

Annual Report 2020-2021



Ring Shine Textiles Ltd.

ACRYLIC YARN - FANCY YARN - COTTON YARN
POLAR FLEECE - MICRO FLEECE - KNIT FABRICS

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LETTER OF TRANSMITTAL

May 20, 2023

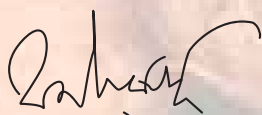
All Shareholders,
Bangladesh Securities and Exchange Commission (BSEC)
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited and
Register of Joint Stock Companies and Firms

Subject: Annual Report for the financial year ended June 30, 2021.

Dear Sir(s),

We forward herewith the Annual Report 2020-2021 which includes the Audited Financial Statements for the year ended on June 30, 2021 of Ring Shine Textiles Limited and its subsidiary companies. This report also contains all documents, regulatory requirements, Directors' Report and other information is essential for all the stakeholders.

Sincerely yours,



Auniruddho P. Chowdhury
Company Secretary

Ring Shine Textiles Limited

House # 05, Road # 06, Block # K, Baridhara Model Town Gulshan, Dhaka-1212, Bangladesh

Tel: +88 02 9885580, 8855808, Fax: +88 02 8811328,

E-mail: info@ringshine.com, fabric@ringshine.com, yarn@ringshine.com, www.ringshine.com

Notice of the 24th Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of Ring Shine Textiles Limited will be held on June 20, 2023, Tuesday at 11:30 am through Digital Platform at the link <https://ringshine24th.digitalagmbd.net> To transact the following business;

- ❖ To consider and adopt the Audited Financial Statements of the Company for the year ended on June 30, 2021 together with the reports of Directors and the Auditors thereon.
- ❖ To declare dividend as recommended by the Board of Directors.
- ❖ To elect/ appoint Director/Independent Directors of the Company.
- ❖ To appoint External Auditor of the Company to audit the Financial Statements for the year 2021-2022 and fix their remuneration.
- ❖ To appoint/confirm Independent Director.

Date: 23.05.2023



For and on behalf of the Board
Auniruddho P. Chowdhury
Company Secretary

Notes:

- ❖ Annual Report-2020-21 is available in the Company Website.
- ❖ Record date is May 10, 2023. The shareholders whose names would appear in the Register as members of the Company on the Record Date will be entitled for Dividend and eligible to attend and vote at the 24th AGM.
- ❖ A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf. Proxy form must be affixed with requisite revenue stamp and must be submitted at the Head office of the Company not later than 48 hours before the time fixed for the meeting.
- ❖ Shareholders are requested to update their BO account with ETIN in their respective Brokerage House to avoid deduction of Tax @ 15% instead of 10% for individual as per section 54 of the amended income Tax Ordinance 1984.

CORPORATE DIRECTORY



Audit Committee

01. Dr. Md. Foroz Ali (Independent Director), Chairman
02. Prof Dr. Mohammad Sogir Hossain Khandoker (Independent Director)
03. Dr. Mohammad Moniruzzaman (Independent Director)
04. Enamul Haque Khan (Company Secretary), Secretary



Nomination and Remuneration Committee

01. Prof Dr. Mohammed Mizanur Rahman (Independent Director), Chairman
02. Eng. Adur Razzak (Independent Director)
03. Sung Jye Min (Director)
04. Enamul Haque Khan (Company Secretary), Secretary



Compliance and Progress Committee

01. Dr. Mohammad Moniruzzaman, FCA, ACMA, AFHEA (Independent Director), Convenor
02. Prof. Dr. Mohammed Mizanur Rahman (Independent Director)
03. Prof. Dr. Mohammad Sogir Hossain Khandoker (Independent Director)
04. Eng. Abdur Razzak (Independent Director)
05. Enamul Haque Khan (Company Secretary), Secretary

Company Secretary, CFO and HIAC

01. Enamul Haque Khan (Company Secretary)
02. Md. Muzahidul Islam FCMA (CFO)
03. Nakib Sabbir Hossain (HIAC)

Management Committee

01. Sung Wey Min (Managing Director)
02. Sung Wen Li Angela (Executive Director)
03. Enamul Haque Khan (Company Secretary)
04. Md. Muzahidul Islam FCMA (CFO)
05. Nakib Sabbir Hossain (HIAC)
06. Md. Yousuf Ali Howlader (GM- Fabric).
07. Md. Faruk Hossain (GM- Yarn).
08. Md Tofayel Ahmed Tanu (Sr. Manager- HR/Admin)
09. Delowar Hossain (Sr.Manager-Accounts & Finance)

