

ANNUAL REPORT 2021-2022





Late M. Noorul Quader

(Dec. 02, 1935 - Sept.13, 1998)

Founder Chairman and Managing Director



Mrs. Rokeya Quader
Chairman



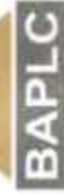
Mr. Omar Quader Khan
Managing Director



Ms. Vidiya Amrit Khan
Deputy Managing Director

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: 01-2022/265



Date of issue : July 31, 2022

Renewed Certificate

This is to certify that

DESH GARMENTS LIMITED

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies
and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2022.




Secretary General

ANNUAL REPORT

2021-2022



Desh Garments Limited

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LETTER OF TRANSMITTAL

To
All Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.

Sub : Annual Report for the year ended 30th June, 2022.

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Accounts including Statement of Financial Position as at 30th June, 2022, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year ended 30th June, 2022, along with notes thereon and all related consolidated Financial Statements for your kind information, records and necessary advice.

Yours faithfully,



Dr. K. Moulic
Company Secretary

Dated : 4th December, 2022

Notice of the 45th Annual General Meeting

Notice is hereby given that the 45th Annual General Meeting of the Shareholders of Desh Garments Limited will be held on Wednesday the 26th December, 2022 at 11:30 a.m. at Virtual AGM Platform.

01. To receive, consider and adopt the Audited Accounts of the Company for the year ended 30th June, 2022 together with Reports of the Directors and Auditors thereon.
02. To declare dividend.
03. To elect/re-elect Directors.
04. To appoint auditors for the year 2022-2023 and to fix their remuneration.
05. To appoint professional for certificate on compliance for the year 2022-2023 and fix their remuneration.
06. To transact any of this business with the permission of the chair.

Dated : Dhaka
30th October, 2022

By order of the Board



Dr. K. Moulic
Company Secretary

Notes:

The **Record Date** is 22th November, 2022.

Members of the company whose names appear in the register of members upto record date to be entitled to dividend for the year 2021-2022 to be approved by the Shareholders in the Annual General Meeting.

Any member of the company entitled to attend and vote at the above meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form duly affixing Revenue Stamp of Tk. 20.00 must be submitted at the Registered Office (Share Department) of the company not later than 48 hours before the time appointed for the meeting.

The Folio Shareholders are requested to notify change of address, if any.

Written queries, if any, expected to be replied at the Annual General Meeting on the Audited Accounts for the year ended 30th June, 2022 should reach the Head Office (Share Department) of the company at least 7 (seven) days before the meeting for convenience and appropriate explanation.

CORPORATE GOVERNANCE

The Company follows the guidelines no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07/08/2012 as amended BSEC notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June, 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC). The company's internal control and reporting procedures are adequate and effective. Corporate Governance involves decision making process for any corporate body as a going concern for the benefit of all concerned, present and future. The involvement of the entrepreneur in all these areas invokes decision making governance on a continuous basis. These aspects of governance are shared by the Board of Directors, Executive Management, operational participants, workers and others in fulfillment of the common goals that converge in increasing the benefits of all stakeholders.

The organisms through which the corporate governance functions are carried out as under:

a) **Constitution:**

Board of Directors, the top management echelon, consisting of the founding entrepreneurs/successors and Independent Directors, provides the policy and strategic support and direction for the entire range of the corporate activities. The Board of Directors now consists of five members including the Independent Directors. The present Board of Directors consists persons with varied education and experience which provides a balancing character in decision making process. The Board is reconstituted every year at each Annual General Meeting with one-third of the members retiring by rotation.

b) **Role & Responsibilities:**

The Board of Directors, which is the highest level of authority, provided general supervision, oversee the operations and control the affairs of the company through appropriate delegations of authority and accountability processes via the lines of command. The Board of Directors, in fulfillment of its responsibility hold periodic meetings, at least once a quarter and provide appropriate decisions / directions to the executive management. The Board of Directors also remains responsible for ensuring overall hazard free and friendly working environment in the factory and offices.

c) **Relationship with shareholders & public:**

The shareholders as owners, are to be provided with material information on the company's operation, half-yearly and annually, the latter at the Annual General Meeting. They are also provided with routine services by the Company Secretary. The Board is, however, responsible to the public for publication of any Price Sensitive Information as per Bangladesh Securities And Exchange Commission regulation. A Company Secretary is in-charge for all these responsibilities.

d) **Audit Committee of Board:**

The Board of Directors has constituted an Audit Committee of the Board consisting of three directors. The Audit Committee is headed by the Independent Director, Barrister Sajed Ahammad Sami, enrolled in Appellate Division of Supreme Court of Bangladesh. Other members are Mrs. Rokeya Quader, Chairman and Ms. Vidiya Amrit Khan, Deputy Managing Director. The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee also co-ordinates with the internal and external auditors as and when required. The Audit Committee also ensures compliance of requirements of Bangladesh Securities and Exchange Commission and other agencies.

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e) **Nomination and Remuneration Committee of Board:**

To cultivate a good governance practice in the Company, the Nomination and Remuneration Committee (NRC) was formed as a sub-committee of the Board in view of the corporate governance code of Bangladesh Securities and Exchange Commission (BSEC). The Committee comprises with the three Directors including one independent Director. The NRC assists the Board in formulation the nomination criteria of policy for determining qualifications, positive attributes, experience and independence of Directors Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives.

f) **Executive Management:**

The executive management is led by the Managing Director (CEO) who is appointed as per provisions of Companies Act by the Board of Directors for a term of five years (renewable) with the approval of shareholders in the Annual General Meeting. The Managing Director (CEO) is supported by professional, well educated, trained and experienced team consisting of Executive Directors, General Managers and host of Senior Executives in the hierarchy of Management.

g) **Independent Directors:**

We are pleased to inform you that Barrister Sajed Ahammad Sami is one of most aspiring and well-regarded young lawyers of Bangladesh. Having board international experience in both continuous and non continuous matter. Mr. Sajed is qualified and trained in the US, the UK and Bangladesh, and has practiced Law in multiple jurisdictions, besides his legal Practice. For his exceptional spectrum of experience in few of corporate governance and financial structuring the Government of Bangladesh appointed him as an Independence Director to the Board of Director of Power Grid Company of Bangladesh Ltd. (PGCB) a state owned and the sole power transmission company in Bangladesh. Mr. Sajed is also Shareholder Director of two leading 100% export oriented garments manufacturing company in Bangladesh. Mr. Abdul-Muyeed Chowdhury was appointed as an Independent Director on 28.10.2021. Mr. Muyeed Chowdhury had his education in BA (Hons.) and MA (First Class) in History, Dhaka University (1961-1965). Attended University of Tennessee, Knoxville for one academic year as a Fulbright Awadee in 1980-81. He was Advisor, Non-Party Care Taker Government of Bangladesh, 2001. Held charge of five Ministries Information, Housing & Public Works, Environment & Forests, Land and Food. He joined erstwhile Civil Service of Pakistan (CSP) in October, 1967. Retired on 31st July, 2000. He was a Secretary of the Government of Bangladesh from 1994 till retirement. Last assignment was Secretary of the Internal Resources Division of the Ministry of Finance and ex-officio Chairman of the National Board of Revenue (NBR). He successfully completed the Bangabandhu Bridge (Jamuna Multipurpose Bridge Project) in 1998 as Secretary of the Jamuna Bridge Division under the Ministry of Communications and Executive Director of the Jamuna Multipurpose Bridge Authority (JMBA). He has wide experience of management, public policy formulation and implementation of development projects besides magistracy and land administration including survey and settlement operations. The number of Directors of Desh Garments Limited is now 5 Directors which is the requirement of Board's Size as per Bangladesh Securities and Exchange Commission Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August, 2012 as amended BSEC notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June, 2018 stand fully complied with.

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MANAGEMENT APPARATUS:

A. Board of Directors:

Mrs. Rokeya Quader	Chairman
Mr. Omar Quader Khan	Managing Director
Ms. Vidiya Amrit Khan	Deputy Managing Director
Mr. Sajed Ahammad Sami	Independent Director
Mr. Abdul Muyed Chowdhury	Independent Director

Auditors:

MABS & J Partners
Chartered Accountants
SMC Tower (7th Floor),
House 33, Road 17
Banani C/A, Dhaka-1213

B. Audit Committee:

Mr. Sajed Ahammad Sami	Chairman
Mrs. Rokeya Quader	Member
Ms. Vidiya Amrit Khan	Member

Banker:

Jamuna Bank Limited
Dhaka.

C. NRC Committee:

Mr. Abdul Muyed Chowdhury	Chairman
Mrs. Rokeya Quader	Member
Ms. Vidiya Amrit Khan	Member

Insurance:

M/s. Desh General Insurance Co.Ltd.
Jiban Bima Bhaban (5th Floor),
10, Dilkusha C/A., Dhaka-1000.

D. Management Committee:

Mr. Omar Quader Khan	Chairman
Ms. Vidiya Amrit Khan	Member
Dr. K. Moulic	Member

Listing:

Dhaka Stock Exchange Ltd.
Dhaka.

E. Senior Corporate Officials:

Dr. K. Moulic	Company Secretary (CS)
Md. Mizanur Rashid	Chief Financial Officer (CFO)
Mr. Nazmul Huda Mullick	Head of Internal Audit & Compliance (HIAC)

REGISTERED OFFICE

Desh Garments Limited
Awal Centre (6th-7th Floor)
34, Kemal Ataturk Avenue, Road No.17
Banani C/A., Dhaka-1213.
Tel : +88 02 222276314, 222276019
website: www.deshgroup.com

FACTORY

53/A, Kalurghat Industrial Area
Chittagong.

CORPORATE HISTORY

1.	Date of Incorporation	:	27 th December, 1977
2.	Year of Commencement of Business	:	1977
3.	Date of IPO	:	19 th June, 1989
4.	Date of listing with DSE	:	24 th September, 1989
5.	Authorised Capital	:	TK.100,000,000.00
6.	Paid up Capital	:	TK. 75,348,560.00
7.	Number of Shareholders	:	2710
8.	Number of total Employees	:	963
9.	Main product	:	Woven Shirts
10.	Main Export Market (countries)	:	USA, Canada, EU

CORPORATE OPERATIONAL RESULTS

Figure in Taka

PARTICULARS	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Total Turnover	450,208,870	186,139,687	434,005,332	671,209,539	535,823,009
Gross Profit	47,192,960	31,085,628	46,028,448	67,119,610	79,200,416
Net Profit (AT)	3,449,98	3,004,566	3,140,508	16,985,225	28,010,878
Earning Per Share	0.05	0.40	0.43	2.32	4.40
Dividend Rate (%)	10% Stock (Subject to consent of the BSEC)	Cash, 5% General Shareholder, 3% Directors	3% Stock	10% Stock	10% Stock
Total Assets	398,116,781	296,054,539	294,593,478	428,026,088	375,735,945
Total Liabilities	(251,530,037)	(147,588,447)	(148,218,525)	(284,608,837)	(223,247,089)
Net Asset Value	146,586,744	148,466,092	146,374,953	143,417,251	152,488,856
N.A.V. Per shar	19.45	19.70	20.01	19.60	19.70

Bismillahir Rahmanir Rahim

Directors' Report to Shareholders for the year ended on 30th June, 2022

Dear esteemed shareholders,
Assalamu Alaikum,

I am pleased to welcome you to the 45th Annual General Meeting of our company. This year we are holding our AGM through virtual platform. In term of section 184 of the Companies Act, 1994 and the Rule 12 and the schedule thereunder of the Bangladesh Securities and Exchange Rules, 1987, I am pleased to present, on behalf of the Board of Directors, the Report of the Directors on the activities of the company together with the Auditors' Report thereon for the year ended on 30th June, 2022 for your kind consideration and approval.

