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 2022

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, 2022.

Company Secretary

Date: 17/11/2022

DESH GARMENTS LIMITED
DHAKA

Desh Garments Limited

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

(UNAUDITED)

BDT'000

Particulars	Notes	30-09-2022	30-06-2022
ASSETS			
Non-Current Assets		**109,782**	**111,497**
Property Plant & Equipment	1.00	109,782	111,497
Current Assets		**260,557**	**286,620**
Inventories	2.00	157,506	158,108
Investment in Shares	3.00	9,476	9,365
Accounts Receivable	4.00	63,527	109,849
Advances and Prepayment	6.00	1,311	1,070
Advance Income Tax	7.00	4,449	2,225
Cash and Bank Balances	8.00	24,289	6,003
Total Assets		**370,339**	**398,117**
EQUITY AND LIABILITIES			
Shareholders' Equity	10.00	**147,381**	**146,587**
Share Capital	10.01	75,349	75,349
Tax Holiday Reserve	10.02	7,273	7,273
General Reserve	10.03	1,478	1,478
Capital Reserve	10.04	39,632	39,632
Retained Earnings	10.05	23,649	22,855
Non-Current Liabilities		**102,174**	**112,797**
Long Term Loan	11.00	102,174	112,797
Current Liabilities		**120,785**	**138,733**
Short Term Loan	12.00	78,243	87,701
Liabilities for Goods	13.00	16,314	19,078
Accrued Expenses	14.00	4,268	12,318
Worker's Profit Participation & Welfare Fund	15.00	8,172	8,011
Undistributed Dividend Payable to Sponsor Directors	16.00	8,560	8,560
Provision for Income Tax	17.00	5,203	2,978
Deferred Tax	5.00	25	87
Total Equity and Liabilities		**370,339**	**398,117**
Net Assets Value Per Share	22.00	**19.56**	**19.45**

Chairman | Managing Director | Deputy Managing Director

Chief Financial Officer | Company Secretary

DESH GARMENTS LTD. DHAKA

Desh Garments Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JULY 2022 TO 30 SEPTEMBER 2022
(UNAUDITED)

	BDT'000
	30-09-2022

1.00 Property Plant & Equipment: Tk. 109,782

At Cost 01 July 2022	232,267
Addition during the year	270
Less : Adjustment	-
Total Assets Value	**232,538**
Depreciation:	
Opening balance	120,771
Charged during the peroid	1,984
Less : Adjustment	-
	122,755
Written Down Value As On 30.09.2022	**109,782**

2.00 Inventories : Tk. 157,506

The detailed break up of the amount is as follows :

Sl.	Particulars	30-09-2022
1	Fabrics	57,629
2	Accessories Assorted	7,563
3	Carton	1,633
4	Finished Goods	48,546
5	Work in Progress	42,135
		157,506

3.00 Investment in shares Tk. 9,476

Sl.	Name of Companies	No of Share	Market Rate	30-09-2022
3	GENNEXT	607,049	6	3,764
4	CDBL	571,181	10	5,712
Total		**639,712**		**9,476**

4.00 Accounts Receivable: Tk. 63,527

The amount of receivable is comprised of the following :

KHQ	-
LF Credit	18,848
Lolly Togs Ltd	3,925
Shirt Makers B.V.	1,470
Crew Clothing Company	-
ZERO Ten Corp	2,336
No Excess B.V.	396
Kaskan Traders Ltd	27,025
Leeco Inc	65
Lerros Moden GmbH	9,461
	63,527

5.00 Deferred Tax : Tk. 25

Carrying value of Assets Accounting Base		109,782
Carrying value of Assets Tax Base		108,954
Temporary Difference		**828**
Tax Rate	86.817	12%
Deferred Tax Liability	-24.849	**25**
	61.968	

6.00 Advances and Prepayment (Considered good): Tk.1,311

These represent as follows :

Advance against Purchase		475
Advance against expenses		536
Security Deposits	6.01	300
		1,311

These do not include any advance paid either to subsidiary companies or to associated companies /sister concern.

