

Ring Shine Textiles Limited

Auditor's Report and Financial Statements For the year ended June 30, 2020

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
R.K Tower

86, Bir Uttam C.R Datta Road, (312 Sonargaon Road), Level-10, Hatirpool, Dhaka-1205.



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(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
Mobile : 01552-638228, 01711-520770
01922-117370, 01757-941837
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.bd.com

Independent Auditor's Report To the Shareholders of Ring Shine Textiles Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Ring Shine Textiles Limited** (the "Company"), which comprise the Statement of Financial Position as at 30 June 2020 and 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 and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. We draw attention to Note # 3.3 in the financial statements that the company has renewable land lease arrangements for 33 years with Bangladesh Export Processing Zone Authority (BEPZA) for industrial plots in Dhaka EPZ, Savar. Since inception to the last year, the lease has classified as operating lease as per IAS - 17 Leases. The company board and management in the current year also decided to recognize the lease as operating lease as per IAS - 17 Leases without considering the lease in the context of the application of IFRS 16, right-of-use assets and lease liabilities. However, the Company board and management decided to consider IFRS-16 while preparing the next year's financial statements.
2. We also draw attention to Note #3.25 in the financial statements, which indicate that for worldwide impact of COVID- 19, some troubles come up in business of the company during the year ended June 30, 2020 and thereafter the reporting period company management declared lay-off of the factory consecutively for 2 months up to 24 November, 2020.

Our opinion is not modified in respect of these matters.





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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.

Description of key audit matters	Our response to key audit matters
Revenue recognition	
At year end the company reported total revenue of BDT 6,380,635,155. The company generates revenue from sale of goods to export customers. The timing of the revenue recognized and realized increases the risk of exposure of revenue to foreign exchange fluctuations. There is also a risk that revenue may be overstated/ understated due to the timing differences between L/C opening and goods exported. We identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company, which give risk to an inherent risk of the existence and accuracy of the revenue.	We have tested the design and operating effectiveness of key controls focusing on the following: - Challenging to management to ensure that revenue is recognized in the appropriate accounting period; - Segregation of duties in invoice creation and modification and timing of revenue recognition; - Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards; - Obtain supporting ledger, sample documentation for sale transaction recorded; - Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation; - Critically tested manual journals posted to revenue to identify unusual or irregular items and assessed the presentation of disclosures against relevant accounting standards; <i>[See note number 18 for details]</i>
Valuation of Property, Plant and Equipment	
The carrying value (WDV) of the PPE amounted to Tk. 5,651,072,675 as at 30 June 2020. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements. Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period	Our audit included the following procedures: - We considered the opening balances of PPE which was audited by another auditors including assessed the addition during the year under our audit, checked the related accounting treatment and associated deferred tax as recognized by the company. - We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS; - We inspected a sample of invoices and L/C documents to determine whether the classification





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during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.

between capital and operating expenditure was appropriate;

- We have assessed the presentation of disclosures as per relevant accounting standards in terms of acquisition, depreciation and disposal;
- We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the classification from capital in progress to ready for use, with the date of the act of completion of the work.

[See note number 04 for details]

Management's Consideration on the Potential Impact of COVID-19

Management has made estimates and judgments that there are potential impacts of COVID-19 on the company.

In doing so, management have made estimates and judgments that are critical to the outcomes of these considerations with particular focus on the company's ability to continue as a going concern for a period of at least 12 or more months from the date of the signing of the financial statements.

As a result of the impact of COVID-19 on the wider business perspective we have determined management's consideration of the potential impact of COVID-19 (including their associated estimates and judgments) to be a key audit matter.

- We obtained management's most recent financial results forecasts and liquidity analysis underlying their going concern assessment and tested the integrity of the forecasts, including mathematical accuracy.
- We challenged management on the key assumptions included in the scenarios and we subjected management's most recent forecasts to additional stress testing to confirm that both management and the Board have considered a balanced range of outcomes in their assessment of the potential impact of COVID-19.
- As per note # 2.4, 3.25, 3.28, 3.29, it has evident that the company has already faced the adverse impact of COVID-19 which indicates that the company is in trouble to carry on its business as usual.
- Based on our procedures, we have identified the going concern matters to report with respect to both management's and the Board's considerations of the potential impact of COVID-19 on the current and future operations of the company.

Other Matters

Financial statements of Ring Shine Textiles Limited of the last year i.e.; financial year ended 30 June 2019 was audited by another auditor. We have considered the comparative figures and opening balances as per last year audit report.

Due to the pandemic situation of COVID-19 all over the world, physical verification of inventory could not be held by us for the the year ended June 30, 2020 considering the health risks. However, during the course of our audit we have carried out audit procedures to ensure the value of inventory as on 30 June, 2020 is appropriate and free from any material misstatement.





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Other information

Management is responsible for the other information. The other information comprises all of the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements 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 identified above when it becomes available 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.

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 International Financial Reporting Standards (IFRSs) 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 International Standards on Auditing (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 International Standards on Auditing (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.





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- 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 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 them all 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 company's financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

We have not come across any other key audit issue for the year under audit, and as such nothing is reportable.





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Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka
November 03, 2020



Ramendra Nath Basak, FCA
Partner

Shiraz Khan Basak & Co.
Chartered Accountants

RING SHINE TEXTILES LIMITED
Statement of Financial Position
As at June 30, 2020

	Notes	Amount in Taka	
		30-06-2020	30-06-2019
ASSETS			
Non Current Assets			
Property, Plant & Equipment	4	5,651,072,675	5,959,103,314
Investment	5	52,529,602	75,260,470
Total Non-Current Assets		5,703,602,277	6,034,363,784
Current Assets			
Inventories	6	3,927,431,665	3,079,459,679
Accounts Receivable	7	2,464,648,901	3,197,542,944
Advance, Deposits and Prepayments	8	53,797,413	51,997,709
Advance Income Tax	9	147,293,685	111,287,795
Cash and Cash Equivalents	10	1,112,830,443	87,755,764
Total Current Asset		7,706,002,107	6,528,023,891
Total Assets		13,409,604,384	12,562,387,675
EQUITY AND LIABILITIES			
Shareholder's Equity			
Share Capital	11	5,003,130,430	2,850,548,200
Retained Earnings	12	3,697,697,255	4,240,497,071
		8,700,827,685	7,091,045,271
Non-Current Liabilities			
Deferred Tax Liability	13	547,677,877	545,364,791
Total Non-Current Liabilities		547,677,877	545,364,791
Current Liabilities			
Accounts Payable	14	105,948,886	983,291,172
Short Term Bank Loan	15	3,747,882,212	3,695,583,842
Provision for Income Tax	16	145,452,191	139,654,015
Outstanding Liabilities	17	161,815,533	107,448,585
Total Current Liabilities		4,161,098,822	4,925,977,614
Total Liabilities		4,708,776,699	5,471,342,404
Total Equity and Liabilities		13,409,604,384	12,562,387,675
Net Asset Value (NAV) Per Share	27	17.39	24.88

The annexed notes form an integral part of these financial statements.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

Dated: November 03, 2020
Place: Dhaka



Shiraz Khan Basak & Co.
Chartered Accountants

An associate firm of D.N. Gupta & Associates

RING SHINE TEXTILES LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka	
		July- June 2019-2020	July- June 2018-2019
Sales (Export)	18	6,380,635,155	9,823,699,295
Less: Cost of goods exported	19	5,813,831,017	8,817,026,754
Gross Profit		566,804,138	1,006,672,541
Less: Operating expenses	20	134,002,696	147,370,256
Operating Income		432,801,442	859,302,285
Foreign Exchange gain (loss)		1,420,518	2,408,527
Less: Financial expenses	21	284,768,330	286,975,655
Net operating Profit		149,453,630	574,735,157
Add: Other Income	22	11,636,053	4,861,171
Net profit before tax		161,089,683	579,596,328
Income Tax Expenses	23	26,490,623	87,911,683
Current Tax		24,177,537	75,431,926
Deferred Tax (Income)/ Expenses		2,313,086	12,479,758
Net Profit after tax for the year		134,599,060	491,684,645
Earnings per Share - EPS	26	0.29	1.72