GLOBAL AND NATIONAL ECONOMY

The global economy is experiencing a number of turbulent challenges. Inflation higher than seen in several decades, tightening financial conditions in most regions, Russia's invasion of Ukraine, appreciation of US dollar in most countries and the lingering COVID-19 pandemic all weigh heavily on the outlook. The war in Ukraine is leading to soaring prices and volatility in Garments Sector.

Global economic growth is projected to slow from 5.7 percent in 2021 to 2.9 percent in 2022 as per the World Bank's Global Economic Prospect, June 2022. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. According to Bangladesh Bureau of Statistics (BBS), 6.94% GDP growth was achieved in 2020-21, and 7.25% is projected for 2021-22. Government has set 7.50% growth target for 2022-23 while World Bank has projected 6.40% growth for 2022, 6.70% for 2023 and 6.90% for 2024. The war in Ukraine has put pressure on global supply chain of raw materials. Most of the currencies have lost values against US dollar.

Bangladesh being an import dependent country, Bangladeshi Taka has also experienced devaluation and inflation has made a big impact on consumer purchasing power. We expect that with these the country will be able to address the difficult situation. The inauguration of Padma Bridge will bring revolutionary changes in the communication system in the South Asian regions as well as in the internal communication system due to its alignment in the Asian Highway.

INDUSTRY OUTLOOK AND POSSIBLE FUTRUE DEVELOPMENT:

Ready Made Garments Industry (RMGI) is the main stay of Bangladesh economy at present. This industry was born in Bangladesh during 1976-78 when late M. Noorul Quader, the founder Chairman and Managing Director of Desh Garments Limited when he signed contract with Daewoo Corporation of South Korea for providing technical and marketing collaboration for setting up of garments factory in Bangladesh. This was the first contract in the private sector of Bangladesh with any foreign company. Mr. Quader, under that contract got 128 young Bangladeshis including eleven young ladies adequately trained for 6 months in all aspects of garments making and its business at Daewoo's factory at Busan, South Korea. Thus he brought the technical knowhow of garments in Bangladesh and built up his factory at Kalurghat Heavy Industrial Area, Chattagram. The factory started operations from 1980, but were almost without work upto 1982 because of non-availability of raw materials as sufficient foreign currency for importing raw materials was not available. Mr. Quader using his personality and influence over civil administration had been able to introduce Back to Back Letter of Credit (BBLC) System for non-funded import of raw materials, and Customs Bonded Warehousing System (Duty Free Import) for storing and using of imported raw materials without payment of custom duty for two years. His these three contributions namely (i) making technical knowhow available, (ii) allowing non-funded opening of Back to Back Letter of Credit (BBLC) for procurement of raw materials, and (iii) allowing of Customs Bonded Warehouse Facilities drastically reduced the investment requirement for operating and setting up a garments industry bringing it within the reach of

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the entrepreneurs coming out from middle income families spawned the growth of RMG factories in Bangladesh starting from only one factory in 1980, the number rose to 383 employing only 120,000 workers and earning only US\$ 31.57 million during 1982-83 has grown into the highest export earner accounting for US\$ 42.61 billion in the year 2021-2022.

Data showed that readymade garments export in the year 2021-2022 grew by 35.47% from 31.46 billion in the year 2020-2021.

The export of woven garments, which is the main export item of Desh Garments Ltd., has been increased in this financial year by 141.87% from BDT 186.14 million to BDT 450.21 million. We have been able to make a slight margin in the business of BDT 0.34 million in the year 2021-2022. The company plans to expand its capacity to enhance turnover and profitability for coming years 2022-2023.

CURRENCY RISK:

The Company is exposed to foreign currency exchange rate fluctuation for its upcoming export of RMG products. Any major depreciation in foreign currency exchange rate will affect the company adversely; however, no exchange rate fluctuation risk is assumed by the company considering the past trend and current foreign exchange market condition.

INTEREST RATE RISK:

The company has no foreign currency loan in its balance sheet and hence, it's not exposed to any foreign currency interest rate risk. The company has taken local working capital loan at a reasonable interest rate as fixed by Bangladesh Bank.

MARKET RISK:

Market Risk refers to the risk of average market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the products or services which would harm the performance of the company. On the other hand, strong marketing team and branch management have been built up which would help the company increase its customer base.

INSURANCE COVERAGE:

The company has comprehensive Insurance Covering all risk in general.

CHANGES IN GLOBAL POLICIES:

The performance of the company has been increased after pandemic due the rebound of global economy.

OPERATIONS:

We have successfully completed another year of operation. As said earlier, total revenue of the company after pandemic has been increased by 141.87% from BDT 186.14 million to BDT 450.21 million.

Gross profit in percentage has been 10.48% (BDT 47.19 million) in the year 2021-2022 which is an improvement in operation as compared to last year's gross profit of 16.70% (BDT 31.08 million).

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Product-wise performances during the year 2021-22:

Name of Product	Capacity	Net Output	Revenue (in million BDT)
		2021 - 22	2021 - 22
Woven Shirts	24 lac pcs with daily 10 hrs. work shift	18.05 Lac	450.21

FINANCIAL RESULT:

Summarized comparative results for the years 2021-2022 and 2020-2021 are given below:

Figure in BDT	Yr- 2021-2022	Yr-2020-2021
Turnover	450,208,870	186,139,687
Cost of Goods Sold	(430,015,910)	(155,054,059)
Gross Profit	47,192,960	31,085,628
Operating Profit	28,219,788	13,001,445
Other Income	1,427,953	856,772
Net Profit Before Tax	3,270,363	4,114,320
Net Profit After Tax	344,998	3,004,566
Earnings Per Share (EPS)	0.05	0.40
Net Assets Value (NAV)	19.45	19.70
Face Value of Share	10.00	10.00
Net Operating Cash Flows per Share	(12.41)	(0.39)

Board Meeting and Attendance:

Eight(8) board meetings were held during the year 2021-2022. The attendance record of the directors is as follows:

Name of Directors	Position	No. of Meetings	Attended
Mrs. Rokeya Quader	Chairman	08	08
Mr. Omar Quader Khan	Managing Director	08	08
Ms. Vidiya Amrit Khan	Deputy Managing Director	08	08
Mr. Sajid Ahammad Sami	Independent Director	08	08
Mr. Abdul-Muyeed Chowdhury	Independent Director	08	06

Status of Shareholding

The Pattern of shareholding as on 30.06.2022 are as follows:

Sl. No.	Name-wise details	No. of Shareholding	Percentage %	Remarks
	Parent/Subsidiary/Associate Company			
i)	Directors, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:			
	Directors:			
	Mrs. Rokeya Quader	548,834	7.28	
	Mr. Omar Quader Khan	2,622,441	34.80	
	Ms. Vidiya Amrit Khan	966,694	12.829	
	Mr. Sajid Ahammad Sami	-	-	Independent Director
	Mr. Abdul-Muyeed Chowdhury	-	-	Independent Director
	Company Secretary (CS)	-	-	
	Chief Financial Officer (CFO)	-	-	

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	Head of Internal Audit (HIA)	-	-
ii)	Executives (Top five salaried persons) other than CEO, CS, CFO, HIA)		
	Mr. Ronnie James Serasinghee	-	-
	Mr. Md. ZafrulEnayetUllah	-	-
	Mr. Mohammed Nowsharat Shah	-	-
	Mr. Imam Hossain	-	-
	Mr. Mohammad Kamal Hossain	-	-

Shareholders holding 10% or more voting right

Sl. No.	Name of shareholders	No. of Shareholding	Percentage %
1.	Mr. Omar Quader Khan	2,622,441	34.80
2.	Ms. Vidiya Amrit Khan	966,694	12.829

The Directors also report that- The financial statements of the company presented here reflect true and fair view of the company's state of affairs, result of its operations, cash flows, and changes in equity.

Proper Books of Accounts as required by the law have been maintained. Appropriate accounting policies have been followed in formulating the financial statements and the accounting estimates were reasonable and prudent. The financial statements were prepared in accordance with International Accounting Standard (IAS) as applicable in Bangladesh. The internal control system is sound in design and it's effectively implemented and monitored. There are no significant doubts upon the company's ability to continue as a going concern.

REVALUTION OF ASSETS:

The cost valuation of the assets of the company was calculated on the basis of actual costs incurred during 1978 to 1980. Since then the average price levels of the company assets had increased substantially. In order to find the real asset value of the company, the lands, factory building, electrical installation, and road, bridges, and fencing were revalued during 1994-95 and the balance sheet was reconstructed on that basis of the asset revaluation resulting in appreciation of the lands factory building, and electrical installation and depreciation of road, bridges, and fencing. As mentioned earlier, we have started charging depreciating on the revalued surplus amount from 2017-2018 financial year.

FIXED ASSET REGISTER:

Fixed asset ledger was maintained properly throughout the year. Beside this, a fixed asset register is being maintained currently mentioning the code, location, and quantity of the company property, plant, and equipment.

WORKERS' PROFIT PARTICIPATION & WELFARE FUND:

Workers' Profit Participation & Welfare Fund is created regularly. Company paid amount of Tk.620,350.00 and relevant supporting documents maintained properly. Worker Profit Participation & Welfare Fund during the financial year, but did not contribute any fund to the Bangladesh Workers' Welfare Foundation which is to be done accordingly from coming years.

DIVIDEND PAYABLE:

Dividend payable under sponsor's portion appearing in the books of accounts since long. Directors decided not to withdraw the dividend payable to them till improvement of financial position of the company so that normal business activities remain uninterrupted with required cash flow.

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CASH AND BANK BALANCE:

Some bank accounts are inactive and thus have become dormant. There has been no transaction in those bank accounts during the period. Application for closing those banks statements were made to the banks and received after finalizing the audit report.

DIRECTOR LOAN UNSECURED:

Director loan has been taken to meet up day to day expenses of the company and maintained properly.

EXTRA-ORDINARY GAIN OR LOSS

As per IAS 1: Presentation of Financial Statements, no item of income and expenses are to be presented as extra-ordinary gain or loss in the financial statements. Accordingly, no extra-ordinary gain or loss has been recognized in the financial statements.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR THROUGH ANY OTHER INSTRUMENTS

During the period there was no such event of raising fund from public issue.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

No significant variations have occurred between quarterly and final financial results of the company during the year under report.

FAIR PRESENTATION OF STATE OF AFFAIRS AND COMPLIANCE OF ACCOUNTING POLICIES, STANDARDS ETC.

