



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

**Sub: Second Quarter (Q2) Unaudited Financial Statements
of the Company as at 31 December 2021**

As per Rule of Bangladesh Securities and Exchange Commission, we are pleased to enclose herewith the Unaudited Second Quarter Financial Position, Statement of Comprehensive Income, Statement of Cashflows and Statement of Changes in Equity as at 31 December, 2021.

Kilouli
Company Secretary

Date: 29/01/2022



Desh Garments Limited
Statement of Financial Position as at 31 December, 2021
(Unaudited)

BDT'000

Particulars	Notes	Dec'21	Jan'20
ASSETS			
Non-Current Assets			
Property Plant & Equipment	1.00	115,706	118,780
Current Assets			
Inventories	2.00	121,947	145,566
Investment in Shares	3.00	9,567	8,695
Accounts Receivable	4.00	65,908	11,999
Other Receivable	5.00	1,619	1,619
Advances and Prepayment	7.00	1,129	1,520
Advance Income Tax	8.00	1,154	1,154
Cash and Bank Balances	9.00	26,359	6,722
Total Assets		343,390	296,055
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital	11.00	150,536	148,466
Tax Holiday Reserve	11.01	75,349	75,349
General Reserve	11.02	7,273	7,273
Capital Reserve	11.03	1,478	1,478
Gain/(loss) on Marketable Securities (Unrealized)	11.04	41,357	41,357
Retained Earnings	11.05	24,208	23,010
Non-Current Liabilities			
Long Term Loan	12.01	99,989	71,692
Current Liabilities			
Short Term Loan	12.01	27,299	34,430
Liabilities for Goods	13.00	35,135	12,235
Accrued Expenses	14.00	8,230	9,550
Worker's Profit Participation & Welfare Fund	15.00	8,714	8,467
Dividend Payable 2021	16.00	2,894	1,466
Undistributed Dividend Payable to Sponsor Directors	17.00	8,560	8,560
Provision for Income Tax	23.00	1,991	1,154
Deferred Tax	6.00	41	34
Total Equity and Liabilities		343,390	296,055
Net Assets Value Per Share (NAVPS)	22.00	19.98	19.70

Rakibul Haque for *Rakibul Haque*
Chairman Managing Director Deputy Managing Director

[Signature]
Chief Financial Officer

[Signature]
Company Secretary



Desh Garments Limited
Notes to Financial Statements
For the Second Quarter ended December, 2021
(Unaudited)

	Amount
	BDT'000
	Jul'21 to Dec'21
1.00 Property Plant & Equipment: Tk. 115,706	
At Cost 01 July 2021	230,653
Addition during the year	439
Less : Adjustment	-
Total Assets Value	231,092
Depreciation:	
Opening balance	110,873
Charged during the period	4,513
Less : Adjustment	-
	115,386
	115,706

Written Down Value As On 31.12.2021

Changes of depreciation rate and accounting for depreciation on revalued amount included in the accumulated depreciation for the

2.00 Inventories : Tk. 121,947
The detailed break up of the amount is as follows :

Sl. Particulars	Jul'21 to Dec'21
1 Fabrics	27,008
2 Accessories Assorted	2,435
3 Carton	1,533
4 Finished Goods	78,536
5 Work in Progress	12,435
b) Total	121,947

In advance sales order from buyer, order of raw materials and start production accordingly built up the closing stock at the year end

3.00 Investment in shares Tk. 9,567

Sl.	Name of Companies	No of Share	Market Rate	Jul'21 to Dec'21
1	APEX TANRY	1,250	128	160
2	KAY & QUE	13,079	283	3,695
3	CDBL	571,181	10	5,712
Total		639,712		9,567

4.00 Accounts Receivable: Tk. 65,908
The amount of receivable is comprised of the following :

Carry SP ZOO	8,566
LF Credit	32,188
Shirt Makers B.V.	6,925
Leeco Inc	22
Kaskan Traders Ltd	2,137
NO-Excess B.V	16,070
	65,908

5.00 Other Receivable: Tk. 1,619
Opening Balance of Cash Incentive
Less: Incentive Claim not approved by BB Auditors
Total

1,619
-
1,619

6.00 Deferred Tax : Tk. 41
Carrying value of Assets Accounting Base
Carrying value of Assets Tax Base
Temporary Difference