The annexed notes form an integral part of these financial statements.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

Dated: November 03, 2020

Place: Dhaka



Shiraz Khan Basak & Co.
Chartered Accountants

RING SHINE TEXTILES LIMITED
Statement of Changes in Equity
For the year ended June 30, 2020

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2019	2,850,548,200	4,240,497,071	7,091,045,271
Issue during the year	1,500,000,000	-	1,500,000,000
Bonus Issue	652,582,230	(652,582,230)	-
IPO Expenses	-	(29,196,007)	(29,196,007)
Add: Tax benefit of IPO Expenses	-	4,379,361	4,379,361
Net Profit after Tax for the year	-	134,599,060	134,599,060
Total	5,003,130,430	3,697,697,255	8,700,827,685

RING SHINE TEXTILES LIMITED
Statement of Changes in Equity
For the year ended June 30, 2019

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2018	2,850,548,200	3,754,039,926	6,604,588,126
IPO Expenses	-	(6,150,000)	(6,150,000)
Add: Tax benefit of IPO Expenses	-	922,500	922,500
Net Profit after Tax for the year	-	491,684,645	491,684,645
Total	2,850,548,200	4,240,497,071	7,091,045,271

The annexed notes form an integral part of these financial statements.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

Dated: November 03, 2020
Place: Dhaka



Shiraz Khan Basak & Co.
Chartered Accountants

RING SHINE TEXTILES LIMITED

Statement of Cash Flows
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka	
		July- June 2019-2020	July- June 2018-2019
A. Cash Flows From Operating Activities:			
Collection from customers		7,116,069,336	9,483,903,233
Collection from Other Income		11,636,053	4,861,171
Payment to supplier, employee and others		(7,097,638,507)	(8,449,880,316)
Payment for operating Expenses		(75,145,210)	(168,416,525)
Cash generated from operation		(45,078,328)	870,467,563
Income Tax paid		(50,005,890)	(61,304,644)
Payment for financial expenses		(284,768,330)	(286,975,655)
Net cash generated from operating activities		(379,852,548)	522,187,264
B. Cash Flows From Investing Activities:			
Investment		22,730,868	2,858,002
Acquisition of Property, Plant & Equipment		(141,023,189)	(353,781,076)
Net cash used in investing activities		(118,292,321)	(350,923,074)
C. Cash Flows From Financing Activities:			
Receive/Paid in Short term loan from bank		52,298,370	(101,940,906)
IPO Expenses		(29,196,007)	(6,150,000)
Received from Share capital		1,500,000,000	-
Net Cash provided (Used) by financing activities		1,523,102,363	(108,090,906)
D. Increase/(Decrease) cash and cash equivalents		1,024,957,494	63,173,284
E. Foreign Exchange gain/loss		137,185	201,742
F. Opening cash and cash equivalents		87,735,764	24,360,738
G. Closing cash and cash equivalents		1,112,830,443	87,735,764
Net Operating Cash Flows Per Share (NOCFPS)	28.00	(0.76)	1.83

The annexed notes form an integral part of these financial statements.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

Dated: November 03, 2020
Place: Dhaka



Shiraz Khan Basak & Co.
Chartered Accountants

Ring Shine Textiles Limited
Notes to the Financial Statements
For the year ended June 30, 2020

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

1. Status of the Reporting Entity

1.1. Legal Status:

Ring Shine Textiles Ltd. (the "Company") is a public company limited by shares. The Company was incorporated in Bangladesh on 28 December 1997 vide registration No. C-34597 as a private company limited by shares under the Companies Act, 1994. The Registered office of the Company is situated in Plot No: 224-260, DEPZ Extension area, Ganakbari, Savar, Dhaka. The factory of the Company is located at Dhaka Export Processing Zone (DPEZ), New Extension Area at Plot No.# 224-260. The company converted into public limited company on 8th June, 2017.

1.2. Nature of business

The Principal activity of this Company is engaged in manufacturing and marketing of gray and finished fleece fabrics of various qualities and Dyed yarn to Garment industry in Bangladesh and International market.

2. Basis of Preparation and presentation of Financial Statements:

2.1. Statement of Compliance

The financial statements of the company have been prepared in accordance with the International Accounting standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by ICAB as International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

2.2. Other Regulatory Compliances

The company is also complies among others the following rules and regulations,

The Companies Act, 1994

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 2012

The Value Added Tax Rules, 2012

The Customs Act, 1969

Bangladesh Labor Law 2006 (Amended)

The Securities and Exchange Rules, 1987 and

Bangladesh EPZ related rules & regulations.

3. Measurement bases used in preparing the Financial Statements

The financial statements have been prepared on a Going Concern basis. The financial statements have been prepared on "Historical Cost" convention basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting standard Committee (IASC).

4. Going Concern

The management of the company believes that the company has adequate resources to continue in operation for foreseeable future. For this reason the directors thought to adopt going concern basis in preparing the Financial statements. The management of the company also believes that the current credit facilities and resources of the company will be capable to provide sufficient fund to meet present requirements of its existing businesses and operations. On the other hand, due to worldwide impact of prevailing COVID-19 pandemic, the company faces declining orders from foreign buyers, scarcity in import which collectively impacted on revenue, working capital, business expansion etc. The company faces some financial difficulties to meet up its working capital requirement and continue in smooth operation thereafter the reporting period. In that consequence, from 26 September 2020, the Company has declared Lay off of the factory that extended up to 24 November 2020 and if the situations



continue that may impact on the sustainability of the company business. However, the company management is trying to overcome the adverse situation and to recover the lost affairs.

2.5. Use of estimates and judgments

The preparation of 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that is not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are reflected in calculation of deferred tax liabilities.

2.6. Functional and presentational currency and level of precision

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.7. Reporting period

The financial period of the company covers one year from 1 July 2019 to June 30, 2020 and Comparative statement of financial position for the year ended June 30, 2019 cover one year period from July 01, 2018 to June 30, 2019.

2.8. Change in Accounting Policy

During the year the company has not changed its policy to record at "Historical Cost" convention basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" instead of measured at fair value. As no accounting policy has been in the current accounting year and had no other material impact on earnings per share for comprehensive income for earlier period.

2.9. Components of the Financial Statements

According to the International Accounting Standard (IAS) 1 as adopted by ICAB "Presentation of Financial Statements" the complete set of financial statements includes the following components:

- i) Statement of Financial Position as at June 30, 2020;
- ii) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2020;
- iii) Statement of Changes in Equity for the year ended June 30, 2020 ;
- iv) Statement of Cash Flows for the year ended June 30, 2020 and
- v) Notes to the Financial Statements;

2.10. Compliance with the Requirements of Notification of the Securities and Exchange Commission dated 04.06.2008 under ref. # SEC/CMMRPC/2008-181/53/Adm/03/28

The financial statements have been prepared in compliance with requirement of IAS as adopted and applicable in Bangladesh. The following IASs are applicable for the financial statements for the year under review:

Sl. No.	Name of the IAS	IAS's No.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in accounting Estimates & Errors	8



RFZ

Sl. No.	Name of the IAS	IAS's No.
5	Events after the Reporting Period	10
6	Income Taxes	12
7	Property, Plant and Equipment	16
8	Leases	17
9	Employees Benefits	19
10	The Effects of Changes in Foreign Exchange Rates	21
11	Borrowing Costs	23
12	Related Party Disclosures	24
13	Accounting and Reporting by Retirement Benefit Plans	26
14	Earnings Per Share	33
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16	Impairment of Assets	36
17	Provision, Contingent Liabilities and Contingent Assets	37
18	Financial Instruments: Recognition & Measurement	39