The members of the Board, in accordance with the Bangladesh Securities and Exchange Commission's Notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018, are pleased to make the following declarations in their report:

- i) The financial statements prepared by the management of Desh Garments Limited present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of account of the company have been maintained.
- iii) 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.
- iv) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) Minority shareholders have been duly protected as have effective means of redress.
- vii) There is no significant doubt upon the company's ability to continue as a going concern.
- viii) Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in Operation and Financial Results section.

LAST FIVE YEARS KEY OPERATING AND FINANCIAL DATA

Directors are pleased to present the Key Operating and Financial Data for the 5(five) years Annual Report.

THE CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF THE CORPORATE GOVERNANCE CODE

As per the Corporate Governance Code prescribed by the BSEC, the report and compliance certificate of conditions of the Corporate Governance Code has been annexed in Annual Report.

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DIVIDEND:

The Profit after Tax earned during the financial year under the report is BDT 344,998.00. Considering the retained earnings, the directors, recommended 10% stock dividend to General Shareholders subject to consent of the BSEC. The Board of Directors did not declare Bonus shares or Stock dividend as interim dividend.

DIRECTOR'S REMUNERATION:

The Company did not pay any remuneration to the Directors and also Managing Director during the year under the report. Only Independent Directors are given allowance of BDT 5,000.00 per board meeting.

RETIREMENT OF DIRECTOR BY ROTATION:

Ms. Vidiya Amrit Khan has retired by rotation as per Article 122 of the Articles of Association of the Company according to her being eligible and seek for re-election as per Article 124.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management Discussion and Analysis has been highlighted in the Directors Report and Financial Data.

APPOINTMENT OF AUDITORS:

M/s. MABS & J Partners, Chartered Accountants retire at this Annual General Meeting and M/s. MABS & J Partners, Chartered Accountants have expressed their willingness as per their offer letter No.D-3/MABSJ(B)/2021-22/1242 dated 30 October 2022 to be the Financial Auditors for the year 2022-2023. The Auditors are required to be appointed at this Annual General Meeting and their remuneration for the year ended 30th June, 2023 is to be fixed accordingly.

APPOINTMENT OF COMPLIANCE AUDITORS:

Mr. B.M. Nurul Azim of M/s. B.M. Nurul Azim & Co., Chartered Accountants has expired on 18.04.2022. Jasmin & Associates, Chartered Secretaries be appointed in place of M/s. B.M. Nurul Azim & Co., Chartered Accountants by the Board of Directors. As well as they have expressed their willingness as per their offer letter no. J&A CA/2022/465 dated: 27/11/2022 to be compliance auditors for the year 2022-23, the auditors are required to be appointed including remuneration at this AGM for the year ended 30th June, 2023 is to be fixed accordingly.

RELATED PARTY DISCLOSURE:

Since the company does not have any compensation/benefit policy other than labor law defined benefit for the key management personnel. Below is the company's key personnel and the disclosure of benefit.

Sl.	Name	Position	Short term employee benefit	Long term employee benefit	Other Long term benefit	Termination benefit	Share based payment
1	Mr. Md. Mizanur Rashid (left on 30.10.2022)	Chief Financial Officer	No	No	No	No	No
2	Dr. K. Moulic	Company Secretary	No	No	No	No	No
3	Mr. Nazmul Huda Mullick	Head of Internal Audit	No	No	No	No	No
4	Mr. Ronnie James Serasinghee	Chief Operating Officer	No	No	No	No	No
5	Mr. Md. Zafrul Enayet Ullah	DGM, Commercial	No	No	No	No	No
6	Mr. Mohammed Nowsharat Shah	AGM, Merchandising & Marketing	No	No	No	No	No
7	Mr. Imam Hossain	Merchandising & Marketing	No	No	No	No	No

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MANAGEMENT APPRECIATION:

The Management takes this opportunity to thank all the shareholders, well-wishers, banks, and business associates for their sincere co-operation and understanding.

The Management also thanks the workers, staff, and officers of the company for their hard work and sincere efforts rendered which enabled the company to achieve a substantial growth during the reporting year.

The status of compliance as required in pursuance of notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 as latest amended by notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of Bangladesh Securities and Exchange Commission is given in Annexure-02 and the audit committee report for the year 2021-2022 is also enclosed vide Annexure-03. The company has already formed remuneration committee as per latest BSEC Corporate Governance Guidelines the Committee has started working on total activities, policy during the financial year, annual report.

Thanking you,



Rokeya Quader

Chairman

Dated :30/10/2022

Report to the Shareholders of Desh Garments Limited on Compliance on the Corporate Governance Code

We have examined the Compliance status to the Corporate Governance Code of Desh Garments Limited for the year ended on June 30, 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and Verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except Condition No. 5(2)(b);
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

For: Jasmin & Associates



Jasmin Akter, FCS
Chief Executive

Place : Dhaka
Dated : December 08, 2022

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated: 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969):

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	Board of Directors.-			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	Independent Directors			
1(2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	who is 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	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;			
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:	✓		
1(3)	Qualification of Independent Director:-			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	Not Applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;			Not Applicable
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	impact on environment, if any;			
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			Not Applicable
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not Applicable
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			Not Applicable
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that 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;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that 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;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound indesign and has been effectively implemented andmonitored;	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt 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 there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			Not Applicable
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			Not Applicable
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);			Not Applicable
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives;	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)(a)	a brief resume of the director;	✓		
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	✓		
1(6)	Meetings of the Board of Directors			
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:-			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2	Governance of Board of Directors of Subsidiary Company:-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			No Applicable
2(c)	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
2(d)	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
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	Requirement to attend Board of Directors'	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	Meetings			
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	✓		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	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;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee:-			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee:-			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board 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;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;		✓	Implementation under process
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	background and 10 (ten) years of such experience;			
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committeemembers to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or notlater than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No Vacancy Occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			Not applicable
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;			
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	review the adequacy of internal audit function;	✓		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	✓		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)(a)	report on conflicts of interests;			Not Applicable
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			Not Applicable
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Not Applicable

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Not Applicable
5(6)(b)	Reporting to the Authorities			Not Applicable
5(7)	Reporting to the Shareholders and General Investors			Not Applicable
6	Nomination and Remuneration Committee (NRC):-			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			Not applicable
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			Not applicable
6(2)(g)	The company secretary shall act as the secretary of	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	the Committee;			
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory Auditors:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No.	✓		

Desh Garments Limited

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	9(1); and			
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	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; his or her family members also shall not hold any shares in the said company:	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company:-			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance:-			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			Board recommended the professional for due appointment by the Shareholders in 44 th AGM on 22 nd Dec, 2021
9(3)	The directors of the company shall state, in accordance with the Annexure-Cattached , in the directors' report whether the company has complied with these conditions or not.	✓		

AUDIT COMMITTEE REPORT For the year 2021-2022

The Audit Committee consists of the following members:

Mr. Sajed Ahammad Sami	-	Chairman
Mrs. Rokeya Quader	-	Member
Ms. Vidiya Amrit Khan	-	Member

The scope of Audit Committee was defined as under:

- a. Review and recommend to the Board to approve the financial statements prepared for statutory purpose;
- b. Report to the Board of Directors on internal audit findings from time to time considering the significance of the issues;
- c. Carry on a supervision role to safeguard the system of governance and independence of statutory auditors; and
- d. Review and consider the internal report and statutory auditors' observations on internal control.

Activities carried out during the year:

Four meetings of the Audit Committee were held during the year 2021-2022, first one in November 2021, second one in January 2022, third one in April 2022 and last one in September 2022. In the first three meetings, un-audited quarterly statement of financial position and statement of comprehensive income were discussed and examined in details. In the last meeting held on 25th September 2022, the audited Accounts for the year 2021-2022 was discussed and examined in details.

Through holding of meetings as above, the Committee reviewed and discussed the internal control and audit systems, justifications and correctness of the expenditures incurred and income earned. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the Company and didn't find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting



Mr. Sajed Ahammad Sami
Chairman
Audit Committee
Dated : **September 25, 2022**

Report of The Nomination and Remuneration Committee – 2022

The Board of Directors of Desh Garments Ltd. has duly constituted a Nomination and Remuneration Committee (NRC) as per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives.

The statement of Nomination and Remuneration Committee is prepared following the Corporate Governance Code issued by the BSEC. This Report covers nomination and remuneration policies, evaluation criteria and activities of the NRC.

The Overview of the Nomination and Remuneration Policies:

The Company inevitably will follow the nomination and remuneration policies and the benchmark of which pursuing the business code of conduct and standards perceptible in the market context and appropriate to meet the present and future needs of the Company.

The board criteria in this respect for the Executive Directors and Top-Level Executives of the Company are as follows.

a) The Nomination Criteria

- i. The Company policies as well as guidelines and applicable laws/regulations for the Company.
- ii. A prescribed selection process that is transparent in all respects.
- iii. Following a process which is compatible to the recognized standards and the best practices;
- iv. Distinguishing the core competencies of the respective personnel for the different level of management and employees of the Company.
- v. Follow diversity in age, maturity, qualification, expertise and gender disciplines.

b) The Nomination Criteria

The outline of the Company needs for the employees at different levels, as determined by the management. The recruitment and selection of Executive Directors, Top-Level Executives of the Company are made according to the following core guiding principles:

Executive Directors and Top Level Executives: The candidate(s) for Executive Director(s), based on the set criterions of BSEC and Service Rules of the Company. The Board of Directors appoints Executive Director(s) and Top Level Executives, upon nomination and recommendation of the NRC.

Independent Director: The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the businesses.

The Independent Director should have competence of the relevant sector in which Company operates, and necessarily should have the qualifications as required by the Code of BSEC. The Board of Directors appoints Independent Directors upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.

c) Remuneration Criteria

The key features of the remuneration Criteria recommended by the NRC are as follows:

- i. The structure, scale and composition of remuneration/honorarium are reasonably considered based on the Company's Policies and Guidelines set by the Board of Directors to attract, and motivate the top level executives/executive directors to run the Company efficiently and successfully.

- ii. The context of packages, including remuneration/benefits is categorically laid down which meets the appropriate performance benchmarks as per the Company Policies and Guidelines ratified by the Board as and when required;
- iii. The NRC will recommend the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- iv. No member of the NRC will be allowed to receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Board meetings and Board's sub-committee meetings attendance fees from the Company.

d) Evaluation Criteria

Directors/Executive Directors/Top Level Executives: The respective line authority of the Directors/Executive Directors/Top Level Executives sets the performance measurement criteria based on the respective role profile and responsibilities through the Company's annual appraisal policy/process at a certain time of each calendar year.

Independent Director: The evaluation of performance of the Independent Directors (IDs) is to be carried out according to the criteria of attendance and participation at the Board meetings and committee meetings; participation in the Board meetings and committee meetings and contribution to the improvement of the corporate governance practices of the Company.

Activity Summary of Nomination and Remuneration Committee during the year of NRC Committee and its Meetings

The Board in its meeting held on 9th January, 2022 of the Nomination and Remuneration Committee (NRC) as per the requirement of BSEC Corporate Governance Code with the following composition.

Mr. Abdul-Muyeed Chowdhury

Chairman
Independent Director

Mrs. Rokeya Quader

Member
Chairman

Ms. Vidiya Amrit Khan

Member
Deputy Managing Director

The NRC carried out the following activities in line with committee's terms of Reference during the reporting period.