Statutory Auditors

Kazi Zahir Khan & Co.
Home Town Apartments (Flat-C, Level-15)
87, New Eskaton Road, Dhaka-1000
Tel:02-48319757, Mobile: 01713013955
e-mail:kzkc48@gmail.com, kzkc_bd@yahoo.com

OUR VISION

Our conception of business germinated from our vision which sees it as a means to the well-being of the investors, employees, customers, other stakeholders, and finally the society at large by creating new wealth in the form of goods and services that go to satisfy the wants of all of them without distributing or damaging the socio-ecological balance of the mother earth and the process of human civilization leading to peaceful Co-existence of all the living beings.

OUR MISSION

Our Mission for the wellbeing of all the stakeholders by producing and delivering high quality yarn and fabric for making comfortable, durable, stylish outfits for men & women on ethical and moral standards at a minimum cost to the society ensuring optimum benefits to the consumers, the shareholders and other stakeholders.

OUR SPIRIT

We undertake our quest with the enthusiasm of entrepreneurs, excited by the constantly search for innovation. We value performance achieved with integrity. We attain success as world-class leader with each and every one of our people contributing with passion and an unmatched senses of urgency.

OUR OBJECTIVES

To promote the use of scientific knowledge in textiles, from fibers to garments.

To satisfy and meet customer's expectation by developing and providing products and services on time, which offer value in terms of Quality, Price, Safety & Environmental impact.

To promote the development and best use of human talent & equal opportunity employment.

To procure the most advanced & sophisticated technology suitable for producing desired product.

To attain highest level of competence through continuous development of the professional management system and to ensure complete transparency in all aspects of business.

OUR STRATEGIES

Our strategy is to build long term partnership with the customers. With their support, we aim to maximize the potential of our business through a combination of enhanced quality of product and service, curative marketing, competitive pricing and cost efficiency. We always are striving for delivering value beyond customers' expectation.

THE COMPANY AT A GLANCE

Ring Shine Textiles Ltd. is a public company limited by shares. The Company was incorporated in Bangladesh on 28 December 1997 vide registration No. C-34597(1343)/97 as a private company limited by shares under the Companies Act, 1994. The company converted to public limited company on 8th June, 2017. As a listed company, equity securities of the Company being quoted in the Dhaka Stock Exchange and Chittagong Stock Exchange from 12 December 2019.

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.

Ring Shine Textiles Limited started its commercial operation in Dhaka Export Processing Zone in August 1998. Since its inception, Ring Shine Textiles Limited has been growing steadily in every aspects of its business operation. RSTL now the name of a trusted business partner to its customers as well as to its suppliers by employing value driven management approach within the organization. To diversify its operation and capitalize on the reputation it has earned, RSTL is going to expand its operation by raising capital through initial public offering (IPO).

The Principal activity of this Company is engaged in Spinning of Acrylic based yarn, manufacturing and marketing of gray and finished fleece fabrics of various qualities and different types and qualities of Dyed yarn to 100% export oriented Garment industry in Bangladesh.

In accomplishing the decision of the Board of the directors, Managing Director oversee day to day's activities to run the company efficiently and to achieve the goal of maximizing wealth of the company for the well-being of shareholders, society at large.

Bangladesh has huge potential global market opportunities to market its product. A diverse team of professionals involved in developing new products in implementing Company's marketing strategies to retain existing customers and creating new customer base for its products by innovative ideas. A group of highly skilled marketing personnel handles the whole marketing system of the company.

VARIOUS EVENTS



VARIOUS EVENTS



MESSAGE FROM THE CHAIRMAN



Dear Shareholders, Colleagues, Ladies and Gentleman

On Behalf of the Board of Directors of the Company, it is my pleasure to present you the Directors' Reports together with the Financial Statements and Auditors' Report thereon for the year ended on 30 June 2021 in this 24th Annual General Meeting of Ring Shine Textiles Ltd.