SL. No.	Name of the IFRS	IFRS No.
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
3	Financial Instruments	9
4	Fair Value Measurement	13
5	Revenue from Contracts with Customers	15

Principal Accounting Policies:

The accounting policies set out below have been applied in preparations of these financial statements;

1. Property, Plant and Equipment

1.1. Recognition and Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable inward freight, duties and non-refundable taxes. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

1.2. Disposal of Fixed Assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

1.3. Depreciation on Fixed Assets

Depreciation on fixed assets is charged on reducing balance method. Depreciation continues to be charged on each item of fixed assets until the written down value of such fixed assets is reduced to Taka one. Depreciation on addition to fixed assets is charged for the period after available for utilization, and depreciation has been charged on fixed assets ceases respective of their date of disposal. Rates of depreciation on various classes of fixed assets are as under:



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Category of fixed asset	Rate (%)
Leasehold Land Development	3.33
Building	5
Plant and Machinery	10
Transport & Vehicles	10
Office Equipment	10
Furniture & Fixture	20
Electrical Equipment	10
Telephone Line Installation	10
Gas Line Installation	15
Electrical Line Installation	10
Water Line & Tank	10
Fire Extinguisher	20
Lab Equipment	20

3.1.4. 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 servicing of property, plant and equipment are recognized in the profit and loss account as incurred.

3.1.5. Impairment of Assets

No fact and circumstances indicate that company's assets including property, plant and equipment may be impaired. Hence, no evaluation of recoverability of assets was performed.

3.2. Intangible Asset

3.2.1. Recognition and measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. An intangible asset is recognized when all the conditions for recognition as per IAS 38 Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

3.2.2. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the profit and loss account when incurred.

3.3. Leased Assets

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as operating leases. Land Lease agreement with BEPZA executed to construct building on the land and operation hereof for the lease period 33 years as well as renewal of agreement after expired of agreement. Upon initial recognition these leased assets are measured at an amount equal to the Cost basis. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

The company has renewable land lease arrangements for 33 years with Bangladesh Export Processing Zone Authority (BEPZA) for industrial plots in Dhaka EPZ, Savar. Since inception to the last year, the lease has been classified as operating lease as per IAS - 17 Leases. The company board and management in the current year, also recognized the lease as operating lease as per IAS - 17 Leases in considering the tax implications and discussion matters with tax authority thereon and recognized the lease payment as expenses in the Profit or Loss and other comprehensive income without considering the lease in the context of the application of IFRS 16, right-of-use assets and lease liabilities. The Company will consider the IFRS 16 while preparing the next year's financial statements by understanding the implications thereof.



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3.4. Investment in FDR

Investment in FDR includes fixed deposits held with different bank. The fixed deposits are renewed upon maturity at the option of the company.

3.5. Inventories

Inventories are stated at the lower of cost and net realizable value in accordance with IAS 2 "Inventories". The cost of inventories is based on weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Adequate allowance is made for obsolete, damaged and slow moving inventories.

3.6. Accounts Receivable /Trade Debtors

Accounts receivable has been stated at its original invoiced amount supported by L/C. This is considered good and is falling due within one year. Related party transactions relating to sales/purchase are made on arm length basis. Rate of sale/purchase of related party transactions are fixed as applicable to other outsider parties. No amount was due by the Director (including Managing Director), Managing Agent, Manager & other Officers of the Company and any of them severally or jointly with any other person.

3.7. Advance, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

3.8. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Amount of Cash and Cash Equivalent under USD has been reflected in BDT and exchange rate fluctuation has been recognized accordingly.

3.9. Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the balance sheet.

3.10. Trade Creditors and Accruals & Provision

Trade and other payables are stated at cost. A provision is recognized in the balance sheet when the Company has present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Trade Creditors under foreign currency has been presented in BDT.

3.11. Loans and Borrowing

Principal amounts of loans and borrowings are stated at their outstanding amount. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities.

3.12. Revenue Recognition

Revenue is recognized to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services as provided in IFRS 15 "Revenue from contracts with customers".



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The following five steps are applied to recognize revenue;

- identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that are distinct.
- determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer
- allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.
- recognize revenue when a performance obligation is satisfied by transferring a promised good or service to a customer.

3.13. Financial Instruments

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents and share capital.

3.13.1. Trade Receivables

Trade receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivable at the year end, if any. Receivables from foreign currency transactions are recognized in Bangladeshi Taka using exchange rates prevailing on the date of transaction.

3.13.2. Trade Payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

3.13.3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.13.4. Share Capital

Ordinary shares are classified as equity.

3.14. Foreign Exchange:

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Bangladesh Taka at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the income statement in accordance with IAS 21 "The effects of Changes in Foreign Exchange Rates."

3.15. Employee Benefits

3.15.1. Worker's Profit Participation

In accordance with the requirement of section 234 of Labor Act, 2006(Amended), the company should contribute 5% of net profit before charging the amount to the aforementioned fund. But the company established in Dhaka Export Processing Zone and have to comply only BEPZA rules relating to services matter concerning workers and officers employed in the company operating in the Export Processing Zone Bangladesh, which imposed by BEPZA. There is no provision for Worker's Profit Participation Fund in company's profits as per BEPZA rules.

3.15.2 Provident Fund

The Company has established and maintaining Contributory Provident Fund in compliance to the requirement of "The EPZ employees (Contributory) Provident Fund Policy -2012". The fund is administrated by the 6 members



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board of Trustees of which 3 members are nominated from employer's side and remaining 3 members fulfilled from the representative from Workers Welfare Association. All members of trustee shall hold their position for three years. The member of the trustee board within the limit of the policy shall together hold absolute measure to take any decision for implementation of the provident fund.

15.3 Workers Welfare Fund

The company has been paying against "Workers Welfare Fund" to BEPZA since 1st February 2013 in compliance with the requirement of BEPZA rules. The management of the fund is maintained by BEPZA according to the rules and guidelines imposed under the style of 'Constitution and Operation Procedure of EPZ Worker's Welfare Fund 2012'.

16. Employee Retirement Benefits

Defined Contribution Plan

Obligations for the Company's contributions to defined contribution plans are recognized as an expense in the income statement as incurred.

17. Finance Income and Expenses

Finance income comprises interest income on funds invested. Interest income is recognized on maturity. Finance expenses comprise interest expenses on loan, overdraft and bank charges. All borrowing costs are recognized in the profit and loss account using effective interest method except to the extent that they are capitalized during the construction period of the plants in accordance with IAS 23 Borrowing cost.

18. Earnings per Share (EPS)

The Company calculates Earnings per Share (EPS) in accordance with IAS 33. Earnings per Share, which has been shown on the face of Statement of Comprehensive Income account, and the computation of EPS is stated in the related notes.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the year.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the year.

Diluted earnings per share

No diluted earnings per share are required to be calculated per year as there was no scope for dilution during the year.

19. Cash flows statement

Cash Flow Statement is prepared in accordance with IAS 7 "Statement of Cash Flows". The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1957 and considering the provisions of Paragraph 18(a) of IAS-7 which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method".

20. Responsibility for Preparation and Presentation of Financial Statements:

The Management is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act, 1994 and as per the Provision of "The Framework for the preparation and presentation of Financial Statements" issued by the International Accounting Standard Board (IASB) as adopted by ICAB.



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3.21. Risk and uncertainties for the use of estimates in preparing financial statements

Preparation of Financial Statements in conformity with the International Accounting Standards, taxes, reserves and contingencies requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization.

3.22. Segment Reporting

No segment wise report is required because the company only engages in textile industry and situated geographically same location at Dhaka Export processing Zone, Dhaka, Bangladesh.

3.23 Taxation

3.23.1 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Provision for corporate income tax is made @ 15% on estimated taxable profit in accordance with the income tax laws.

3.23.2 Deferred Tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.24. Comparative Amounts

Certain comparative amounts have been re-classified & rearranged to confirm with the current year's presentation.