6.01 Security Deposits: Tk. 300

The amount of security deposits is comprised of the following :

Deposit with T&T Board	51
Deposit with GPO Franking Machine	2
Deposit with BGSL (For gas)	127
Deposit with PDB (For electricity)	120
	300

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7.00 Advance Income Tax : Tk. 4,449

The break up of the amount is as under :

Opening Balance	2,225
Additional during the year:	2,224
	4,449
Adjustment during the year	-
	4,449

8.00 Cash and Bank Balances : Tk. 24,289

The break up of the amount is as under :

Cash in hand	8.01	2,057
Cash at Bank	8.02	22,232
		24,289

8.01 Cash in Hand : Tk. 2057

The amount comprises of the following :

At Head Office	1,562
At Factory	495
	2,057

8.02 Cash at Bank : Tk. 22,232

Banks	Branch	Account No.	
Eastern Bank Ltd., Dhaka	Dilkusha	10673	7
National Bank Ltd., Dhaka	Dilkusha	1999001777857	0
National Bank Ltd., Chittagong	Agrabad	1004000090072	2
Mercantile Bank Ltd., Dhaka	Banani	110611109446143	292
Bank Asia Ltd., Dhanmondi Branch, Dhaka	Mohakhali	02133002000	17
United CommerciaL Bank Ltd., Gulshan Branch, Dhaka	Corporate	0951101000008901	17
Dutch Bangla Bank Ltd, Banani, Dhaka	Banani	103-110-28303	960
Jamuna Bank, Sonargaon Road Branch, Dhaka	Sonargaon Road	0002-0210015775	22
Jamuna Bank, Sonargaon Road Branch, Dhaka	Sonargaon Road	0002-0601000022	18,011
Jamuna Bank, Sonargaon Road Branch, Dhaka	Sonargaon Road	0002-0017000058	1,389
Reserve for Covid-19 Loan Adjustment	Sonargaon Road	1704000010166	1,513
			22,232

9.00 Authorised Capital: TK. 100,000

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

10.00 Shareholders' Equity: TK. 147,381

It represents the share capital, tax holiday reserve, general reserve, capital reserve and retains earnings. **147,381**

10.01 Issed, Subscribed and Paid up Capital: Tk.75,349

a) It represents the paid up capital of the company consisting of 7,534,856 ordinary shares of Tk. 10 each issued for cash and fully paid up.

b) **Composition of Shareholders**

Sl.	Particulars	(UNAUDITED)		30-09-2022
		Shares	Holding %	Taka
1	Directors & Sponsors	4,143,617	54.99%	41,436
2	Other companies/institutions	352,593	4.68%	3,526
3	General Shareholders	3,038,646	40.33%	30,386
TOTAL		7,534,856	100.00%	75,349

10.02 Tax Holiday Reserve: Tk. 7,273

Balance is as per last account.	7,273
	7,273

It represents accumulated Special Reserve U/S 45 of Income Tax Ordiance 1984

10.03 General Reserve : Tk. 1,478

Balance is as per last account.	1,478
	1,478

10.04 Capital Reserve : Tk. 39,632

The break up of the amount is as follows:

Opening Balance	39,632
Depreciation on Revaluation	-
Total	**39,632**

10.05 Retained Earnings : Tk. 23,649

The break up of the amount is as under:

Accumulated loss up to 30 June 1991 due to cyclone	(65,559)
Accmulated profit for the period from 1992 to 30 Sep 2021	89,209
	23,649

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Desh Garments Limited
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JULY 2022 TO 30 SEPTEMBER 2022
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11.00	**Long Term Loan: Tk. 102,174**		
	Covid-19 Salary Loan		5,029
	Loang Term Loan (IPDC)	121,536.09	
	Less: Current portion of loang term loan	(32,562.62)	88,973
	Directors Loan (Unsecured)		
	Opening Balance	12,705.81	
	Addition during the year	(4,535)	8,171
			102,174
12.00	**Short Term Loans :Tk. 78,243**		
	Current Portion of Long Term Loan		32,563
	Packing Credit (JBL)		13,970
	SOD Loan General (JBL)		14,999
	Time Loan		16,710
			78,243

13.00 Liabilities for Goods : Tk. 16,314

This represents import bills payable to foreign/local suppliers against different letter of credits at the close of the business for the period. The details are as follows :