It is also my great honor to introduce you the Reconstituted Board of Directors which is formed on 7 February 2021 of 12 (twelve) members, including 7 (seven) Independent Directors and 5 (five) Shareholding Directors. We are indeed privileged to have 7 (seven) renowned highly experienced professionals from academic, financial and corporate fields in our Board.

As the Reconstituted Board Chairman, on behalf of the Board, we endeavor to contribute in setting up strategic initiatives to secure the quality of the company's growth, implementation of supervisory functions and duties in overseeing the commitment to improve the quality of corporate governance and monitoring of the formulation of the Company's business prospects.

I would like to express my sincere thanks to our respected shareholders for extending continuous support and confidence on the Board of Directors of the Company. I would also like to place on record my appreciation of thanks to our bankers and financial institutions, BEPZA, BSEC, DSE, CSE, RJSC, Suppliers, Customers and other stakeholders with whom we have been interacted in course of business for their continuous support throughout these challenging times. The success we have achieved so far was only possible because of the collective efforts of all concerned. Once again, I convey my heartiest thanks to all our stakeholders and look forward your continued support and co-operation in future.

Finally, my gratitude goes out to each and every loyal staff and management team member of the Company for their efforts despite adverse external factors, to sustain high service levels and support to the Company with their hard work, dedication and loyalty.

Thanking you all with wishes of healthy and prosperous life.

A handwritten signature in black ink, appearing to read 'Mejbah Uddin', written in a cursive style.

Mejbah Uddin

Chairman

Ring Shine Textiles Ltd.

MESSAGE FROM THE MANAGING DIRECTOR



Dear Shareholders, Colleagues, Ladies and Gentlemen

It is my pleasure to humbly present the Annual Report before you for the financial year ended on 30 June 2021 at the 24th Annual General Meeting.

In the year ended 30 June 2021, the operating results has declined significantly which is explained in this Annual Report. The Company's sales and profitability have decreased due to the overall impact of the global pandemic, decline in order demand and increase in production cost. Details are given in this Annual Report. I summarize herewith our business outcome for year ended 30 June 2021 where Sales were Tk.90.81 Crore; Gross Profit/(Loss) stood at Tk.(69.05) Crore and Net Profit/(Loss) Tk.(88.67) Crore.

The negative operational performance is primarily due to insufficient order demand impacted by the economic downturn from the worldwide Covid-19 pandemic. As such, the Company has taken measures to declare layoff from 15 April 2020 to 13 June 2020, and 26 September 2020 to 12 June 2021 and restructure its existing labor to address the excess manpower.

Going into 2021-22, we are hopeful that the Company can achieve better financial and operational performance after succeeded in overcoming the difficult times in the past year, with the support and enthusiasm in the work place by its employees and every levels of management.

We are grateful to the Board of Directors for their trust, and to the shareholders, the creditors, the customers and the business associates for their support. We express our appreciation to the employees for their commitment and dedication.

We thank and express our appreciation to the Board of Directors, the management and all employees for carrying out their work and duties during the difficult times in 2020-21 and to our shareholders, creditors, customers and partners for their support and trust.

A handwritten signature in black ink, appearing to read 'Sung Wey Min'.

Sung Wey Min
Managing Director
Ring Shine Textiles Ltd

DIRECTORS' PROFILES



Mr. Mejbah Uddin
Chairman

Mr. Mejbah Uddin has taken over the position of the Chairman of Ring Shine Textile Ltd on 7th February 2021. The Chairman was born on 1st June, 1961 in a reputed muslim family. He joined Bangladesh Police as an Assistant Superintendent of Police in the 8th BCS securing 2nd position in the Bangladesh Public Service Commission merit List. He obtained his M.Sc. in Railway Engineering from Moscow Railway Institute with 1st Division Marks.

In his professional endeavor, he served in various capacities and responsibilities of Bangladesh Police. He worked as ASP (Sardah, Khagrachari, Noakhali, Jhenaidah), Addl SP (Faridpur, Noakhali), SP (Sherpur, SB, Bagerhat, Lalmonirhat, KMP), Addl DIG (RAB), DIG (Khulna Range, Police Head Quarters, NSI), Addl IG (NSI).