- i. Reviewed the Terms of Reference (ToR) of NRC, as approved by the Board of Directors;
- ii. Reviewed a policy relating to the remuneration of the Directors and top-level executives of the Company;

Desh Garments Limited

- iii. Reviewed the criteria for determining qualifications, positive attributes and independence of the Directors;
- iv. Reviewed the criteria of evaluation of performance of Independent Directors;
- v. Reviewed the Code of Conduct for the Chairman, Director and Top-level Executives of the company.



Mr. Abdul-Muyeed Chowdhury
Chairman

Thursday, 22 September 2022

Desh Garments Limited

Independent Auditor's Report To the Shareholders Of Desh Garments Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Desh Garments Limited (DGL)**, which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- 1. Reference to Note # 41, Provision for Workers Profit Participation Fund (WPPF) and welfare fund:** As per section 234 (b) of the Bangladesh Labour Act 2006 and as amended, every company shall pay to the Workers Participation Fund, Welfare Fund and Bangladesh Workers' Welfare Foundation Fund five percent of its net profit during such year in the ratio of 80:10:10. However, Desh Garments Limited did not contribute any fund to the Bangladesh Workers' Welfare Foundation Fund, a non-compliance of the aforesaid section. Furthermore, we were not provided with relevant supporting documents regarding the payment of Workers profit participation fund.
- 2. Reference to Note # 28, Cash and Bank Balances:** We were not provided with Bank statement of Eastern Bank Limited (Tk. 6780), National Bank Limited (Tk.435), so we couldn't confirm the balance of Cash at Bank.
- 3. Reference to Note # 37, Directors Loan (Unsecured):** There is frequent transaction (receipt and payment) regarding Directors Loan during this year. However, we were not provided with supporting documents except Ledger and bank statement.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Desh Garments Limited

Emphasis of Matters

Our opinion is not modified in respect of this event or matter.

Reference to Note # 40, Undistributed Dividend Payable to Sponsor Directors: An amount of Tk. 8,559,855 for unpaid dividend payable to Sponsor has been carrying forward since 1989-1990.

Other Information

Management is responsible for the other information. The other information comprises the 'Annual Report' but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that, we have nothing to report in this regard or a statement that describes any material misstatement of the other information.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Desh Garments Limited

Risk	Our response to the risk
Accounts Receivable Balance	
<p>During this year, Accounts Receivable amount is Tk. 109,849,038.</p> <p>Accounts Receivable is comprised of balance related with sales to 8 buyer of Desh Garments Limited. The amount shown in current year is 9 times higher than the amount showed in 2021, TK.11,998,553. Therefore, there is a risk of Account receivable is being misstated as a result of high dollar exchange rate facing after the dollar crisis in our economy.</p> <p>There is also a risk that quick ratio of the company will fall because the proportion of accounts receivable is more in the portion of current asset, which will create liquidity problem.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Segregation of duties in invoice creation and modification; and • Timing of receivable recognition. <p>Our substantive procedures in relation to the recognition comprises the following:</p> <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period; • Within a number of the Company's markets, comparing current year rebate accruals to the prior year and, where relevant, completing further inquiries and testing. • Agreeing a sample of claims and rebate accruals to supporting documentation; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards; • Performing cut-off test by obtaining delivery challan for goods delivered during the beginning of the next accounting period and at the close of current accounting year to verify whether sales are recorded in the current accounting period.
See note no 23.00 to The Financial Statements	

Valuation of Inventory	
<p>Work in progress in Inventories, amounting Tk. 53,425,638 shown during this year.</p> <p>Work in progress balance is 2.3 times more than the balance shown in previous year. Therefore, there is risk that rate of the product is misstated or the production cost is higher than the previous year.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the inventory valuation are in compliance with IAS 2 and found them to be consistent. • We inspected a sample of inventory and other documents to determine whether the classification between work in progress and Finished goods was appropriate. • We evaluated whether the net realizable value (NAV) by the management were in line with historical experience and the market practice.
See Note No 21 to the Financial Statements	

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the

Desh Garments Limited

audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) we have obtained all the information and explanation 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 profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purpose of the Company's business.

Place: Dhaka, Bangladesh

Dated: 30 October 2022

Signed for & on behalf of

MABS & J Partners

Chartered Accountants



S H Talukder FCA

Partner

ICAB Enrollment ID:1244

DVC No: 2210301244AS776742

Desh Garments Limited

Statement of Financial Position As at 30 June, 2022

Particular	Notes	Amount in Taka	
		30-06-2022	30-06-2021
Assets:			
Non-Current Assets			
Property Plant & Equipment	20	111,496,616	118,780,241
Current Assets			
Inventories	21	158,107,877	145,565,922
Investment in Shares	22	9,364,645	8,695,266
Accounts Receivable	23	109,849,038	11,998,533
Other Receivable	24	-	1,618,743
Advances and Prepayment	26	1,070,402	1,519,801
Advance Income Tax	27	2,224,771	1,153,617
Cash and Bank Balances	28	6,003,433	6,722,415
Total Assets		398,116,781	296,054,539
Equity and Liabilities:			
Shareholders' equity			
Share Capital	31	75,348,560	75,348,560
Tax Holiday Reserve	32	7,272,808	7,272,808
General Reserve	33	1,477,579	1,477,579
Capital Reserve	34	39,632,487	41,357,490
Retained Earnings	36	22,855,310	23,009,655
Non-Current Liabilities			
Long Term Loan	37	112,797,274	71,692,214
Current Liabilities			
Short-term Loan	38	87,700,662	34,430,488
Liabilities for Goods	39	19,078,139	12,234,907
Accrued Expenses	40	12,318,476	9,550,205
Worker's Profit Participation & Welfare Fund	41	8,010,558	8,467,390
Dividend Payable to Sponsor Directors	42	8,559,855	10,025,700
Provision for Income Tax	43	2,978,256	1,153,617
Deferred Tax	25	86,817	33,926
Total Equity and Liabilities		398,116,781	296,054,539
Net Assets Value Per Share		19.45	19.70

The annexed notes form an integral part of this Financial Statement. These Financial Statement was authorized for issue by the Board of Directors on 30.10.2022 and were signed on its behalf by:



Chairman



Managing Director



Deputy Managing Director



Chief Financial Officer



Company Secretary

This is the statement of financial position referred to in our separate report of even date.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants



S H Talukder FCA
Partner

ICAB Enrollment ID:1244

DVC No: 2210301244AS776742

Place: Dhaka, Bangladesh

Dated: 30 October 2022

Desh Garments Limited

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		30-06-2022	30-06-2021
Turnover	44	450,208,870	186,139,687
Cost of Goods Sold	45	(403,015,910)	(155,054,059)
Gross Profit		47,192,960	31,085,628
Operating Expenses:			
Administrative & Selling Expenses	46	(18,973,173)	(18,084,183)
Operating Profit Before Financial Expenses		28,219,788	13,001,445
Financial Expenses	47	(25,960,666)	(11,190,883)
Profit Before Other Income		2,259,122	1,810,562
Other Income	48	1,427,953	856,772
Exchange Rate Fluctuation Gain/(Loss)	49	(253,193)	1,652,703
Profit Before WPPF & Tax		3,433,881	4,320,036
Contribution to Worker's Profit Participation & Welfare Fund	41	(163,518)	(205,716)
Net Profit Before Tax		3,270,363	4,114,320
Income Tax Expenses	50	(2,978,256)	(1,153,617)
Deferred Tax	25	52,891	43,862
Net Profit After Tax		344,998	3,004,566
Other Comprehensive Income/(Loss)			
Gain/(Loss) on Marketable Securities(Unrealized)	35	669,379	90,212
Total Comprehensive Income		1,014,377	3,094,778
Earnings Per Share (EPS)	51	0.05	0.40

The annexed notes form an integral part of this Financial Statement. These Financial Statement was authorized for issue by the Board of Directors on 30.10.2022 and were signed on its behalf by:



Chairman



Managing Director



Deputy Managing Director



Chief Financial Officer



Company Secretary

This is the statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of

Signed for & on behalf of
MABS & J Partners
Chartered Accountants



S H Talukder FCA
Partner
ICAB Enrollment ID:1244
DVC No: 2210301244AS776742

Place: Dhaka, Bangladesh
Dated: 30 October 2022

Desh Garments Limited

Statement of Cash Flows For the year ended 30 June 2022

Particulars	Note	DRAFT	FINAL
		30-06-2022	30-06-2021
Cash Flows from Operating Activities			
Collections from Turnover & Others	55.00	355,405,061	200,935,094
Payment for Cost & Expenses	56.00	(416,339,698)	(189,341,076)
Financial Expenses	47.00	(25,960,666)	(11,190,883)
Income Tax paid	50.00	(2,224,771)	(1,153,617)
Dividend 2020-2021		(2,893,725)	(2,194,620)
Unclaimed dividend paid to Capital Market Stabilization Fund directed by BSEC		(1,465,845)	-
		(93,479,643)	(2,945,102)
Cash Flows from Investment Activities			
Acquisition of Property Plant and Equipment		(1,614,572)	(833,773)
Investment in Share		-	(1,106,283)
Net Cash used in Investment Activities		(1,614,572)	(1,940,056)
Cash Flows from Financial Activities			
Long Term and Short Term Loan Paid		94,375,234	(131,774)
		94,375,234	(131,774)
Increase/(Decrease) in Cash and Cash Equivalents		(718,981)	(5,016,932)
Cash and Cash Equivalents at beginning of the year		6,722,415	11,739,347
Cash and Cash Equivalents at Closing		6,003,434	6,722,415
Net Operating Cash Flows Per Share		(12.41)	(0.39)

The annexed notes form an integral part of this Financial Statement. These Financial Statement was authorized for issue by the Board of Directors on 30.10.2022 and were signed on its behalf by:

Chairman

Managing Director

Deputy Managing Director

Chief Financial Officer

Company Secretary

Place: Dhaka, Bangladesh

Dated: 30 October 2022

Desh Garments Limited

Statement of Changes in Equity

For the year ended 30 June 2022

Particulars	Share Capital	Tax Holiday Reserve	General Reserve	Capital Reserve	Retained Earnings	Total Amount (TK.)
Balance as on July 1 2021	75,348,560	7,272,808	1,477,579	41,357,490	23,009,655	148,466,092
Depreciation on Revaluation of P.P.E	-	-	-	(1,725,003)	1,725,003	-
Gain on Marketable Securities (Unrealized)- Note-34	-	-	-	-	669,379	669,379
Net Profit After Tax	-	-	-	-	344,998	344,998
Dividend 2020-2021	-	-	-	-	(2,893,725)	(2,893,725)
Balance as on June 30 2022	75,348,560	7,272,808	1,477,579	39,632,487	22,855,310	146,586,744

