :** Tk. **19,681**

The break up of the amount is as follows:

| | |
|---|---|
| Balance as on 01.07.2018 | 18,519 |
| Addition: During the period | 1,162 |

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# Desh Garments Limited

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018
## (UNAUDITED)

Taka in '000

| Particulars | July 01 2018 to September 30 2018 | July 01 2017 to September 30 2018 |
|---|---|---|
| **TURNOVER AND OTHER INCOME** | | |
| Export/Sale | 207,363 | 125,101 |
| **COST AND EXPENSES** | | |
| Cost of Goods Sold | 181,442 | 105,085 |
| Administration, Selling & Interest Expenses | 15,725 | 9,539 |
| Total Cost and Expenses | 197,167 | 114,624 |
| **Profit Before WPF & Tax (A-B)** | **10,196** | **10,477** |
| Less : Workers Profit Participation & WF | 510 | 499 |
| **Net Profit Before Tax** | 9,686 | 9,978 |
| Less : Provision for Income Tax | (1,162) | (1,197) |
| Less: Deferred Tax | (205) | - |
| **Net Profit After Tax** | **8,319** | **8,781** |
| **Other Comprehensive Income** | | |
| Gain/(loss) on Marketable Securities (Unrealized) | (62) | - |
| **Total Comprehensive Income** | **8,257** | **8,781** |
| **Earning Per Share (EPS)** | **1.38** | **1.45** |

FIRST QUARTER REPORT
AS AT 30 SEPTEMBER, 2018
(UNAUDITED)

## Desh Garments Limited

### STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

### FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2018

Taka in '000

30 September, 2018

| Particulars | Share Capital | Tax Holiday Reserve | General Reserve | Capital Reserve | Gain/ (loss) on Marketable Security | Retained Earnings | Total |
|---|---|---|---|---|---|---|---|
| At 01 July 2018 | 60,458 | 7,273 | 1,478 | 50,243 | (142) | 6,242 | 125,552 |
| Net Profit for the period | | | | | (62) | 8,319 | 8,257 |
| At 30 September 2018 | 60,458 | 7,273 | 1,478 | 50,243 | (204) | 14,561 | 133,809 |

30 September, 2017

| Particulars | Share Capital | Tax Holiday Reserve | General Reserve | Capital Reserve | Gain/ (loss) on Marketable Security | Retained Earnings | Total |
|---|---|---|---|---|---|---|---|
| At 01 July 2017 | 52,572 | 7,273 | 1,478 | 43,877 | - | (12,631) | 92,569 |
| Net Profit for the period | | | | | | 8,781 | 8,781 |
| At 30 September 2017 | 52,572 | 7,273 | 1,478 | 43,877 | - | (3,850) | 101,350 |

For Managing Director

Chief Financial Officer

DESH GARMENTS LIMITED DHAKA

CASH FLOWS STATEMENT (UNAUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

Taka in '000

| Particulars | July 01 2018 to September 30 2018 | July 01 2017 to September 30 2017 |
|---|---|---|
| **Cash Flows from Operating Activities :** | | |
| Collections from turnover and others | 209,379 | 125,101 |
| Payments for costs and expenses | (199,209) | (136,683) |
| Financial Expenses | (3,280) | (138) |
| Advance Income Tax | (1,690) | (1,015) |
| | **5,200** | **(12,735)** |
| **Cash Flows from Investing Activities :** | | |
| Acquisition of Property Plant and Equipment | (3,339) | (738) |
| Investment in Share | - | - |
| Investment in FDR | - | - |
| **Net Cash used in Investing Activities** | **(3,339)** | **(738)** |
| **Cash Flows from Financial Activities :** | | |
| Received from Bank Loan and Others | 10,880 | - |
| Payment of Overdraft and Bank Loan | - | (4,574) |
| Dividend paid | - | - |
| | **10,880** | **(4,574)** |
| **Effect of Exchange Rate Changes** | **152** | **-** |
| Increase/(Decrease) in Cash and Cash Equivalent | 12,741 | (18,047) |
| Cash and Cash Equivalents at beginning of the year | 67,156 | 73,053 |
| **Cash and Cash Equivalents at Closing** | **79,897** | **55,006** |
| **Net Operating Cash Flows Per Share** | **2.11** | **(2.99)** |

desh garments limited

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34, Kemal Ataturk Avenue
Banani C/A, Dhaka-1213

For Managing Director

Chief Financial Officer

DESH GARMENTS LIMITED DHAKA