3.25. Events after the reporting period

Events after the reporting period that provide additional information about the company's positions at the balance sheet date are reflected in the financial statements if any. The company faces some financial difficulties to meet up its working capital requirement and continue the smooth operation thereafter the reporting period. In that consequence, from 26 September 2020, the Company has declared Lay off of the factory up to November 24, 2020 due to worldwide impact of prevailing COVID-19 pandemic, declining orders from foreign buyers, and scarcity of import.

3.26. Related Party Transactions

The objective of Related Party Disclosure IAS 24 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.

27. 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.

28. Impact of COVID-19 and its consequences

COVID-19 has impacted on the business of the company as the parties involved with the company are almost overseas. The revenues of the company are 100% exported by import of raw materials. Export-Import has been impacted worldwide in the reporting year and thereafter also. Due to worldwide impact of prevailing COVID-19 pandemic, the company faces declining orders from foreign buyers, scarcity of import which collectively impacted by declining revenue, working capital crisis and business expansion. However, the company management is trying to overcome the adverse situation and to recover the lost affairs.

29 Reason of Significant deviation

Due to worldwide impact of prevailing COVID-19 pandemic, the company faces declining orders from foreign buyers, scarcity of import which collectively impacted by declining revenue, working capital crisis and business expansion. Therefore NAV, EPS, NOCFPS, revenue, other operational results and performance have been adversely affected.

30 Date of Authorization and Proposed Dividend

The financial statements were authorized for issue by the Board of Directors of the company on October 28, 2020. Board of Directors recommended 1% cash dividend and 1% stock dividend for the financial year ended 30th June, 2020. Therefore, amount to be distributed as dividend will be BDT. 100,062,609 subject to final approval by the shareholders at the company's forthcoming AGM.



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		30-06-2020	30-06-2019
4.00 Property, Plant & Equipment - WDV			
The balance is made up as follows:			
Leasehold Land Development		70,291,018	74,229,568
Building		2,948,040,201	2,999,518,518
Plant & Machinery		2,473,062,361	2,725,108,137
Transport & Vehicles		17,194,716	19,105,240
Office Equipment		16,716,674	7,468,324
Furniture & Fixtures		2,208,080	2,760,100
Electrical Equipment		34,724,071	30,204,768
Telephone Line Installation		839,816	933,129
Gas Line Installation		13,557,486	15,949,984
Electrical Line Installation		46,977,116	52,196,795
Water Line & Tank		19,423,215	21,581,350
Fire Extinguisher		3,943,501	4,929,376
Lab Equipment		4,094,420	5,118,025
Total:		5,651,072,675	5,959,103,314
For details please refer to Annexure-A			
5.00 Investment	<u>Notes</u>		
The balance is made up as follows:			
Investment in FDR	5.01	52,529,602	75,260,470
Total:		52,529,602	75,260,470
5.01 Investment in FDR			
The balance is made up as follows:			
Dutch Bangla Limited, FDR No:0167		3,393,400	3,504,664
Dutch Bangla Limited, FDR No:0250		1,459,000	1,612,292
Dutch Bangla Limited, FDR No:1049		867,700	906,837
Woori Bank Limited, FDR No:923002995		-	9,801,938
Dutch Bangla Limited, FDR No:1211		296,166	316,570
Dutch Bangla Limited, FDR No:1384		3,014,340	3,322,603
Dutch Bangla Limited, FDR No:2989		1,571,471	2,111,141
Dutch Bangla Limited, FDR No:3050		8,518,876	8,722,279
Dutch Bangla Limited, FDR No:3353		18,099,530	25,230,618
Dutch Bangla Limited, FDR No:3534		6,929,600	6,929,600
Dutch Bangla Limited, FDR No:3627		4,452,030	5,863,591
Dutch Bangla Limited, FDR No:4123		300,000	-
Prime Bank Limited, FDR No: 11603/5472		3,318,289	6,349,671
Prime Bank Limited, FDR No: 9003045		309,200	588,666
Total:		52,529,602	75,260,470
6.00 Inventories			
The balance is made up as follows:			
Raw Materials-Yarn	19.01	2,047,541,820	1,715,410,828
Raw Materials-Acrylic Tow	19.02	247,185,618	224,864,305
Raw Materials-Yarn for Polar fleece	19.03	516,394,021	478,196,427
Raw Materials-Chemicals	19.04	208,516,982	193,670,512
Raw Materials-Dye Stuff	19.05	117,652,418	118,547,961
Work in process		398,241,637	179,836,405
Packaging Materials	19.06	7,639,725	6,705,427
Stores and Spares	19.07 A	5,543,092	4,973,628
Finished goods		378,716,352	157,254,186
Total:		3,927,431,665	3,079,459,679



7.00 Accounts Receivables

This is made up of the followings:

Bills Receivable

Total:

30-06-2020	30-06-2019
2,464,648,901	3,197,542,944
2,464,648,901	3,197,542,944

This is considered as fully secured and guaranteed payment by export letter of credit opening bank against export order and is considered good & realizable within the year as per the terms of export letter of credit. The classification of receivables as required by the Para-4, Part-1 of Schedule XI of the Companies Act, 1994 are given below:

Particulars	Amount	
	30-06-2020	30-06-2019
i. Receivables considered good and in respect of which the company is fully secured.	2,464,648,901	3,197,542,944
ii. Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
iii. Receivables considered doubtful or bad.	-	-
iv. Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v. Receivables due by companies under same management.	-	-
vi. The maximum amount due by directors or other officers of the company at any time during the year.	-	-
Total	2,464,648,901	3,197,542,944

Ageing of the above Receivables is given below:

Particulars	Below 6 Months	Above 6 Months
Customers	1,229,117,699	1,235,531,202

8.00 Advances, Deposits & Prepayments

Notes

This is made up of the followings:

Advances	8.01	1,282,716	587,152
Deposits	8.02	50,777,444	50,777,444
Prepayments	8.03	1,737,253	633,113
Total:		53,797,413	51,997,709

8.01 Advances

This is made up of the followings:

Advance for factory expenses	8.01	1,282,716	587,152
Total:		1,282,716	587,152

8.02 Deposits

This is made up of the followings:

Security Deposit - DEPZ Land	6,758,557	6,758,557
Security Deposit - PDB	501,111	501,111
Security Deposit - EPZ Electricity	4,940,781	4,940,781
DEPZ Advances	2,455,916	2,455,916
Security Deposit - Telephone	774,975	774,975
Security Deposit - Titas Gas	34,873,684	34,873,684
Security-BGIC	440,420	440,420
Security-Sylinder	32,000	32,000
Total:	50,777,444	50,777,444



		30-06-2020	30-06-2019
8.03	Prepayments		
	This is made up of the followings:		
	Insurance	1,737,253	633,113
	Total:	<u>1,737,253</u>	<u>633,113</u>
9.00	Advance Income Tax		
	This is made up as follows:		
	Income Tax deduction at source -Opening	111,287,795	65,983,151
	Add: Tax deduction at source during the year - From Export	34,962,803	45,012,418
	Add: Tax deduction at source during the year - From FDR	270,701	292,226
	Add: Tax deduction at source during the year - From IPO Fund	772,386	-
		<u>147,293,685</u>	<u>111,287,795</u>
	Less: Adjustment during the year	-	-
	Total:	<u>147,293,685</u>	<u>111,287,795</u>
10.00	Cash and Cash Equivalents		
	<u>Notes</u>		
	This is made up as follows:		
	Cash in hand	873,043	893,614
	Cash at Bank	147,328,752	86,842,150
	IPO Fund	964,628,648	-
	Total:	<u>1,112,830,443</u>	<u>87,735,764</u>

The Bank balance are in agreement with respective bank statement balances.