Statement of Changes in Equity

For the year ended 30 June 2021

Particulars	Share Capital	Tax Holiday Reserve	General Reserve	Capital Reserve	Retained Earnings	Total Amount (TK.)
Balance as on July 1 2020	73,153,940	7,272,808	1,477,579	50,243,455	14,227,172	146,374,953
Depreciation on Revaluation of P.P.E (2017-18 to 2019-20)	-	-	-	(6,887,067)	6,887,067	-
Gain / (Loss) Marketable Securities	-	-	-	-	182,805	182,805
Opening balance restated	73,153,940	7,272,808	1,477,579	43,356,388	21,297,044	146,557,758
Depreciation on Revaluation of P.P.E	-	-	-	(1,998,898)	1,998,898	-
Gain on Marketable Securities (Unrealized)- Note-34	-	-	-	-	90,212	90,212
Net Profit After Tax	-	-	-	-	3,004,566	3,004,566
Dividend 2019-2020	2,194,620	-	-	-	(2,194,620)	-
Incentive income of last year adjusted	-	-	-	-	(1,186,444)	(1,186,444)
Balance as on June 30 2021	75,348,560	7,272,808	1,477,579	41,357,490	23,009,655	148,466,092

The annexed notes form an integral part of this Financial Statement. These Financial Statement was authorized for issue by the Board of Directors on 30.10.2022 and were signed on its behalf by:



Chairman



Managing Director



Deputy Managing Director



Chief Financial Officer



Company Secretary

Place: Dhaka, Bangladesh

Dated: 30 October 2022

1.0 The Company & its operations

1.01 Legal form of the Company

Desh Garments Limited (here in after referred to as "The Company") was incorporated in Bangladesh as a public company limited by shares on 27.12.1977. The Company used to run as two 100% export oriented industrial Units. Unit No. 01 could not be restored after extensive damage of machinery and equipment in April 1991 by the devastating cyclone, hence no export was made from Unit No. 01 and only Unit -2 was in production. The company had done some BMRE in the year 2017-18 and 2018-19, and from financial year 2017/2018 the board of directors has decided to marge two units to one unit. Since unit one has no operation and its remaining assets transferred to unit-2, and revised annual production capacity stands 41.28 lacs pcs at 100% efficiency. But the practical and considering standard efficiency of Bangladesh Garments Industry, the company's standard production capacity is 24 lac pcs oven shirts annually with daily 10 hours work shift.

1.02 Address of the Registered & Corporate Office

The principal place of business is the registered office at 34, Kemal Ataturk Avenue, Banani C/A, Dhaka-1213, Bangladesh and the factories are located at Kalurghat, Chittagong.

1.03 Nature of Business Activities

The company owns and operates industrial plants for manufacturing of readymade garments and sales thereof.

1.04 Number of Employees

On the payroll of the Company, there were 50 officers, 82 Staff and 831 permanent/badly/contractual workers.

Taka

i)	963	Staff/Officers/Employees drew yearly salary & allowances of Tk. 36,000 or more	131,048,800
ii)	-	Staff/ Officers/Technicians and many other casual workers drew yearly salary/wages & allowances less than Tk. 36,000	-
		<u>963</u>	<u>131,048,800</u>

2.00 Summary of Significant Accounting & Valuation Principles

2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994, The Securities and Exchange Ordinance, 1969, The Securities and Exchange Commission Act, 1993, the Securities and Exchange Rules 1987 and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 1987.

On 14 December 2017, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

A number of new standards and amendments to standards are effective for annual periods beginning on or after 01 January 2018 and earlier application is permitted.

2.02 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994;

- A. The Income Tax Ordinance, 1984
- B. The Income Tax Rules, 1984
- C. The Value Added Tax and Supplementary Duty Act, 2012
- D. The Value Added Tax and supplementary duty Rule, 2016
- E. The Securities and Exchange Ordinance, 1969
- F. The Securities and Exchange Rules, 1987
- G. Securities and Exchange Commission Act, 1993
- H. The Customs Act, 1969
- I. Bangladesh Labor Law, 2006.

2.03 Components of the Financial Statements

According to the International Accounting Standards IAS 1 "Presentation of Financial Statement" the complete set of Financial Statements includes the following components:

- (1) Statement of Financial Position as at 30 June 2022;
- (2) Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2022;
- (3) Statement of Changes in Equity for the period ended 30 June 2022;
- (4) Statement of Cash Flows for the period ended 30 June 2022;
- (5) Notes to the Financial Statements.

2.04 Accounting Convention and Basis

These accounts are prepared under historical cost convention, except for re-valuation of fixed assets taken into account in 1995-96, on an accrual basis as summing that the Company will continue as a going concern for the foreseeable future.

2.05 Reporting year

The financial statements of the company cover one year from 01 July 2021 to 30 June 2022.

2.06 Principal Accounting Policies

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect within the Framework for preparation and presentation of financial statements. Financial statement, have been prepared and presented in compliance with IAS 1 "Presentation of Financial

Statement". The previous period's figures were formulated accounting to the same accounting principles. Compared to the previous period, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, Changes made to the presentation are explained in the note for each respective item.

2.07 Functional and presentation currency

The financial statements are expressed in Bangladeshi Taka which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest taka.

2.08 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future years affected.

2.09 Going concern

The Company has adequate resources to continue its operation for foreseeable future, the financial statements have been prepared on going concern basis. As per Management's assessment there are no material uncertainties which may cast significant doubt upon the Company's ability to continue as going concern.

2.10 Comparative information

Comparative figures and account titles in the financial statements have been rearranged/reclassified and restated where necessary to conform to changes in presentation in the current year.

3.00 Significant Accounting Policies

3.01 Application of Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and requirement of IFRSs (International Financial Reporting Standards) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh.

3.02 Property, plant and equipment

i) Recognition and Measurement

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance with IAS 16 as adopted by ICAB, "Property, Plant and Equipment". Cost represents cost of acquisition or construction and capitalization of pre-production expenditure including interest during construction periods. No depreciation is charged on land and land development. Depreciation has been charged on additions from the date of when the related assets are ready for use. Depreciation on all other fixed assets is computed using the diminishing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. Expenditure of maintenance and repairs are expensed; major replacements, renewals and betterments are capitalized.

ii) Capitalization of Borrowing Cost

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Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS 23: Borrowing Cost, allowed alternative treatment.

iii) Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day to day maintaining cost on PPE are recognized and Statement of Profit or Loss and Other Comprehensive Income as incurred.

iv) Depreciation

No depreciation is charged on land and land development. Consistently, depreciation is provided on reducing balance method based on written down value at which the assets is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one. Each item of PPE is depreciated when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an assets ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized.

The depreciation/amortization rate(s) are as follows:

Category of Fixed Assets	Rate%
Land & Land Development	0%
Factory Buildings	5%
Plant & Machinery	15%
Electric Installation	15%
Office Equipment	15%
Furniture & Fixtures	10%
Transport and Vehicles	20%
Other Assets	5% to 20%

v) Revaluation of fixed assets

The company revalued its Land and Land Development, Factory Building, Electrical Installation, Road, Bridge and Fencing following the resolution of the Board of Directors on the accounting year of June 30, 1996 to make a reflection of the present value of those assets in the financial statements. The Company did not revalue its other assets as because the difference of present value and book value of such asset is insignificant. This year Tk. 88,85,965 has been transferred from Revaluation Reserve to Retained Earnings for the excess depreciation according to IAS 16.

vi) Retirements and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive Income.

vii) Impairment of assets

All assets have been reviewed according to IAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets

3.03 Inventories and consumables

"Inventories comprise raw materials; work in process and finished goods. They are stated at the lower of cost and net realizable value on consistent basis in accordance with IAS 2 as adopted by ICAB, ""Inventories"". Net realizable value is based on estimated selling price less any further costs expected to be incurred for completion and disposal.

3.04 Cash & Cash Equivalents

"According to IAS 7 as adopted by ICAB, ""Statement of Cash Flows"", cash comprises cash in hand and demand deposit and, cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. IAS 1 ""Presentation of Financial Statements"" also provides that cash and cash equivalents are those which have no restriction in use considering the provision of IAS 7 and IAS 1. Cash in hand and bank balances have been considered as cash and cash equivalents.

3.05 Equities and Liabilities:

3.5.1 Tax Holiday

Tax holiday period of "Unit No. 01" and "Unit No. 02" have expired. Consolidated Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position have been prepared in conformity with the Securities & Exchange Rule 1987.

3.5.2 Trade & Other payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company, whether or not billed by the supplier.

3.5.3 Provision

The preparation of Financial Statements in conformity with International Accounting Standards IAS 37 Provisions, Contingent liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts revenues and expenditures, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of financial statements.

3.5.4 Taxation

Taxation is provided in accordance with fiscal regulations applicable. The company is publicly traded company as per the Income Tax Ordinance 1984. The company qualifies for being treated as a ""Publicly Traded Company"". The company is 100% export-oriented garments industry for which the rate of tax at 12% has been applied for profit on Garments business and 20% for Dividend Income while making provision for income tax.

i) Current income tax

Provision for taxation has been made as per rates prescribed in the Finance Act, 2021 and the Income Tax Ordinance, 1984 on profit made by the company. As per IAS 12 Income Tax Provision has been made during the year as the company earned taxable income.

ii) Deferred tax

Deferred Tax is recognized on difference between the carrying amount of assets and a liability in the financial statements and the corresponding tax based used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liability is generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the profit will be available against which deductible temporary difference, unused tax loses or unused tax credits can be utilized. Considering the practices generally followed in Bangladesh the company has been recognized deferred tax liability in accordance with IAS 12 "Income Taxes."

3.5.5 Loans and borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the reporting date are classified as current liabilities whereas borrowings repayable after twelve months from the Statement of Financial Position date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

3.5.6 Foreign currency transaction / translation

Transactions in foreign currencies are translated into Bangladesh Taka at the Exchange rate prevailing on the date of transactions in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rate." Monetary assets and liabilities in foreign currencies at the Statement of Financial Position date are translated into Bangladesh Taka at the rate of exchange prevailing at the Statement of Financial Position date. All exchange differences are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

3.5.7 Dues to the Directors

Nothing was due by Directors (including Managing Director), Managers, and other officers of the Company or by associated undertakings and any of them severally or jointly with any other persons rather, interest free loan of Tk. 12,705,811 has been taken from Deputy Managing Director to meet up day to day expenses of the company.

3.5.8 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets are disclosed in the Notes to the financial statements.

3.5.9 Employee benefits

WPPF and welfare fund

This represents 5% of the net profit after charging such contribution but before tax contribution by the Company as per provisions of Bangladesh Labor Law 2006 and as Amended in 2013 and is payable to the workers as define in the said Law.

3.5.10 Credit Facility not availed of

There were no general credit facilities other than those are stated in ""Note-36"" were available to the company under any contract to be availed of at the Statement of Financial Position date.

3.5.11 Calculation of Net Asset Value (NAV)

Deferred tax Liability has been calculated on the revalued amount of Property Plant and Equipment and when calculating the NAV outside liability has not been considered.

3.06 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 as adopted by ICAB, "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987 and considering the provision of paragraph 19 of IAS 7 which provides that "enterprises are encouraged to report cash flow from operating activities using the direct method".

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3.07 Statement of Changes in Equity

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

3.08 Revenue recognition

The revenue during the year represents revenue arising from sales of readymade garments items which are recognized when deliveries are made, against the sales order received from the respective customer and after satisfying all the conditions for revenue recognition as provided in IFRS 15 "Revenue from Contract with Customers".