115,706
114,336
1,370

Tax Rate
Deferred Tax Liability

12%
41



Desh Garments Limited
Notes to Financial Statements
For the Second Quarter ended December, 2021
(Unaudited)

Amount

7.00 Advances and Prepayment (Considered good): Tk.1,129
These represent as follows :

Advance against Purchase		371	
Advance against expenses		459	
Security Deposits	7.01	<u>300</u>	
		<u><u>1,129</u></u>	

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

7.01 Security Deposits: Tk. 300
The amount of security deposits is comprised of the following :

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

8.00 Advance Income Tax : Tk. 1,154
The break up of the amount is as under :

Opening Balance		1,154	
Additional during the year:		<u>-</u>	
Adjustment during the year		<u>1,154</u>	
		<u><u>1,154</u></u>	

9.00 Cash and Bank Balances : Tk. 26,359
The break up of the amount is as under :

Cash in hand	9.01	935	
Cash at Bank	9.02	<u>25,424</u>	
		<u><u>26,359</u></u>	

9.01 Cash in Hand : Tk. 935
The amount comprises of the following :

At Head Office		756	
At Factory		<u>179</u>	
		<u><u>935</u></u>	

9.02 Cash at Bank : Tk. 25,424

Banks	Branch	Account No.	
Agrani Bank, Dhaka	Dilkusha	0128201	35
Eastern Bank Ltd., Dhaka	Dilkusha	10673	7
National Bank Ltd., Dhaka	Dilkusha	1999001777857	1
National Bank Ltd., Chittagong	Agrabad	1004000090072	2
Mercantile Bank Ltd., Dhaka	Banani	110611109446143	292
Bank Asia Ltd., Dhanmondi Branch, Dhaka	Mohakhali	02833000866	4
United Commercial Bank Ltd., Gulshan Branch, Dhaka	Corporate	0951101000008901	18
Dutch Bangla Bank Ltd, Banani, Dhaka	Banani	103-110-28303	1,300
Jamuna Bank, Sonargaon Road Branch, Dhaka	Sonargaon Road	0002-0210015775	198
Jamuna Bank, Sonargaon Road Branch, Dhaka	Sonargaon Road	0002-0601000022	21,415
Jamuna Bank, Sonargaon Road Branch, Dhaka	Sonargaon Road	0002-0017000058	798
Reserve for Covid-19 Loan Adjustment (Jamuna Bank)	Sonargaon Road	0002-0145000011	1,354
			<u><u>25,424</u></u>



Desh Garments Limited
Notes to Financial Statements
For the Second Quarter ended December, 2021
(Unaudited)

Amount

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

11.00 **Shareholders' Equity: TK. 150,536**
 It represents the share capital, tax holiday reserve, general reserve, capital reserve and retains earnings. 1,021,026

11.01 **Issed, Subscribed and Paid up Capital: Tk.75,349**
 a) It represents the paid up capital of the company consisting of 7,534,856 ordinary shares of Tk. 10 each issued for cash and fully paid up.

b) **Composition of Shareholders**

Sl.	Particulars	First Quarter- 2021-22 (Jul-Sep)		Jul'21 to Dec'21
		Shares	Holding %	Taka
1	Directors & Sponsors	4,374,628	58.06%	43,746
2	Other companies/institutions	372,924	4.95%	3,729
3	General Shareholders	2,787,304	36.99%	27,873
TOTAL		7,534,856	100.00%	75,349

11.02 **Tax Holiday Reserve: Tk. 7,273**
 Balance is as per last account. 7,273

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

11.03 **General Reserve : Tk. 1,478**
 Balance is as per last account. 1,478

11.04 **Capital Reserve : Tk. 41,357**
 The break up of the amount is as follows:
 Opening Balance 41,357
 Depreciation on Revaluation -
Total 41,357

11.05 **Retained Earnings : Tk. 24,208**
 The break up of the amount is as under:
 Accumulated loss up to 30 June 1991 due to cyclone (65,559)
 Accumulated profit for the period from 1992 to 31 Dec 2021 89,768
24,208

12.00 **Loans and Overdraft: Tk.127,289**
 The break up of the amount is as under :
 Bank Loans and Overdraft 12.01 104,583
 Directors Loan (Unsecured) 12.01 22,706
127,289

12.01 **Bank Loans and Overdraft: Tk. 127,289**
A. Short-term Loan:
 Packing Credit (JBL PC #) 8,424
 SOD Loan General (JBL #) 15,361
 FDBP (JBL #) 3,515
27,299

B. Long-term Loan:
 Covid-19 Salary Loan 16,960
 Long Term Loan (Jamuna Bank) 60,323
77,284

Directors Loan from Ms. Vidiyu Amrit Khan 7,706
 Add: During the year 15,000

22,706
99,989
Total 127,289



Desh Garments Limited
Notes to Financial Statements
For the Second Quarter ended December, 2021
(Unaudited)

Amount

13.00 Liabilities for Goods : Tk. 35,135

This represents import bills payable to foreign/local suppliers against different letter of credits at the close of the business for the period.