In his distinguished professional career, he has been adorned with too many highest awards of Bangladesh Police, in Recognition of his gallantry and exceptional services in controlling crime. Currently he is appointed (contractually) serving as Chief Disciplinary Officer (CDO) at Dhaka WASA since Feb/2021.

Mr. Sung Wey Min
Managing Director

Sung Wey Min is a visionary entrepreneur investor and philanthropist. He is vastly experienced in the textile and dyeing sector. He is an Indonesian national with dynamic leadership quality. Under the leadership of Sung Wey Min, Ring Shine Textiles Limited enjoyed huge business growth. Mr. Min's innovative business idea and ability to respond promptly to the contemporary changes in modern era's fashion and tastes are the keys to the success of Ring Shine Textiles Limited. He is energetic and dynamic.



Mr. Sung Jye Min
Director

Mr. Sung Jye Min is a Singapore national. He is vastly experienced in Textile Industry and Leading RSTL with his innovative idea. He is well-reputed Businessman and highly qualified professional with proven record of success in marketing and project management. He visited many countries in connection with business and has gathered sufficient knowledge required to run a business smoothly and profitably.

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Ms. Sung Wen Li Angela

Executive Director

Ms. Sung Wen Li Angela is an Indonesian national. After completion of Graduation she has been working in Ring Shine Textiles Limited for many years. During the period, she gained business techniques in Yarn Dyeing, Spinning & Garments.

Professor Dr. Mohammed Mizanur Rahman

Independent Director &
Chairman of NRC

Professor Mohammed Mizanur Rahman, PH.D has been associated as an Independent Director of Social Islami Bank Limited since long. He completed his BSE & MSE in Applied Chemistry and Chemical Engineering from the University of Dhaka in the year-1995 and 1996 respectively. Having an immense knowledge and experience in diversified fields, he discharged his responsibilities as a Member and CEO (from July 2015 to date) of different Institutions under Ministry of Textile and Jute. He is serving as standing committee and project implementation of the Skill for Employment investment project (SEIP-BTMA) from July 2015 to continue financed by ADB and Ministry of Finance Govt. Dr. Rahman is a member of the National Science and Technology fellowship Committee since January 2014 under the Ministry of Science and Technology GoB. He also augmented his qualifications from the different International Universities of Japan and Germany. He is vastly known Professor of Department of Applied Chemistry and Chemical Engineering, University of Dhaka. He is also discharging his duty as a Syndicate Member and Academic Council Member of the University of Dhaka, Member of the Governing body of the Enam Medical College, Savar, Dhaka and Shymoli Textile Engineering College.



Dr. Rahman is a Gold Medalist Recipient in Physical Science awarded by the Bangladesh Academy of Science in the year of 2009 and Young Scientist Award Winner of Third World Academy of Science (TWAS), Trieste, Italy. He is also awarded with, Primary Scholarship Award of Ministry of Education, Bangladesh, Younger Researcher Award-2005, Kumamoto University, Dr. Rahman is Japan Society for the promotion of Science (JSPS), Japan and Alexander von Humboldt (Germany) fellow these are the two prestigious fellowships in the World. He is also discharging his responsibilities as a member of the Executive Committee (EC) of the Bank. He is also an Independent Director of SIBL Securities Ltd. (a subsidiary company of the bank).



Professor Dr. Mohammad Sogir Hossain Khandoker
Independent Director

Mohammad Sogir Hossain Khandoker, PhD is one of the foremost illustrious Professor of Finance at the Jagannath University, Dhaka, Bangladesh. As an erudite scholar, he, in his credit, has over 25 high quality research works including research books, journal articles, and thought-provoking papers for national and international conferences on financial institutions (specially on Stock Market) and Accounting issues.

Dr. Sogir Khandoker was the Chairman of Business Studies Group, National University and the Director (EMBA program) of Department of Finance, Jagannath University.

Dr. Sogir Khandoker has participated in numerous seminars, training and conferences in different developed and developing countries, like, USA, UK, Japan, India and Bangladesh. He has worked remarkably as a study team

leader/member in the studies with UNICEF, USAID, Police Staff College and WaterAid.