3.09 Turnover

Turnover comprises export of sales of the company.

3.10 Commission

No commission has been paid to sales agents during the year under audit.

3.11 Brokerage or Discount

The company did not pay any brokerage or discount other than the conventional trade discount against sales.

4.00 Advertisement and promotional expenses

All cost associated with advertising and promotional activities are charged out in the year incurred.

5.00 Financial expenses

Financial expenses comprise the interest on external borrowings and bank charges and are recognized as they accrue.

6.00 Operating Expenses

Operating expenses refers to the expenses incurred for the day-to-day operation of the company.

7.00 Miscellaneous Expense

Miscellaneous Expense is not exceeding 1% of Total Revenue.

8.00 Gross Profit

The gross profit earned during the year is 10.48% as against the gross profit earning of 16.70% of the preceding year.

9.00 Basic Earning

The presents earning for the period attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders.

9.01 Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the total number of ordinary shares outstanding during the year.

9.02 Diluted Earnings per Share

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

10.00 Related party transactions

The objective of IAS 24 'Related Party Disclosures' is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its

financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [IAS 24] directly or indirectly through one or more intermediaries, controls is controlled by or is under common control with the entity has an interest in the entity that gives it significant influence over the entity that has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled jointly or significantly influenced by or for which significant voting power in such entity resides with directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

The Company transacts with related parties and recognize as per IAS 24 'Related Party Disclosures'. Related party transactions have been disclosed.

11.00 Transactions with Related Parties/ Associated Undertakings

There were no transactions with related parties during the year ended 30 June, 2022.

12.00 Risk and uncertainties for use of estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affects the report, amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long-term contracts, provision for doubtful accounts, depreciation and amortization, employees' benefit plans, taxes reserves and contingencies.

13.00 Responsibility for preparation and presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 (Amended in 2018) and as per the provision of "the frame work for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

14.00 General

Wherever considered necessary, previous period's figures have been rearranged for the purpose of comparison. Figures appearing in Financial Statement have been rounded off to the nearest Taka.

15.00 Audit Fee

As per decision taken in the 44th Annual General Meeting of the company held on 22-12-2021 the auditors' remuneration of Tk. 200,000 has been provided in the accounts which is the sum to be paid to auditors as their fixed remuneration for 2021-2022.

16.00 Board Meeting & Members

There were 5 members in the Board of Directors of the Company and 8 Board Meetings were held in the year under review.

17.00 Acknowledgement of Claims

There was no claim against the company not acknowledged as debt as on 30 June 2022.

18.00 Impact of covid-19

The company has made a substantial increase in sales in the post covid period which is 2.42 times more than the preceding year.

19.00 Authorization date for issuing Financial Statements

The Financial Statements were authorized by the Board of Directors on 30 October 2022 for issue after completion of review.

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Note	Particular	Amount in Taka	
		30-06-2022	30-06-2021
20.00	Property Plant & Equipment : Tk. 111,496,618		
	At Cost 01 July 2021	230,652,906	229,819,133
	Addition during the year	1,614,572	833,773
	Total Assets Value	232,267,478	230,652,906
	Depreciation:		
	Opening balance	111,872,665	101,827,738
	Charged during the year	8,898,197	10,044,927
		120,770,862	111,872,665
	Written down value	111,496,616	118,780,241

Details have been shown in Annexure "A"

Board of Directors have taken decision not to show the assets in two units since the operation of company runs in single Unit. So, figure of Unit 2 has been merged with Unit 01 and Unit 01 represents total value of Assets accordingly.

Changes of depreciation rate and accounting for depreciation on revalued amount included in the accumulated depreciation for the financial year 2021-22. IAS-8 guideline has been followed to do the changes.

21.00 Inventories : Tk. 158,107,877

The detailed break up of the amount is as follows :

Sl. No.	Name	Unit	Quantity	Value in Taka	Value in Taka
	Raw Materials				
1	Fabrics for KC			-	13,343,145
2	Fabrics for Li & Fung	Yds	77,039	12,390,678	10,503,300
3	Fabrics for Shirt Maker	Yds	36,492	11,336,209	13,068,285
4	Fabrics for Crew	Yds	-	-	6,998,191
5	Fabrics for Kaskan	Yds	101,345	21,084,865	-
6	Fabrics for Zero Ten	Yds	27,457	4,997,669	-
7	Fabrics for other buyers	Yds	51,938	8,782,797	-
8	Accessories Assorted			257,565	2,004,367
A)	Raw Materials			58,649,783	45,917,288
B)	Work in Progress			53,425,638	22,532,060
C)	Finished Goods			45,832,456	77,116,574
	Total			158,107,877	145,565,922

22.00 Investment in shares Tk. 9,364,645

Sl. No.	Particulars	No. of Share	Market Rate	Market Value	Market Value
1	APEXTANRY	1,250	151.70	189,625	145,354
2	KAY & QUE	13,732	252.20	3,463,210	2,838,102
3	CDBL	571,181	10.00	5,711,810	5,711,810
	Sub-Total	639,712		9,364,645	8,695,266

23.00 Accounts Receivable: Tk. 109,849,038

The amount of receivable is comprised of the following :

KHQ	-	2,638,424
LF Credit	45,420,019	-
Shirt Makers B.V.	2,071,857	9,360,109
Crew Clothing Company	18,129,629	-
ZERO Ten Corp	4,254,135	-
No Excess B.V.	395,571	-
Kaskan Traders Ltd	20,024,153	-
Leeco Inc	1,602,463	-
Leros Moden GmbH	17,951,211	-
	109,849,038	11,998,533

24.00 Other Receivable: Tk. Nil

Opening Balance of Cash Incentive
Less: Realization of Cash Incentive

1,618,743	2,805,187
(1,618,743)	(1,186,444)
-	1,618,743

25.00 Deferred Tax : Tk. 86,817

Carrying value of Assets_ Accounting Base
Carrying value of Assets_ Tax Base
Temporary Difference
Tax Rate
Deferred Tax Liability

111,496,616	118,780,241
110,773,143	118,497,526
723,473	282,715
12%	12%
86,817	33,926

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26.00 Advances and Prepayment: Tk.1,070,402

These represent as follows :

Advance against Purchase

Advance against expenses

Security Deposits

	525,320	775,360
	245,325	444,684
26.01	299,757	299,757
	<u>1,070,402</u>	<u>1,519,801</u>

26.01 Security Deposits: Tk. 299,757

The amount of security deposits is comprised of the following :

Deposit with T & T Board

Deposit with GPO Franking Machine

Deposit with BGSL (For gas)

Deposit with PDB (For electricity)

	51,152	51,152
	1,755	1,755
	126,850	126,850
	120,000	120,000
	<u>299,757</u>	<u>299,757</u>

27.00 Advance Income Tax: Tk. 2,224,771

The break up of the amount is as under:

Balance as per last account

AIT from Garments Business

AIT from Dividend received @ 20%

AIT against Vehicle Services

Adjustment for last year

	1,153,617	3,260,105
1,856,680		
286,591		
82,500	2,224,771	1,153,617
	(1,153,617)	(3,260,105)
	<u>2,224,771</u>	<u>1,153,617</u>

28.00 Cash and Bank Balances : Tk. 6,003,433

The break up of the amount is as under :

Cash in hand

Cash at Bank

28.01	533,947	619,694
28.02	5,469,486	6,102,721
	<u>6,003,433</u>	<u>6,722,415</u>

28.01 Cash in Hand : Tk. 533,947

The amount comprises of the following :

At Head Office

At Factory

	453,131	393,000
	80,816	226,694
	<u>533,947</u>	<u>619,694</u>

28.02 Cash at Bank : Tk. 5,469,486

The break up of the amount is as under :

Banks & Branch Name	Account Type	Account No.	Amount in Taka	
Agrani Bank, Dilikusha Branch-Dhaka	Current A/C	0128201	-	37,564
Eastern Bank Ltd., Dilikusha Branch-Dhaka	Current A/C	10673	6,780	6,896
National Bank Ltd., Dilikusha Branch-Dhaka	Current A/C	1999001777857	435	550
National Bank Ltd., Agrabad Branch-Chittagong	Current A/C	1004000090072	66,232	25,105
Mercantile Bank Ltd., Banani Branch-Dhaka	Current A/C	110611109446143	139,352	292,121
Bank Asia Ltd., Dhanmondi Branch-Dhaka	Current A/C	02133002000	17,757	5,530
United Commercial Bank Ltd., Corporate Branch, Gulshan	Current A/C	0951101000008901	17,379	17,569
Dutch Bangla Bank Ltd., Banani Branch-Dhaka	Current A/C	103-110-28303	9,654	4,567
Jamuna Bank, Sonargaon Road Branch, Dhaka	Current Account	0002-0210015775	42,313	162,179
Jamuna Bank, Sonargaon Road Branch, Dhaka	FCBPAR Account	0002-0601000022	3,697,071	1,995,369
Jamuna Bank, Sonargaon Road Branch, Dhaka	FC Account	0002-0017000058	946,474	839,739
Export Bill Reserved Margin (Jamuna Bank)	Reserve Margin	1704000010166	526,039	2,714,532
Total			<u>5,469,486</u>	<u>6,102,721</u>

29.00 Authorized Capital: TK. 100,000,000

10,000,000 ordinary shares of Tk. 10 each.

100,000,000 100,000,000

30.00 Shareholders' Equity: Tk. 146,586,744

It represents the share capital, tax holiday reserve, general reserve, capital reserve and retained earnings.

146,586,744 148,466,092

31.00 Issued, Subscribed and Paid up Capital: Tk.75,348,560

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

b) Details of Composition of Shareholders

Sl. No.	Particulars	2022			2021		
		No. of Shares	Value of Shares	%	No. of Shares	Value of Shares	%
1	Directors & Sponsors	4,143,617	41,436,170	54.99%	4,374,404	43,744,040	58.06%
2	Other companies/institutions	352,593	3,525,930	4.68%	421,221	4,212,210	5.59%
3	General Shareholders	3,038,646	30,386,460	40.33%	2,739,231	27,392,310	36.35%
	TOTAL	7,534,856	75,348,560	100%	7,534,856	75,348,560	100%

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The Percentage of Shareholding by Different Categories of Shareholders are as Follows:

Shareholders	Slabs by number of shares	No. of shares	Ownership %
2175	Less than 500 shares	522,746	6.94%
431	501-5,000	1,280,126	16.98%
48	5,001-10,000	319,536	4.24%
20	10,001-20,000	271,927	3.61%
5	20,001-30,000	150,203	1.99%
15	30,001-40,000	410,043	5.44%
3	40,001-50,000	96,668	1.28%
8	50,001-1,00,000	345,638	4.59%
5	Over-1,00,000	4,137,969	54.92%
2710		7,534,856	100%

32.00 Tax Holiday Reserve: Tk. 7,272,808

Balance is as per last account.

7,272,808

7,272,808

7,272,808

7,272,808

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

33.00 General Reserve : Tk. 1,477,579

Balance is as per last account.