10.01	Cash at Bank		
	This is made up as follows:		
	Dutch Bangla Bank limited, A/C:122-110-1038	700,198	117,757
	Dutch Bangla Bank limited, USD A/C:103-111-0496	57,858	57,170
	Uttara Bank limited, A/C:81-10	208,897	205,857
	Uttara Bank limited, A/C:21-985	222,513	223,353
	Woori Bank limited, USD A/C:923-004-281	133,180	238,637
	Woori Bank limited, USD A/C:923-004-475	27,923,622	10,733
	Woori Bank limited, BDT A/C:923-004-306	205,100	420,417
	Standard Chartered Bank Ltd:A/C:01-6134033-01	-	78,638
	Standard Chartered Bank Ltd:OBU 470-01	-	1,418
	HSBC, A/C: OBU A/C: 397-005	-	526,421
	HSBC, A/C: BDT 001-129196-011	-	598,220
	Brac Bank Limited, A/C:BDT150-120-26001	11,000	-
	Brac Bank Limited, A/C: OBU 39426001	1,234	-
	Brac Bank Limited	7,466,089	-
	Dhaka Bank, A/C: USD A/C 1082	770,363	8,239,858
	Dhaka Bank, A/C: USD A/C 1796	61,256,728	34,182,038
	Dhaka Bank, A/C: USD A/C 1719	18,290,573	22,065,991
	Dhaka Bank, A/C: BDT A/C 4555	87,570	695,620
	Dhaka Bank, A/C: BDT A/C 5287	3,160	-
	One Bank Ltd, BDT A/C: 20004937	316,501	317,341
	Premier Bank Ltd, BDT A/C: 10001551	51,916	32,777
	Premier Bank Ltd, USD A/C: 20000889	28,266,958	12,530,715
	City Bank Ltd, BDT A/C: 2764001	216,264	217,104
	City Bank Ltd, USD A/C: 2764001	30,905	-
	SBAC Bank Ltd, BDT A/C: 7882	648,124	202,782



	30-06-2020	30-06-2019
Eastern Bank Limited, BDT A/C:27991	21,017	626,838
Eastern Bank Limited, USD A/C: 27415	420,000	4,150,000
Prime Bank Limited, OBU A/C:11000141	18,982	284,356
Prime Bank Limited, A/C:12451150022108	-	75,131
Prime Bank Limited, BDT A/C:12411070015374	-	742,978
Total:	147,328,752	86,842,150

10.02 IPO Fund

This is made up of the followings:
BRAC Bank Ltd

	964,628,648	-
Total:	964,628,648	-

11.00 Share Capital:

11.01 Authorized Share Capital :

540,000,000 Ordinary Shares of Taka 10/= each.

	30-06-2020	30-06-2019
	5,400,000,000	4,400,000,000
Total:	5,400,000,000	4,400,000,000

11.02 Issued, subscribed and paid-up share capital:

500,313,043 ordinary shares of Tk 10/= each fully paid-up

	5,003,130,430	2,850,548,200
Total:	5,003,130,430	2,850,548,200

Name of Shareholder	No. of Share	Percentage	Amount
Mr. Sung Jye Min	17,127,812	3.42%	171,278,120
Mdm. Hang Siew Lai	17,008,500	3.40%	170,085,000
Mr. Hsiao Hai He	16,849,685	3.37%	168,496,850
Ms. Sung Wen Li Angela	17,179,217	3.43%	171,792,170
Mr. Sung Chung Yao	17,002,750	3.40%	170,027,500
Mdm. Sheao Yen Shin	16,987,570	3.40%	169,875,700
Mr. Sung Wey Min	21,380,397	4.27%	213,803,970
Mrs. Hsiao Liu Yi Chi	17,116,255	3.42%	171,162,550
Mdm. Chuk Kwan	17,167,165	3.43%	171,671,650
Other Shareholders	342,493,692	68.46%	3,424,936,920
Total	500,313,043	100.00%	5,003,130,430

11.03 Issued, subscribed and paid-up share capital:

This is made up as follows:

Opening Share	2,850,548,200	2,850,548,200
Issue during the period - IPO	1,500,000,000	-
Issue during the period - Bonus Issue	652,582,230	-
Total	5,003,130,430	2,850,548,200

12.00 Retained Earnings

This is made up as follows:

Opening balance	4,240,497,071	3,754,039,926
Less: IPO Expenses	(29,196,007)	(6,150,000)
Less: Bonus Issue	(652,582,230)	-
Add: Net profit after tax for the year	134,599,060	491,684,645
Add: Tax benefit on IPO Expenses	4,379,361	922,500
Total:	3,697,697,255	4,240,497,071

13.00 Deferred tax liability

This is made up as follows:

Opening Balance	545,364,791	532,885,033
Provision for Current year	2,313,086	12,479,758
Total:	547,677,877	545,364,791



		30-06-2020	30-06-2019
14.00 Accounts Payables			
The balance is made up as follows:			
Accounts Payable		105,948,886	983,291,172
Total:		105,948,886	983,291,172
15.00 Short Term Bank Loan	<u>Notes</u>		
The balance is made up as follows:			
Trust Receipt	15.01	1,385,357,625	1,214,773,098
Short term - Other	15.02	768,568,508	86,750,783
Bank Overdraft	15.03	700,318,948	725,419,164
Bills Discounted	15.04	893,637,131	1,668,640,797
Total:		3,747,882,212	3,695,583,842
15.01 Trust Receipt			
The balance is made up as follows:			
Woori Bank		442,019,252	364,231,965
Dhaka Bank Ltd.		758,000,200	711,238,571
Eastern Bank Ltd.		185,338,173	139,302,562
Total:		1,385,357,625	1,214,773,098
15.02 Short term - Other			
The balance is made up as follows:			
Premier Bank - Demand Loan		452,872,325	86,042,315
Premier Bank - Time Loan		52,455,380	-
Premier Bank - IDBA Loan		181,298,843	-
Dhaka Bank Ltd.		81,941,960	-
BRAC Bank Ltd.		-	708,468
Total:		768,568,508	86,750,783
15.03 Bank Overdraft			
The balance is made up as follows:			
Premier Bank Ltd, OBU A/C		314,055,480	301,533,986
Dhaka Bank Ltd, OBU A/C# 0144		266,060,012	242,107,432
One Bank Ltd. A/C# 00024		91,326,603	84,245,809
Eastern Bank Ltd, OBU \$ A/C# 0249/27991		28,876,853	37,922,029
BRAC Bank Ltd, OBU \$ A/C#426001		-	59,609,908
Total:		700,318,948	725,419,164
15.04 Bills Discounted			
The balance is made up as follows:			
Woori Bank		206,661,401	687,666,817
Premier Bank Ltd.		322,490,623	593,420,874
Dhaka Bank Ltd.		364,485,107	285,251,565
Eastern Bank Ltd.		-	102,301,541
Total:		893,637,131	1,668,640,797

30-06-2020

30-06-2019

- a) Purpose of Investment: To purchase/ Import of raw materials , payment of utility bill , salary & wages and other working capital for the project.
- b) Period of Investment - 01 (One) year on renewal basis.
- c) i. Rate of Return: From 5.00% to 8% for bills discount per annum or the rate to be determined by the bank time to time.
- ii. Rate of Return: 4.00 % to 8.50% for overdraft per annum or the rate to be determined by the bank time to time.
- iii. Rate of Return: 7.00 % to 10.50% for Trust Receipt per annum or the rate to be determined by the bank time to time.
- d) Security: Factory Buildings, Machineries and all types of inventory.