M/S Hameem Denim Ltd	1,545
M/S Hoorain HTF Limited	14,898
M/S. Howaye Textile CO.Ltd	15,426
M/S Jiangsu Jerid Textile	904
M/S KDS Accessories Ltd	605
M/S KG Denim	1,238
M/S Label One Bangladesh Ltd	518
	35,135

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

14.00 Accrued Expenses : Tk. 8,230

The break up of the amount is as follows :

Audit fee	265
Salary, wages and others	7,965
Income Tax Payable	-
Vat payable	99
Electricity bill payable	426
Wasa bill payable	39
Gas bill payable	60
	8,230

15.00 Worker's Profit Participation & W.P.F Tk. 8,714

The break up of the amount is as follows :

Balance as per last year	8,467
Add: Contribution during the year	247
	-
Less: Payment during the year	-
	8,714

16.00 Dividend Payable : Tk. 2,894

This consists of the following :

Unclaimed dividend payable to General Shareholders	1,110
1989-1990	119
1995-1996	119
1996-1997	118
2003-2004 & 2004-2005	2,894
2020-21	4,360
Sub-Total	(1,466)
Less: Adjustment during the period	2,894
Total	2,894

17.00 Undistributed dividend payable to the sponsor directors Tk. 8,560

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

17.00 Provison for Income Tax: Tk. 1,991

The break up of the amount is as under :

Opening Balance	1,154
Adjustment during the year	-
Addition the year	837
Closing Balance	1,991



Desh Garments Limited
Notes to Financial Statements
For the Second Quarter ended December, 2021
(Unaudited)

	<u>Amount</u>
18.00 Turnover/Export Proceeds : Tk. 187,391	
Export Proceeds	187,391
Subcon Income	<u>187,391</u>
19.00 Cost of Goods Sold: Tk. 168,994	
The break up of the amount is as follows :	
Particulars	
Materials consumed	130,474
Factory overheads	35,777
Depreciation	4,163
	<u>170,414</u>
Add : Opening Stock of Finished Goods	77,117
	<u>247,530</u>
Less : Closing Stock of Finished Goods	(78,536)
	<u>168,994</u>
19.01 Raw Materials Consumed : Tk. 130,474	
The break up of the amount is as follows :	
Opening Stock	68,449
Add : Purchases	105,436
	<u>173,885</u>
Less: Closing Stock	(43,411)
	<u>130,474</u>
20.00 Basic Earnings Per Share (EPS):	
The computation of EPS is given below:	
Earnings attributable to the Ordinary Shareholders	4,093
Number of Ordinary Shares	7,535
During the year EPS Basic (Restated)	<u>0.54</u>
21.00 Net Operating Cash flow per share (NOCFPS)	
Net Cash flow from operating activities	(7,382)
Number of Shares	7,535
	<u>(0.98)</u>
22.00 Net Asset Value (NAV) Per Share	
Net Asset Value	150,536
Number of Shares	7,535
Net Asset Value Per Share	<u>19.98</u>
23.00 Cash received from customers	
Export Revenue	187,391
Add: Opening Balance of Accounts Receivable	11,999
Cash Available for Collection	<u>199,390</u>
Less: Closing Balance for Accounts Receivable	(65,908)
Cash from Customers	<u>133,481</u>
24.00 Cash payments to suppliers & others	
Increase/(Decrease) Advance & Prepayments	(391)
Increase/(Decrease) Others Liabilities	21,166
Increase/(Decrease) Accrued Expenses	(1,320)
Increase/(Decrease) WPP & WF	247
Increase/(Decrease) Dividend Payable	1,428
Payment for Purchase	(82,536)
Payment for Factory Overhead	(58,274)
Administrative & Selling Expenses	(14,527)
	<u>(134,206)</u>