1,477,579

1,477,579

1,477,579

1,477,579

34.00 Capital Reserve : Tk. 39,632,487

Opening Balance

41,357,490

50,243,455

Depreciation on revalued PPE

(1,725,003)

(8,885,965)

39,632,487

41,357,490

This transfer of revaluation was made in accordance with paragraph 39 of IAS-16 as the said amount of revaluation surplus has been accumulated in equity under the heading of Retained Earnings.

35.00 Gain/ (loss) on Marketable Securities (Unrealized) : Tk. 669,379

Particulars	No of Share	Avg Cost	Cost	Market Rate	Market Value	Unrealized Gain/(Loss)	Unrealized Gain/(Loss)
APEXTANR	1,260	116.28	145,354	151.70	189,625	44,271	(9,229)
KAY & QUE	13,732	206.68	2,838,102	252.20	3,463,210	625,108	99,441
CDBL	571,181	10.00	5,711,810	10.00	5,711,810	-	-
Total	586,163	14.83	8,695,266	15.98	9,364,645	669,379	90,212

36.00 Retained Earnings : Tk. 22,855,310

The break up of the amount is as under:

Accumulated loss up to 30 June 1991 due to cyclone

(85,559,371)

(65,559,371)

Accumulated profit for the period from 1992 to 30 June 2022

88,414,681

88,569,026

22,855,310

23,009,655

37.00 Long Term Loan: Tk. 112,797,274

Covid-19 Salary Loan

8,799,335

21,213,726

Long Term Loan (Jamuna bank, IPDC)

126,703,710

Less: Current portion of long term loan

(35,411,582)

91,292,128

42,772,677

Directors Loan (Unsecured)

Opening Balance

7,705,811

Addition during the year

5,000,000

12,705,811

7,705,811

112,797,274

71,692,214

38.00 Short-Term Loan: Tk. 87,700,662

Current Portion of Long Term Loan

35,411,582

11,626,491

Packing Credit (JBL)

17,033,458

7,199,591

SOD Loan General (JBL)

15,338,028

15,604,405

Time Loan

19,916,594

-

87,700,662

34,430,488

39.00 Liabilities for Goods : Tk. 19,078,138

This represents import bills payable to foreign / local suppliers against different letter of credits at the close of the business on 30 June, 2022. The details are as follows :

M/S Arvind	-	4,272,129
M/s Howay Textile Co Ltd.	-	2,608,469
M/S Changzhou Ri International Trade Co. Ltd.	-	2,518,802
M/S Hoorain HTF Limited	-	2,679,071
M/s. R.M. Interlining	-	64,615
M/s. Men's Fashions Ltd.	-	91,830
M/s. KDS Accessories Ltd.	1,591,522	-
M/s. Jiangsu High Hope International Group	2,177,524	-
M/s. Jiangsu Lianfa Textile	1,555,790	-
M/s. Alck Industries Ltd.	4,823,762	-
M/s. Etasia International	2,345,677	-
M/s. LT Apparel Group HK Limited	4,676,858	-
M/s. Noor Checks & Strips Ltd.	1,721,714	-
M/s. Khan Accessories	185,292	-
	19,078,138	12,234,907

Desh Garments Limited

As stated earlier, due to execute advance sales order, placed by buyer, the liability for goods have increased significantly

40.00 Accrued Expenses : Tk. 12,318,476

The break up of the amount is as follows :

Audit Fee Payable		230,000	172,500
Salary ,Wages & Others Payable		11,086,527	8,768,505
VAT Payable		156,095	98,965
Electricity bill payable		696,770	432,219
WASA bill payable		74,540	32,767
Gas bill payable		74,544	45,249
		12,318,476	9,550,205

41.00 Worker's Profit Participation & Welfare Fund: Tk. 8,010,558

Opening Balance

Workers Participation Fund	80%	6,773,912	7,037,339
Welfare Fund	10%	846,739	879,667
Bangladesh workers' Welfare Foundation Fund	10%	846,739	879,667
		8,467,390	8,796,674

Add: Contribution during the year

Workers Participation Fund		130,815	164,573
Welfare Fund		16,352	20,572
Bangladesh workers' Welfare Foundation Fund		16,352	20,572
		163,518	205,716

Paid: Contribution during the year

Workers Participation Fund		(620,350)	(535,000)
Welfare Fund		-	-
Bangladesh workers' Welfare Foundation Fund		-	-
		(620,350)	(535,000)

Closing Balance

Workers Participation Fund		6,284,377	6,666,912
Welfare Fund		863,091	900,239
Bangladesh workers' Welfare Foundation Fund		863,091	900,239
		8,010,558	8,467,390

42.00 Dividend Payable to sponsor directors: Tk. 8,559,855

This consists of the following :

A. Unclaimed dividend payable to General Shareholders

1989-1990	-	1,110,380
1995-1996	-	118,660
1996-1997	-	119,300
2003-2004 & 2004-2005	-	117,505
Sub-Total	-	1,465,845

B. Undistributed dividend payable to the sponsor directors

Financial Years	Mrs. Rokeya Quader	Mr. Omar Quader Khan	Ms. Vidiya Amrit Khan	Amount in Taka	
1989-1990	242,376	1,037,083	448,141	1,727,600	1,727,600
1996-1997	277,842	1,188,840	513,718	1,980,400	1,980,400
2012-2013	192,133	822,103	355,245	1,369,480	1,369,480
2013-2014	274,475	1,174,433	507,492	1,956,400	1,956,400
2016-2017	214,088	916,047	395,840	1,525,975	1,525,975
Sub-Total	1,200,914	5,138,506	2,220,436	8,559,855	8,559,855
Total				8,559,855	10,025,700

Directors decided not to withdraw the dividend due to them till improvement of financial position of the company, so that normal business activities remain undisturbed with required cash flow.

43.00 Provision for Income Tax : Tk. 2,978,256

The break up of the amount is as under :

Balance as per last account	1,153,617	3,260,105
Additional during the year	2,978,256	1,153,617
Adjustment for last year	(1,153,617)	(3,260,105)
	2,978,256	1,153,617

44.00 Turnover/Export Proceeds : Tk. 450,208,870

Turnover comprises of export sales for the year ended 30 June 2022

Export Proceeds	450,208,870	186,139,687
Total	450,208,870	186,139,687

Desh Garments Limited

45.00 Cost of Goods Sold: Tk. 403,015,910

The break up of the amount is as follows :

Particulars

Materials consumed

Factory overheads

Depreciation

Prima Cost

Add : Opening Stock of WIP

Less : Closing Stock of WIP

Factory Cost

Add : Opening Stock of Finished Goods

Less : Closing Stock of Finished Goods

Cost of Goods Sold

Note

45.01

45.02

260,735,175	97,229,845
133,374,150	75,470,337
8,516,044	9,688,763
402,625,369	182,388,944
22,532,060	20,674,789
(53,425,638)	(22,532,060)
371,731,792	180,531,672
77,116,574	51,638,960
(45,832,456)	(77,116,574)
403,015,910	155,054,059

45.01 Raw Materials Consumed: Tk. 260,735,175

The break up of the amount is as follows :

Opening Stock

Add : Purchases

Less: Closing Stock

45,917,288	41,822,374
273,667,670	101,324,759
319,584,958	143,147,133
(58,849,783)	(45,917,288)
260,735,175	97,229,845

45.02 Factory Overheads: Tk.133,374,150

The break up of the amount is as follows :

Particulars

Salary & Allowances

Wages

Carriage Inward & Outward

Labor Charge

Conveyance expenses

Entertainment

C & F Expenses

Repairs and Maintenance

Electricity, Gas & Generator Fuel expenses

Photocopy, Printing & Stationery expenses

Telephone Bill, Mobile & Internet

Miscellaneous Expenses

Postage, Stamp & Courier expenses

Medical & Workers Welfare

WASA Bill

Newspapers & Journals

Rest House Expenses

Fees & Forms

New Year Expenses

VAT

Total

13,122,823	7,609,860
107,895,066	59,384,192
556,800	239,500
55,290	25,364
25,680	24,520
65,889	20,348
2,512,020	2,605,452
378,556	225,364
7,224,572	4,650,393
106,879	76,358
123,500	120,018
7,500	5,000
78,138	35,428
29,029	17,580
474,850	161,484
340	1,455
50,267	12,345
108,383	93,688
193,750	55,300
263,818	206,688
133,374,150	75,470,337

46.00 Administrative & Selling Expenses : Tk. 18,973,173

The break up of the amount is as follows :

Particulars

Salary of Management & Non-management

Electricity & WASA

Printing, Stationery & Photocopy expenses

Repairs & Maintenance-Vehicles and Others

Postage, Stamps and Courier expenses

Audit Fees

Travelling & Conveyance expenses

Advertisement expenses

Office Rent

AGM Expenses

Export Expenses

Legal Consultancy & Professional Fee

Entertainment expenses

Forwarding Expenses

Fees & Forms

Insurance Premium

Subscription

Miscellaneous Expenses

BGMEA Fee

Telephone, Telex, Fax, Mobile & Internet

Rest House expenses

Land Development Tax

Depreciation

Trade Discount

Total

9,930,911	8,049,340
899,714	924,931
87,628	56,568
140,202	55,620
25,655	15,864
230,000	264,500
40,138	48,636
23,432	5,365
2,063,712	2,063,712
106,929	294,239
473,500	354,200
20,000	5,000
46,443	32,028
725,460	600,400
85,035	25,347
1,370,997	1,095,935
167,703	12,500
2,000	7,860
12,000	12,000
471,225	519,113
416,715	270,000
144,150	144,150
382,153	356,184
1,107,472	2,870,711
18,973,173	18,084,183

Desh Garments Limited

47.00 Financial Expenses : Tk. 25,960,666

The break up of the amount is as follows :-

Bank Interest (Term Loan)	20,042,461	1,533,824
Bank Interest on Overdraft and Packing Credit	2,128,591	7,918,454
Bank Charge & Commission	1,012,601	660,291
Bank Charge & Commission (BBLIC)	2,777,013	1,078,314
	<u>25,960,666</u>	<u>11,190,883</u>

48.00 Other Income : Tk. 1,427,953

Cash Dividend received from CDBL @25%

	1,427,953	856,772
	<u>1,427,953</u>	<u>856,772</u>

49.00 Exchange Rate Fluctuation : Tk. 253,193

Exchange loss from import sundry payments

Exchange gain from export sundry bills

	2,642,607	84
	(2,389,414)	(1,652,787)
	<u>253,193</u>	<u>(1,652,703)</u>

50.00 Income Tax Expenses : Tk. 2,978,256

The break up of the amount is as follows :

Income Tax from Garments Business

Income Tax from Dividend received @20%

Income Tax provision under Section 16 F of ITO 1984

AIT against Vehicle Services

	1,856,680	902,263
	285,591	171,354
	753,486	-
	82,500	80,000
	<u>2,978,256</u>	<u>1,153,617</u>

51.00 Basic Earnings Per Share (EPS): Tk. 0.05

The computation of EPS is given below:

Earnings attributable to the Ordinary Shareholders

Number of Ordinary Shares

During the year EPS Basic

	344,998	3,004,566
	7,534,856	7,534,856
	<u>0.05</u>	<u>0.40</u>

EPS has decreased during this year due to increase of Cost of Goods Sold, Administrative & Selling expense, Financial Expense.