Some milestone publications (including conference papers) of Dr. Sogir Khandoker on Stock Market and Financial Institutions issues are –

- o The Effects of Behavioral Factors on Individual Investors' Decision Making: An Empirical Study on Dhaka Stock Exchange; Dhaka University Journal of Business Studies, Vol 39, No. 2, August 2018.
- o Stock Market Trade Timing in Managing Implementation Shortfall; The Management Accountant, The Institute of Cost Accountants of India, Vol 53, No. 4, April 2018, Pages 76-84.
- o Dynamics of Earnings, Dividends, and Stock Prices: A Study on Dhaka Stock Exchange; Dhaka University Journal of Business Studies, Vol. XXXVIII, No. 3, December 2017.
- o Hidden Cost of Trading and Portfolio Performance: A Short Note on Implementation Shortfall; Journal of Investing, Institutional Investor LLC, New York, Vol 27, No. 3, Fall 2018.
- o Implementation Shortfall in Transaction Cost Analysis: A Further Extension, Journal of Trading, Institutional Investor LLC, New York, Vol 12, No. 1, Winter 2017, Pages 5-21.

Dr. Sogir Khandoker also attended a Conference on 'Big Data and Machine Learning in Econometrics, Finance, and Statistics'. The conference was held at the University of Chicago from October 3 to October 5, 2019 and organized by Stevanovich Center for Financial Mathematics at the University of Chicago, Chicago, United States of America.

Dr. Sogir Khandoker completed his B. Com (Hons) and M. Com (Finance) from Department of Finance, University of Dhaka. He completed his PhD in Business Administration from Assam University, India under the supervision of Dr. Ranjit Singh. His PhD title was 'Performance Appraisal of Stock Trade using Transaction Cost Analysis: A Study on S & P 500'. In the PhD, his research field mainly deals with the US stock market. In his research one of his findings is that sophisticated investors, mutual fund managers, and hedge fund managers, who have superior analytical ability in stock selection and follow optimal asset allocation techniques, also must pay close attention to IS (Implementation Shortfall) which is pertinent especially for short-term traders (or day traders) and dynamic traders because these traders engage in trading quite frequently in a short period of time. The study can be highly useful for the small traders of the US market. The trader in developing country like India, Japan, China, and Bangladesh can also take advantage from the study.

He is the Independent Director of Ring Shine Textiles Limited and the Chairman & Independent Director of Imam Button Industries Limited.

Dr Sogir started his teaching career in University of Chittagong, Chattogram, in 1998 as Lecturer and now Chairman and Professor at Department of Finance, Jagannath University, Dhaka.



Dr. Mohammad Moniruzzaman, FCA, ACMA, AFHEA, PhD
Independent Director

Dr. Mohammad Moniruzzaman is an Associate Professor of Accounting in the Department of Accounting & Information Systems, University of Dhaka. He has earned his PhD from the University of Essex, UK. The title of his thesis is "Enterprise Risk Management (ERM) in the Banking Sector: Evidence from Bangladesh". Before that, he completed the BBA and MBA degrees from the same department. Mr Moniruzzaman is a chartered accountant and a cost and management accountant. Besides, he is an associate fellow of the Higher Education Academy of the UK, which is an international recognition of a commitment to professionalism in teaching and learning in higher education. Mr Moniruzzaman has presented several research papers at various UK conferences and is experienced in teaching both home and abroad. He is also a trainer at the DSE Training Academy, Bangladesh Petroleum Institute,

Teachers Training Program under the National University. Moreover, being a professional accountant, Mr Moniruzzaman has practical experience for more than 12 years in audit, advisory, tax, secretarial affairs, management consultancy, IPO consultancy, project consultancy, ERP consultancy, business takeover, outsourcing and many more. His research interest focuses on enterprise risk management, financial regulation, organizational change, management control and corporate governance. He has published articles in both national and international journals.