16.00 Provision for Income Tax

The balance is made up as follows:

Income Tax Payable -opening		139,654,015	81,144,589
Add: Charge for the year	23.01	24,177,537	75,431,926
		163,831,552	156,576,515
Less: Adjustment during the year		14,000,000	16,000,000
Less: Tax benefit of IPO Expenses		4,379,361	922,500
Total:		145,452,191	139,654,015

17.00 Outstanding Liabilities

The balance is made up as follows:

Staff Salary		3,236,355	4,362,824
Worker's Salary		42,613,645	35,590,521
Gas Bill		15,591,278	47,619,902
Mobile Bill		90,441	42,290
Security Service		1,628,470	567,185
Electricity Bill		40,227,583	9,137,513
Electricity Bill - Office		25,876	21,093
Telephone Bill		6,971	5,018
DEPZ Medical Bill		876,120	123,670
DEPZ Service Charge		11,923,132	1,692,100
DEPZ Water Bill		24,864,708	7,406,114
DEPZ Land Rent		13,399,260	-
Office Gas Bill		8,598	2,516
Office Water Bill		12,659	4,139
Worker's Welfare Expenses		373,968	49,800
Audit Fees		592,500	350,000
Sundry liabilities		5,120,569	-
Director Remuneration		1,223,400	473,900
Total:		161,815,533	107,448,585

18.00 Sales (Export)

This is made up as follows:

Sales - Yarn		4,675,418,761	7,025,064,268
Sales - Polar Fleece		1,705,216,394	2,798,635,027
Total:		6,380,635,155	9,823,699,295

		30-06-2020	30-06-2019
19.00 Cost of Goods Exported			
This is made up as follows:	<u>Notes</u>		
Raw materials consumed- Yarn	19.01	2,936,410,706	4,317,277,075
Raw Materials consumed- Acrylic Tow	19.02	631,851,297	919,098,016
Raw M. con.- Yarn for Polar fleece	19.03	990,344,170	1,530,898,048
Raw Materials consumed- Chemicals	19.04	212,307,447	282,081,873
Raw Materials consumed- Dyestuff	19.05	99,137,306	119,054,666
Packaging Materials	19.06	39,191,120	46,431,204
		<u>4,909,242,046</u>	<u>7,214,840,882</u>
Work in process- opening		179,836,405	127,641,530
Work in process- closing		398,241,637	179,836,405
Change in work in process		<u>(218,405,232)</u>	<u>(52,194,875)</u>
Total consumption		<u>4,690,836,814</u>	<u>7,162,646,007</u>
Add: Manufacturing Overhead	19.07	1,344,456,369	1,671,113,545
Cost of production		<u>6,035,293,183</u>	<u>8,833,759,552</u>
Finished goods - opening		157,254,186	140,521,368
Finished goods - closing		378,716,352	157,254,186
Change of finished goods stock		<u>(221,462,166)</u>	<u>(16,732,798)</u>
Total:		<u>5,813,831,017</u>	<u>8,817,026,754</u>
19.01 Raw materials consumed- Yarn			
This is made up as follows:			
Opening Stock		1,715,410,828	1,744,052,184
Add: Purchase during the year		3,268,541,698	4,288,635,719
Raw materials available for production		4,983,952,526	6,032,687,903
Less: Closing Stock		2,047,541,820	1,715,410,828
Total:		<u>2,936,410,706</u>	<u>4,317,277,075</u>
19.02 Raw materials consumed- Acrylic Tow			
This is made up as follows:			
Opening Stock		224,864,305	235,419,643
Add: Purchase during the year		654,172,610	908,542,678
Raw materials available for production		879,036,915	1,143,962,321
Less: Closing Stock		247,185,618	224,864,305
Total:		<u>631,851,297</u>	<u>919,098,016</u>
19.03 Raw M. con.- Yarn for Polar fleece			
This is made up as follows:			
Opening Stock		478,196,427	421,051,837
Add: Purchase during the year		1,028,541,764	1,588,042,638
Raw materials available for production		1,506,738,191	2,009,094,475
Less: Closing Stock		516,394,021	478,196,427
Total:		<u>990,344,170</u>	<u>1,530,898,048</u>
19.04 Raw materials consumed- Chemicals			
This is made up as follows:			
Opening Stock		193,670,512	165,210,518
Add: Purchase during the year		227,153,917	310,541,867
Raw materials available for production		420,824,429	475,752,385
Less: Closing Stock		208,516,982	193,670,512
Total:		<u>212,307,447</u>	<u>282,081,873</u>



	30-06-2020	30-06-2019
19.05 Raw materials consumed- Dyestuff		
This is made up as follows:		
Opening Stock	118,547,961	90,416,384
Add: Purchase during the year	98,241,763	147,186,243
Raw materials available for production	216,789,724	237,602,627
Less: Closing Stock	117,652,418	118,547,961
Total:	99,137,306	119,054,666
19.06 Packaging materials consumed		
This is made up as follows:		
Opening Stock	6,705,427	6,984,215
Add: Purchase during the year	40,125,418	46,152,416
Consumable Item available for packing	46,830,845	53,136,631
Less: Closing Stock	7,639,725	6,705,427
Total:	39,191,120	46,431,204
19.07 Manufacturing overhead		
This is made up as follows:		
Salary & Wages	327,071,462	445,216,918
Festival Bonus	37,451,968	37,561,824
Daily Labor	5,041,827	6,152,486
Tiffin Expenses	5,563,947	12,854,163
DEPZ Medical bill	1,501,920	1,484,040
Medical Expenses	1,784,168	1,250,436
Factory maintenance	16,398,246	24,134,654
Printing & Stationery	2,684,265	2,543,602
Sundry Expenses	3,250,417	3,105,249
DEPZ Land Rent	26,408,271	25,708,254
Electricity bill	95,462,782	186,052,153
Gas bill	186,026,011	212,774,800
Water bill	61,391,584	109,924,321
DEPZ Service Charge	20,189,208	22,244,897
Conveyance	1,169,827	1,152,406
Fuel for vehicles	932,051	1,041,528
Vehicle maintenance	901,728	836,102
Fuel for Generator	43,935,546	54,920,237
Rates & Taxes	1,182,413	1,080,421
Postage & Courier	101,425	107,857
Insurance premium Factory	17,242,808	14,312,930
Welfare expenses	625,968	595,710
Worker's Group Insurance	50,000	567,159
LNG	542,106	1,058,421
Other Expenses	841,274	1,063,524
Store & Spare Consumed	41,781,507	45,285,613
License & Renewal	360,350	360,350
Depreciation	444,563,290	457,723,490
Total:	1,344,456,369	1,671,113,545

Notes

19.07 A



		30-06-2020	30-06-2019
19.07 A Store & Spare Consumed			
This is made up as follows:			
Opening Stock		4,973,628	4,150,967
Add: Purchase during the year		42,350,971	46,108,274
Store & Spare Item available		47,324,599	50,259,241
Less: Closing Stock		5,543,092	4,973,628
	Total:	41,781,507	45,285,613
20.00 Operating Expenses	<u>Notes</u>		
This is made up as follows:			
Distribution & Selling Expenses	20.01	37,572,436	46,627,530
Administrative Expenses	20.02	96,430,260	100,742,726
	Total:	134,002,696	147,370,256
20.01 Distribution & Selling Exp.			
This is made up as follows:			
Salary & Welfare		6,975,406	6,785,426
Travelling		5,781,428	5,621,089
Business Promotion		3,162,058	2,984,052
Fuel For Vehicles		9,352,401	9,182,416
Carriage outward		7,125,279	15,122,492
Vehicles maintenance		3,052,413	4,589,165
Other Expenses		327,236	493,502
Depreciation		1,796,215	1,849,388
	Total:	37,572,436	46,627,530
20.02 Administrative Expenses			
This is made up as follows:			
Salary & allowance		47,606,821	49,538,216
Festival Bonus		6,786,412	6,750,262
Staff Welfare		376,421	352,051
Staff Fooding		2,481,634	3,787,114
Security Service		6,550,000	6,531,950
Office Maintenance		773,051	803,516
Gas bill		16,496	32,182
Water Bill		25,362	60,655
Electricity Bill		144,100	245,000
Fuel For Vehicles		810,652	718,361
Vehicles maintenance		751,846	733,741
Other Expenses		5,901,728	842,063
Conveyance		2,084,671	2,302,720
Printing & Stationery		1,765,319	1,688,025
Office Rent		1,218,000	1,974,950
Garage Rent		180,000	720,000
Entertainment		718,642	979,758
License & Renewal		1,463,972	1,387,451
Mobile Bill		817,241	1,181,663
Telephone Bill		210,526	372,604
Internet Bill		617,051	1,019,462
Postage & Courier		610,352	552,917