52.00 Contingent Liability: Nil

There was no Contingent Liability as on 30.06.2022

53.00 Net Operating Cash flow per share (NOCFPS): Tk. (12.41)

Net Cash flow from operating activities

Number of shares

	(93,479,643)	(2,945,102)
	7,534,856	7,534,856
	<u>(12.41)</u>	<u>(0.39)</u>

NOCFPS has decreased due to substantial increase in Accounts Receivable during the year.

54.00 Net Asset Value (NAV) per share with revaluation: Tk. 19.45

Net Asset Value

Number of shares

Net Asset Value Per Share

No significant deviation of Net Asset Value (NAV) as on 30-06-22 corresponding to previous year NAV.

	146,586,744	148,466,092
	7,534,856	7,534,856
	<u>19.45</u>	<u>19.70</u>

55.00 Cash received from customers: Tk. 355,405,061

Export Revenue

Other Income

Add: Opening Balance of Accounts Receivable

Add: Other Receivable

Cash Available for Collection

Less: Closing Balance of Accounts Receivable

Cash from Customers

	450,208,670	186,139,687
	1,427,953	856,772
	11,998,533	25,937,168
	1,618,743	-
	465,254,099	212,933,627
	(109,849,038)	(11,999,533)
	<u>355,405,061</u>	<u>200,935,094</u>

56.00 Cash payments to suppliers & others: Tk. (418,339,897)

Increase/(Decrease) Advance & Prepayments

Increase/(Decrease) Others Liabilities

Increase/(Decrease) Accrued Expenses

Increase/(Decrease) WPP & Welfare Fund

Payment for Purchase

Payment for Factory Overhead

Administrative & Selling Expenses

Effect of Exchange rate change on Cash & Cash Equivalent

	449,399	(484,780)
	6,843,232	461,114
	2,768,271	-
	(620,350)	(535,000)
	(282,077,931)	(100,873,645)
	(124,858,106)	(71,823,449)
	(18,591,019)	(17,728,019)
	(253,193)	1,662,703
	<u>(418,339,897)</u>	<u>(189,341,076)</u>

Desh Garments Limited

57.00 Related Party Transaction

During the year 2021-22 the company did not have any related party transaction.

58.00 Subsequent Events/ Events after the reporting period

The Board of Directors in its meeting held on October 30, 2022 has approved the Financial Statements for the year ended June 30, 2022 and recommended 10% stock dividend to all shareholders which is subject to approval by shareholders at the forthcoming Annual General Meeting (AGM) and authorized the Financial Statements for issue.

58.01

Except the fact stated above, no circumstances have arisen since the Financial Statements' date, which would require adjustment to or disclosure in the Financial Statements or Notes thereto.



Chairman



Managing Director



Deputy Managing Director



Chief Financial Officer



Company Secretary

Place: Dhaka, Bangladesh

Dated: 30 October 2022

Desh Garments Limited Schedule of Property Plant & Equipment

As at 30 June 2022

Annexure-A

PARTICULARS	C O S T				D E P R E C I A T I O N						WRITTEN DOWN VALUE as on 30 June 2022
	Balance as on 01 July 2021	Addition during the year	Sales/ Adjustment	Total as on 30 June 2022	Rate	Balance as on 01 July 2021	Charged during the year	Sales / Adjustme nt	Total as on 30 June 2022		
Land and Land Development	30,484,000	-	-	30,484,000		-	-	-	-	30,484,000	
Factory Building - A	40,226,400	-	-	40,226,400	5%	7,929,845	1,614,828	-	9,544,673	30,681,727	
Factory Building - B	16,181,582	-	-	16,181,582	5%	4,308,691	593,645	-	4,902,335	11,279,247	
Plant & Machinery	93,505,764	-	-	93,505,764	15%	64,734,451	4,315,697	-	69,050,148	24,455,616	
Electrical Installation	12,309,517	83,404	-	12,392,921	15%	6,869,291	820,181	-	7,689,473	4,703,448	
Office Equipment	3,289,719	305,264	-	3,594,983	15%	2,662,048	109,330	-	2,771,378	823,605	
Furniture & Fixture	8,309,469	684,054	-	8,993,523	10%	4,208,458	433,701	-	4,642,159	4,351,364	
Motor Vehicle	11,782,968	-	-	11,782,968	20%	9,371,375	482,319	-	9,853,694	1,929,274	
Boller and Water Softener	443,297	-	-	443,297	15%	435,931	1,105	-	437,036	6,261	
Generator	7,458,928	-	-	7,458,928	15%	6,011,011	217,188	-	6,228,198	1,230,730	
Tools and Equipment	42,061	-	-	42,061	10%	35,011	705	-	35,716	6,345	
Fire Extinguisher	640,333	-	-	640,333	15%	445,548	29,218	-	474,766	165,567	
Computer & Computer Softwa	3,645,168	541,850	-	4,187,018	20%	2,823,145	221,114	-	3,044,259	1,142,759	
Power Substation	1,060,000	-	-	1,060,000	20%	1,022,705	7,459	-	1,030,164	29,836	
Road, Bridge and Fencing	1,273,700	-	-	1,273,700	20%	1,015,155	51,709	-	1,066,864	206,836	
TOTAL TAKA:	230,652,906	1,614,572	-	232,267,478		111,872,665	8,898,197	-	120,770,862	111,496,616	

Depreciation has been charged to:

Production	8,516,044
Administration	382,153
Taka	8,898,197



HIGH COMMISSION FOR THE PEOPLE'S REPUBLIC OF BANGLADESH

28 Queen's Gate, London, SW7 5JA

Phone : 0171 584 0081

Telex : 918016

Fax : 0171 225 2130

তারিখ : সেপ্টেম্বর ১৪, ১৯৯৮

শোক বাণী

বীর মুক্তিযোদ্ধা ও সাবেক সচিব জনাব নূরুল কাদের খানের অকাল মৃত্যুতে আমরা গভীরভাবে শোকাহত। আমরা তাঁর শোক সন্তপ্ত পরিবারের প্রতি জানাই গভীর সমবেদনা। বীর মুক্তিযোদ্ধা জনাব খান একান্তরের মুক্তিযুদ্ধের দিনগুলোতে মুজিবনগর সরকারের সচিব হিসাবে অত্যন্ত গুরুত্বপূর্ণ ভূমিকা পালন করেন। স্বাধীন বাংলাদেশের প্রথম সরকারের সচিব হিসাবে যুদ্ধবিধ্বস্ত বাংলাদেশের পুনর্গঠনেও তাঁর ভূমিকা অত্যন্ত প্রশংসনীয়। তিনি আমাদের পরবর্তী প্রজন্মের সামনে সাহস আর প্রজ্ঞার জন্য এক অনুস্মরণীয় ও বরণ্য ব্যক্তিত্ব।

আমরা আল্লাহর কাছে তাঁর রুহের মাগফেরাত কামনা করি এবং দোয়া করি আল্লাহ যেন তাঁর পরিবারকে এই অপূরণীয় ক্ষতি কাটিয়ে উঠার শক্তি ও মনোবল প্রদান করেন।

বাংলাদেশ হাইকমিশনের সকল সদস্যবৃন্দ

Desh Garments Limited

The Directors
Desh Garments Limited

PROXY FORM

I/We,
of
being a member of Desh Garments Limited hereby appoint
Mr./Mrs.
of
as my/our proxy to attend and vote for me/us on my/our behalf at the 45th Annual General Meeting of the Company to be held on the 26th December, 2022 at 11.30 a.m. or at any adjournment thereof. As witness my/our hand this day of December, 2022 signed by the said in presence of Mr./Mrs.
of

(Signature of the Proxy)
Dated

(Signature of the Shareholder)
Folio/B.O. No.
Dated

Revenue
Stamp of
Tk. 20.00

(Signature of witness & date)

- Note :
1. A member entitled to attend and vote at the 45th Annual General Meeting may appoint a proxy to attend and vote in his/her stead.
 2. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature verified

Desh Garments Limited ATTENDANCE SLIP

(Please complete this slip and hand over at the entrance of the Hall)

I hereby record my attendance at the 45th Annual General Meeting held on the 26th December, 2022 at 11.30 a.m. in Dhaka.

Name of the Member/Proxy

Folio/B.O. No.

Signature
(Shareholder/Proxy)

পরিচালকবৃন্দ
দেশ গার্মেন্টস লিমিটেড

প্রস্তুতি ফর্ম

আমি/আমরা, ঠিকানা.....

..... দেশ গার্মেন্টস লিমিটেড-এর শেয়ারহোল্ডার হিসাবে এতদ্বারা

জনাব/জনাবা ঠিকানা.....

..... কে
আগামী ২৬শে ডিসেম্বর, ২০২২ইং তারিখে সকাল ১১.৩০ মিনিটে অনুষ্ঠিতব্য কোম্পানীর ৪৫তম বার্ষিক সাধারণ সভায় এবং পরবর্তী
মূলতর্কী সভায় আমার/আমাদের পক্ষে ভোট প্রদানের জন্য নিযুক্ত করিলাম। ২০২২ইং সনের ডিসেম্বর তারিখে আমার/আমাদের
সম্মুখে স্বাক্ষরী হিসেবে জনাব/জনাবা..... ঠিকানা.....

..... এর উপস্থিতিতে স্বাক্ষর করিলেন।

প্রতিনিধির স্বাক্ষর

তাং

শেয়ারহোল্ডার স্বাক্ষর

ফলি ও/বি ও নং--

তাং

২০.০০ টাকার
রেভিনিউ স্ট্যাম্প

(স্বাক্ষরী স্বাক্ষর ও তারিখ)

- বিঃ দ্রঃ ১। একজন সদস্য যিনি ৪৫তম বার্ষিক সাধারণ সভায় উপস্থিত হইবার এবং ভোট দিবার যোগ্য, তিনি তাঁহার পক্ষে উপস্থিত থাকিবার জন্য এবং ভোট দেওয়ার জন্য একজন প্রক্সি নিযুক্ত করিতে পারিবেন।
- ২। প্রক্সি ফর্ম যথাযথ রেভিনিউ স্ট্যাম্পসহ কোম্পানীর রেজিস্ট্রার অফিসে সাধারণ সভার নির্ধারিত সময়ের অন্তত পক্ষে ৪৮ ঘণ্টা পূর্বে জমা দিতে হইবে।

স্বাক্ষর পরীক্ষিত

দেশ গার্মেন্টস লিমিটেড

উপস্থিতির রশিদ

(এ রশিদটি পূরণ করে সভা কক্ষে জমা দিতে হইবে)

২৬শে ডিসেম্বর, ২০২২ ইং তারিখে সকাল ১১.৩০ মিনিটে ঢাকায় অনুষ্ঠিত কোম্পানীর ৪৫তম বার্ষিক সাধারণ সভায় আমার উপস্থিতি
এতদ্বারা তালিকাভুক্ত করা হইল।

সদস্যের নাম/প্রতিনিধির নাম.....

ফলি ও/বি ও নং.....

স্বাক্ষর
(শেয়ার হোল্ডার/প্রতিনিধি)



DESH GARMENTS LIMITED

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