Dr. Md. Foroz Ali

Independent Director &
Chairman of Audit Committee

Dr. Md. Foroz Ali is one of the Independent Directors of Ring Shine Textiles Ltd., authorized by Bangladesh Securities & Exchange Commission since 2021. Dr. Ali son of Late Reazuddin Sarker and Late Halima Khatun was born on 01 January, 1958 in the district of Sirajganj. He obtained BA (Hons) MA in English Literature from the University of Rajshahi, MBA in Management (HRM) from the University of Dhaka, LLB from Prime University and PhD from Preston University (United States). He is also awarded professional diploma, DAIBB (Diplomaed Associate, Institute of Bankers Bangladesh) & PGDCM (Post Graduate Diploma in Capital Market). Dr. Ali started his career in Banking and retired as Deputy managing Director from a state owned Commercial Bank. Later on, he was a Director in the board of Agrani Bank Ltd and Chairman in the board of Familytex BD Ltd., a listed company in the capital market. Presently, he is a Director of a full-fledged foreign owned Merchant Bank, CBC Capital & Equity Management Ltd and an Advisor of a reputed group of companies in the Textile Sector. While he was the Director of Agrani Bank Ltd. the Ministry of Finance (Banking Division) hired his expertise for reviewing The Bank Company Act-1991 and was assigned for structuring "Somobay Bank Ain-2020" by the Law Commission. He is a heroic freedom fighter, trained in India and took part in the liberation war of Bangladesh. For his heroic deed and contribution in banking sector, he is awarded Victory Day Sonmannonna-2017, Indira Gandhi Sonmannonna-2017 and Bir Srestro Motiur Rahman Srity Sonmannonna-2020.





Eng. Abdul Razzak

Independent Director

Eng. Abdul Razzak is one of the Independent Directors of Ring Shine Textiles Ltd., authorized by Bangladesh Securities & Exchange Commission since 2021.

He obtained B.Sc & M.Sc Engineering from Mosco Power Engineering Institute securing First class in the both academic Degrees. He is also awarded many professional Tanning Courses. For 20 years he worked as Chief Executive Officer in two multinational companies, BSI Inspectorate, a UK based company and Cotecna Inspector S.A. Switzerland. Presently he is working as Principal Officer at Human Development Research Centre (HDRC)



Mr. Auniruddho P. Chowdhury

Company Secretary

Mr. Chowdhury is the Head of HR-Admin, Operations & Company Secretary at Ring Shine Textiles Ltd. Besides being the secretary to the Board, Board Audit Committee, Board Compliance Committee, Board Nomination and Remuneration Committee Mr. Chowdhury also acts as secretary to the Board Executive Committee. Mr. Chowdhury has 11 years of experience in Textiles, legal services & company matters. Mr. Chowdhury has expertise in Bank and Financial Institution laws, Company and Commercial Matters, Security Exchange Commission and Stock Exchange Laws, Property & Land Law, Foreign Exchange laws, Cross-border transactions, IP Laws, Arbitration and Mediation matters, etc.

Before joining Ring Shine Textiles Ltd. Mr. Chowdhury worked as Adviser (Head of Legal Affairs and Recovery) at Minister-MyOne Group. Mr. Chowdhury also lead Chowdhury Garments Ltd. as CEO. Among others, Mr. Chowdhury completed his bachelor degree in Law from United Kingdom. He has completed his LLM from Bangladesh University of Professionals with remarkable marks. Mr. Chowdhury is an accredited commercial mediator.

DIRECTORS' REPORT to the Shareholders

Year Ended June 30, 2021

The Board of Directors of the Company is pleased to present its Report for the financial year ended 30 June, 2021 before the honorable Shareholders.

The Directors' Report is presented in accordance with the provision of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Rules 2020, Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission and International Accounting Standard-1 as adopted by The Financial Reporting Council, Bangladesh.

COMPANY'S OPERATIONS

Ring Shine Textiles Ltd is one of the long established textile manufacturers in operation for 23 years, producing worsted spun Acrylic and Acrylic Wool blended yarns and supplies dyed yarns composing of Acrylic, Cotton, Viscose, Nylon, Cotton blends, Wool blends, Polyester blends, as well as, various Fancy Yarns and Space-Dyed yarns for 100% export oriented sweater manufacturing industry.

The company also manufactures and supplies dyed knit fabrics, such as, Polar Fleece, Micro Fleece, CVC/TC/Cotton Fleece, Terry Fabric, Single Jersey, Interlock Fabrics with peached, brushed, anti-piling and functional finishing to the ready-made-garments textile industry.

In addition to the comprehensive range of yarn and fabric, the company also supplies sustainable and eco-friendly products, namely, BCI, Organic, Re-cycle (Cotton and Polyester) etc. which have higher value-added export value.