M/S Arvind	270
M/S Hoorain HTF Limited	6,010
M/s. R.M. Interlining	1,590
M/s. Men's Fashions Ltd	558
M/s. KDS Accessories Ltd	760
M/s. Jiangsu Lianfa Textile	1,556
M/s. Alok Industries Ltd	300
M/s. Etasia International	1,814
M/s. LT Apparel Group HK Limited	3,455
	16,314

14.00 Accrued Expenses : Tk. 4,268

The break up of the amount is as follows :

Audit Fee Payable	230
Salary ,Wages & Others Payable	3,882
VAT Payable	156
Electricity bill payable	456
WASA bill payable	63
Gas bill payable	48
	4,268

15.00 Worker's Profit Participation & W.P.F: Tk. 8,172

The break up of the amount is as follows :

Balance as per last year	8,011
Add: Contribution during the year	162
Less: Payment during the period	-
	8,172

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16.00 Dividend Payable : Tk. 8,560

A. Undistributed dividend payable to the sponsor directors

	Mrs. Rokeya Ouader	Mr. Omar Quader Khan	Ms. Vidiya Amrit Khan	
1989-1990	242,376	1,037,083	448,141	1,728
1996-1997	277,842	1,188,840	513,718	1,980
2012-2013	192,133	822,103	355,245	1,369
2013-2014	274,475	1,174,433	507,492	1,956
2016-2017	214,088	916,047	395,840	1,526
Sub-Total	**1,200,914**	**5,138,506**	**2,220,436**	**8,560**
Total				**8,560**

17.00 Provison for Income Tax: Tk. 5,203

The break up of the amount is as under :

Opening Balance	2,978
Addition the year	2,224
Closing Balance	**5,203**

18.00 Turnover/Export Proceeds : Tk. 176,112

Export Proceeds	176,112
Total	**176,112**

19.00 Cost of Goods Sold: Tk. 162,344

The break up of the amount is as follows :

Particulars	
Materials consumed	120,204
Factory overheads	31,676
Depreciation	1,886
Prime Cost	**153,767**
Add : Opening Stock of WIP	53,426
Less : Closing Stock of WIP	(42,135)
Factory Cost	**165,057**
Add : Opening Stock of Finished Goods	45,832
Less : Closing Stock of Finished Goods	(48,546)
Cost of Goods Sold	**162,344**

19.01 Raw Materials Consumed : Tk. 120,204

The break up of the amount is as follows :

Opening Stock	58,850
Add : Purchases	128,180
	187,029
Less: Closing Stock	(66,825)
	120,204

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20.00 Basic Earnings Per Share (EPS): Tk. 0.13

The computation of EPS is given below:

Earnings attributable to the Ordinary Shareholders	952
Number of Shares	7,535
During the year EPS Basic (Restated)	**0.13**

EPS has been decreased 50% in current period ended 30th September 2022 in comparison to same period of the previous year due to increased operating expenses.

21.00 Net Operating Cash flow per share (NOCFPS): Tk. 5.13

Net Cash flow from operating activities	38,637
Number of Shares	7,535
	5.13

NOCFPS has been increased 172.87% as the Turn over incresed 191.73%

22.00 Net Asset Value (NAV) Per Share: Tk. 19.56

Net Asset Value	147,381
Number of Shares	7,535
Net Asset Value Per Share	**19.56**

23.00 Cash received from customers: Tk. 222,434

Export Revenue	176,112
Add: Opening Balance of Accounts Receivable	109,849
Cash Available for Collection	**285,961**
Less: Closing Balance for Accounts Receivable	(63,527)
Cash from Customers	**222,434**

24.00 Cash payments to suppliers & others: Tk. (175,711)

Increase/(Decrease) Advance & Prepayments	240
Increase/(Decrease) Others Liabilities	(20,082)
Increase/(Decrease) Accrued Expenses	(8,050)
Increase/(Decrease) WPP & WF	-
Payment for Purchase	(111,637)
Payment for Factory Overhead	(31,676)
Administrative & Selling Expenses	(4,506)
Effect of Exchange rate change on Cash & Cash Equivalent	-
	(175,711)

DESH GARMENTS LIMITED DHAKA