		30-06-2020	30-06-2019
Inspection & Testing Charge		3,863,510	5,390,534
Export Clearing Expenses		263,415	812,937
Carrying charge		1,182,469	1,250,418
Legal fees		470,524	510,750
Audit fees		550,000	422,000
Director's Remuneration & fees		4,338,140	5,030,922
Repair & Maintenance		635,241	870,150
BTMA Expenses		162,341	175,416
Membership fees		360,000	930,856
Depreciation		2,694,323	2,774,082
Total:		96,430,260	100,742,726
21.00 Financial Expenses	<u>Notes</u>		
This is made up as follows:			
Interest on Loan	21.01	252,896,911	256,300,527
Bank Charge		31,871,419	30,675,128
Total:		284,768,330	286,975,655
21.01 Interest on loan			
This is made up as follows:			
Trust Receipt		81,427,816	115,241,867
Short term - Other		21,827,493	11,506,387
Bank Overdraft		44,700,680	35,041,639
Bills Discounted		104,940,922	94,510,634
Total:		252,896,911	256,300,527
22.00 Other Income			
This is made up as follows:			
Sale of wastage		1,205,176	1,936,420
Interest Income - FDR		2,707,014	2,924,751
Interest Income - IPO Fund		7,723,863	-
Total:		11,636,053	4,861,171
23.00 Income Tax Expenses	<u>Notes</u>		
This is made up as follows:			
Current tax	23.01	24,177,537	75,431,926
Deferred tax	23.02	2,313,086	12,479,758
Total:		26,490,623	87,911,684
23.01 Current Tax Expenses			
This is made up as follows:			
Net Profit before tax		161,089,683	579,596,328
Less: Other Income		(11,636,053)	(4,861,171)
Less: IPO Expenses		(29,196,007)	(6,150,000)
Add: Depreciation - Accounting base		449,053,828	462,346,960
Less: Depreciation - Tax base		(464,474,404)	(545,545,344)
		104,837,047	485,386,773
Tax Rate		15%	15%
Current tax on operating income as per tax rate		15,725,557	72,808,016
Current tax on Non - operating income as per tax rate (A-1)		4,072,619	1,701,410
		19,798,176	74,509,426
Add: Tax benefit of IPO Expenses		4,379,361	922,500
		24,177,537	75,431,926



	30-06-2020	30-06-2019
A-1) Current tax on Non - operating income as per tax rate		
This is made up as follows:		
Non-Operating Income	11,636,053	4,861,171
Tax Rate	35%	35%
Current tax on Non-Operating income	<u>4,072,619</u>	<u>1,701,410</u>

23.02 Deferred tax

This is made up as follows:

Property, Plant & Equipment:

Carrying amount as Accounting base	5,651,072,675	5,959,103,314
Carrying amount as Tax base	1,999,886,827	2,323,338,041
Difference	3,651,185,848	3,635,765,273
Tax rate	15%	15%
Total deferred tax liability at the end of year	547,677,877	545,364,791
Total deferred tax liability beginning of the year	545,364,791	532,885,033
Deferred tax for the year	<u>2,313,086</u>	<u>12,479,758</u>

Total:

24.00 Initial Public Offer (IPO) Expenses

This is made up as follows:

SEC, DSE & CSE Application fees	-	150,000
SEC Consent fees	-	6,000,000
Annual fees- DSE & CSE	1,200,000	-
Listing fees - DSE & CSE	13,251,646	-
Issue Management fees	3,450,000	-
Underwriting fees	1,811,256	-
CDBL fees	833,500	-
Audit fees	66,750	-
Data Transmission fees	400,000	-
Printing, Publication and Distribution	8,182,855	-
Total:	<u>29,196,007</u>	<u>6,150,000</u>

25.00 Reconciliation of cash generated by operations

This is made up as follows:

Profit before Income tax	161,089,683	579,596,328
Add: Depreciation charged	449,053,828	462,346,960
Add: Financial Expenses	284,768,330	286,975,655
Add(Less): Foreign Exchange gain or loss	(137,185)	(201,742)
Add(Less): Increase or decrease in trade payable	(877,342,286)	54,201,598
Add(Less): Increase or decrease in inventory	(847,971,986)	(144,011,013)
Add(Less): Increase or decrease in trade receivable	732,894,043	(343,436,563)
Add(Less): Increase or decrease in creditors and accrues	54,366,949	(25,669,739)
Add(Less): Increase or decrease in advance, deposit and pre payments	(1,799,704)	666,079
	<u>(45,078,328)</u>	<u>870,467,563</u>



	30-06-2020	30-06-2019
26.00 Earnings Per Share (EPS)		
The above balance is made up as follows:		
Net Profit after Tax (Numerator)	134,599,060	491,684,645
Weighted average No. of Shares (Denominator)	462,915,783	285,054,820
Earnings Per Share	Total: 0.29	1.72
26.01 Weighted average No. of Shares		
A) Opening Share for the year	285,054,820	285,054,820
Multiply weight	1	1
Weighted average No. of Opening share	285,054,820	285,054,820
B). i. Share issued during the year - Bonus Issue	65,258,223	-
Multiply weight	1	0
Weighted average No. of issued share	65,258,223	-
ii) Share issued during the year - IPO	150,000,000	-
Multiply weight	274/365	0
Weighted average No. of issued share	112,602,740	-
Total (i + ii)	177,860,963	-
(C) Total weighted average No. of shares (a+b)	462,915,783	285,054,820
27.00 Net Asset Value per Share (NAV)		
The above balance is made up as follows:		
Net Asset Value	8,700,827,685	7,091,045,271
No. of Shares Outstanding	500,313,043	285,054,820
Net Asset Value per Share (NAV)	Total: 17.39	24.88
28.00 Net Operating Cash Flows per Share		
The above balance is made up as follows:		
Net Operating Cash Flows	(379,852,548)	522,187,264
No. of Shares Outstanding	500,313,043	285,054,820
Net Operating Cash Flows per Share	Total: (0.76)	1.83

29.00 Disclosure as per requirement of Schedule XI, part II of the Companies Act, 1994.

29.01 Sales in respect of each class of goods and indicating the quantities

Particulars	01-07-2019 to 30-06-2020
a) Sales in yarn	
Amount in Taka	4,675,418,761
Quantity in Kg	15,028,033
b) Sales in Polar Fleece	
Amount in Taka	1,705,216,394
Quantity in Kg	5,457,042

29.02 Commission, Brokerage or Discount on Sales:

- a) There was no brokerage or discount against sales during the year.
b) No commission was paid during the year.

29.03 Value of Raw materials consumed and indicating quantities thereof;

Particulars	Quantity	Value
Raw Materials - Yarn	12,508,159 Kgs	2,936,410,706
Raw Materials - Acrylic Tow	4,345,652 Kgs	631,851,297
Raw Materials - yarn for polar fleece	5,590,299 Kgs	990,344,170
Raw Materials - Chemicals	2,828,980 Kgs	212,307,447
Raw Materials - Dye Stuff	139,005 Kgs	99,137,306

29.04 Particulars in respect of Opening Stock and Closing Stock of Inventories;

Particulars	Opening Stock		Closing Stock	
	Quantity	Amount in Tk.	Quantity	Amount in Tk.
Raw Materials - Yarn	7,263,150 Kgs	1,715,410,828	8,722,223 Kgs	2,047,541,820
Raw Materials - Acrylic Tow	1,513,015 Kgs	224,864,305	1,700,156 Kgs	247,185,618
Raw Materials - yarn for polar fleece	2,613,952 Kgs	478,196,427	2,915,175 Kgs	516,394,021
Raw Materials - Chemicals	2,527,016 Kgs	193,670,512	2,780,597 Kgs	208,516,982
Raw Materials - Dye Stuff	165,732 Kgs	118,547,961	164,969 Kgs	117,652,418
Finished goods	641,854 Kgs	157,254,186	1,552,116 Kgs	378,716,352



29.05 Disclosure as per requirement of Schedule XI, part II, note 5 of para 3
Employee Position (as on June 30, 2020)

Salary Range	Officer & Staff		Worker	Total Employee
	Factory	Head Office		
Below 5900	15	3	360	378
Above 5900	56	49	1785	1890
Total	71	52	2145	2268

29.06 Disclosure as per requirement of Schedule XI, part II, para 4 of the Companies Act, 1994

No.	Particulars	1st July 2019 to 30th June 2020	1st July 2018 to 30th June 2019
a)	Managerial Remuneration paid or payable during the year to the directors, including managing director, a managing agent or manager;	4,338,140	5,030,922
b)	Expenses reimbursed to Managing Agent;	Nil	Nil
c)	Commission or other remuneration payable separately to a managing agent or his associate;	Nil	Nil
d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;	Nil	Nil
e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year;	Nil	Nil
f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable;	Nil	Nil
g)	Other allowances and commission including guarantee commission	Nil	Nil
h)	Pensions etc.	Nil	Nil
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
	(iii) Payments from provident funds, in excess of own subscription and interest thereon	Nil	Nil

29.07 Disclosure as per requirement of Schedule XI, part II, para 7 of the Companies Act, 1994
Details of Annual Capacity & Capacity Utilization as given below:

Particulars	Installed capacity	Unit	2019-2020	
			Actual Production	% of Capacity Utilization
Dyed Yarn - Acrylic & Cotton based	27,540,000	Kg	16,198,040	58.82%
Spinning - Acrylic yarn	5,100,000	Kg	4,217,219	82.69%
Fleece fabric Knitting	12,160,000	Kg	6,085,642	50.05%
Fleece fabric Dyeing & Finishing	13,000,000	Kg	5,997,298	46.13%

29.08 Disclosure as per requirement of Schedule XI, part II, para 8 of the Companies Act, 1994

- a) During the year June, 2020 the value of import including raw materials, spare parts on CIF basis are stated below;

Particulars	Amount
Raw Materials-Yarn	3,268,541,698
Raw Materials-Acrylic Tow	654,172,610
Raw Materials-Yarn for Polar fleece	1,028,541,764
Raw Materials-Chemicals	227,153,917
Raw Materials-Dye Stuff	98,241,763
Packaging Materials	40,125,418
Stores and Spares	42,350,971
Total	5,359,128,141



- b) Value of both imported and indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption during the year are given below;

Particulars	Total Consumption	Imported Taka.	(%)	Local Taka.	(%)
Raw Materials-Yarn	2,936,410,706	2,936,410,706	100%	0	0.00%
Raw Materials-Acrylic Tow	631,851,297	631,851,297	100%	0	0.00%
Raw Materials-Yarn for Polar fleece	990,344,170	990,344,170	100%	0	0.00%
Raw Materials-Chemicals	212,307,447	212,307,447	100%	0	0.00%
Raw Materials-Dye Stuff	99,137,306	99,137,306	100%	0	0.00%
Packaging Materials	39,191,120	13,783,517	35.17%	25,407,603	64.83%
Stores and Spares	41,781,507	8,899,461	21.30%	32,882,046	78.70%

30.00 Directors' responsibility of statements with the company :

The Board of Directors is responsible for the preparation and presentation of these financial statements.

31.00 Capital Expenditure Commitment:

The Company has no capital expenditure commitment at the reporting date.

32.00 Related party disclosures:

Director remuneration and fees:

During the year directors remuneration and fees as below,

Name of Party	Relationship with the company	Nature of Transaction	Transacted Amount BDT
Mr. Sung Wey Min	Managing Director	Remuneration	2,137,080
		Board Meeting fees	14,000
Mr. Sung Jye Min	Director	Remuneration	-
		Board Meeting fees	9,000
Ms. Hang Siew Lai	Director	Remuneration	-
		Board Meeting fees	6,000
Ms. Sung Wen Li Angela	Director	Remuneration	2,103,060
		Board Meeting fees	13,000
Mr. Sung Chung Yao	Director	Remuneration	-
		Board Meeting fees	5,000
Mrs. Sheao Yen Shin	Director	Remuneration	-
		Board Meeting fees	6,000
Mrs. Hsiao Liu Yi Chi	Director	Remuneration	-
		Board Meeting fees	5,000
Mrs. Chuk Kwan	Director	Remuneration	-
		Board Meeting fees	4,000
Md. Hussain Shah Jawed	Independent Director		12,000
Md. Neamul Hasan Kamal	Independent Director		12,000
Mohammad Monirul Haque	Independent Director		12,000
Total			4,338,140

Business Transaction with Related parties:

During the year business transaction with related parties as stated below:

Name of related parties	Types of transaction	Total amount BDT
1. Shine Fashion Ltd.	Export	999,472,866
2. Avant Garde Fashion Ltd.	Export	1,044,286,026

33.00 Events after the reporting period :

No significant event occurred from the date of financial position to the date of authorised to the financial position.

Except as disclosed in note # 2.4, 3.25 and 3.30.



RING SHINE TEXTILES LIMITED
SCHEDULE OF FIXED ASSETS
AS AT JUNE 30, 2020

Annexure-A

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30-06-2020
	Balance as on 1st July 2019	Addition during the Year	Balance as on 30th June 2020		Balance as on 1st July 2019	Charge during the Year	Balance as on 30th June 2020	
Lesasehold Land Development	118,274,780	-	118,274,780	3.33%	44,045,212	3,938,550	47,983,762	70,291,018
Building	4,593,403,768	101,023,189	4,694,426,957	5%	1,593,885,250	152,501,506	1,746,386,756	2,948,040,201
Plant & Machinery	6,522,713,405	21,542,145	6,544,255,550	10%	3,797,605,268	273,587,921	4,071,193,189	2,473,062,361
Transport & Vehicles	63,564,007		63,564,007	10%	44,458,767	1,910,524	46,369,291	17,194,716
Office Equipment	26,924,675	10,521,245	37,445,920	10%	19,456,351	1,272,895	20,729,246	16,716,674
Furniture & Fixtures	14,718,886		14,718,886	20%	11,958,786	552,020	12,510,806	2,208,080
Electrical equipment	108,743,536	7,936,610	116,680,146	10%	78,538,768	3,417,307	81,956,075	34,724,071
Telephone Line Installation	2,185,666	-	2,185,666	10%	1,252,537	93,313	1,345,850	839,816
Gas Line Installation	38,994,105	-	38,994,105	15%	23,044,121	2,392,498	25,436,619	13,557,486
Electrical Line Installation	84,180,978	-	84,180,978	10%	31,984,183	5,219,679	37,203,862	46,977,116
Water Line & Tank	42,599,327	-	42,599,327	10%	21,017,977	2,158,135	23,176,112	19,423,215
Fire Extinguisher	11,757,347	-	11,757,347	20%	6,827,971	985,875	7,813,846	3,943,501
Lab Equipment	26,188,824	-	26,188,824	20%	21,070,799	1,023,605	22,094,404	4,094,420
For the year ended 30-06-2020	11,654,249,304	141,023,189	11,795,272,493		5,695,145,990	449,053,828	6,144,199,818	5,651,072,675
For the year ended 30-06-2019	11,300,468,228	353,781,076	11,654,249,304		5,232,799,030	462,346,960	5,695,145,990	5,959,103,314

Allocation of depreciation

Manufacturing overhead	99.00%	444,563,290
Administrative Expenses	0.60%	2,694,323
Distribution & Selling Expenses	0.40%	1,796,215
	100.00%	449,053,828



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