CAPACITY/PRODUCTION

Product Capacity Installed		in Kg
Product	2020-21	2019-20
# working days	254	251
Dyed Yarn	17,780,000	17,570,000
Dyed Fabric	8,890,000	8,785,000
Total	26,670,000	26,355,000

Actual Production		in Kg
Product	2020-21	2019-20
Dyed Yarn	1,591,717	8,012,868
Dyed Fabric	1,142,666	4,575,199
Total	2,734,383	12,588,067

Capacity Utilization		in %
Product	2020-21	2019-20
Dyed Yarn	8.95%	45.61%
Dyed Fabric	12.85%	52.08%
Average	10.25%	47.76%

COST OF PRODUCTION

The cost of production has increased compared to prior year primarily due to inefficiencies in energy, power and fixed overhead costs, impacted by the decline in sales orders and under-utilization of production capacity.

The level of costs and their incidence are given below:

		in Ton
Particulars	2020-21	2019-20
Yarn Production	1,592	8,013
Fabric Production	1,143	4,575
Total Production	2,734	12,588

Cost of Major Items		in Tk. '000
Particulars	2020-21	2019-20
Raw Material	593,522	4,909,242
Utilities	219,677	363,070
Depreciation	262,839	444,563
Other Overhead	534,541	536,823.49
Total Cost	1,610,579	6,253,698

Unit Cost/Kg.		in Tk.
Particulars	2020-21	2019-20
Raw Material	217.06	389.99
Utilities	80.34	28.84
Depreciation	96.12	35.32
Other Overhead	195.49	42.65
Total Unit Cost	589.01	496.80
Raw Material Cost % of Total Cost	36.85%	78.50%

Ring Shine Textiles Limited 2020-2021

The above figures reveals that the total unit cost increased by 18.56% in year 2020-21 over year 2019-20 despite the decrease in raw material cost per unit by 44.34% because unit cost has increased for utilities cost by 178.57%, depreciation by 172.14% and other overhead cost by 358.36% due to insufficient orders in 2020-21.

MARKETING OPERATIONS

Sales quantity decreased by 81.33% and sales revenue decreased by 85.77% in year 2020-21 in comparison to year 2019-20, as depicted below:

Quantity Sold		in Kg. '000
Particulars	2020-21	2019-20
Yarn Export	1,475	8,588
Fabric Export	990	4,619
Total Export	2,466	13,206

Sales Revenue		in Tk. '000
Product	2020-21	2019-20
Yarn Export	569,187	4,675,419
Fabric Export	338,897	1,705,216
Total Export	908,084	6,380,635

Unit Selling Prices Attained

The selling prices (Taka/kg) have changed over the years, as shown below:

Unit Selling Prices Attained		in Tk./Kg
Product	2020-21	2019-20
Yarn Export	386	544
Fabric Export	342	369
Average	368	483

As indicated above, selling price decreased by 23.77% in year 2020-21 compared to year 2019-20 due to sales incline for conventional yarn with lower price value.

CAPITAL EXPENDITURES

During the financial year of 2020-21, the Company made no investment.

LOANS AND GUARANTEES

Details of loans granted and guarantees given during the year under review are depicted in Note No. 5 and 20.

RELATED PARTY TRANSACTION

Ring Shine Textiles Ltd has not engaged in any related party transactions for the year 2020-21.

FOREIGN EXCHANGE GAIN/LOSS

The Company has incurred Loss in Foreign Exchange amounting to Tk.4.221 million in the year 2020-21.

Exchange Gain/(Loss)		in Tk. '000
Product	2020-21	2019-20
Exchange Gain/(Loss)	4,221	0

FINANCIAL RESULTS

The Company's operating financial results, as compared to the previous year are summarized below:

			in Tk.
Particulars	2020-21	2019-20	↑↓ in %
Sales Revenue	908,083,726	6,380,635,155	-85.77% ↓
Cost of Goods Sold	(1,598,565,593)	(5,813,831,017)	-72.50% ↓
Gross Profit	(690,481,867)	566,804,138	-221.82% ↓
Administrative Expenses	(94,950,081)	(129,394,754)	-26.62% ↓
Selling & Dist. Expenses	(8,989,055)	(4,607,942)	95.08% ↑
Operating Income	(794,421,003)	432,801,442	-283.55% ↓
Financial Expenses	(283,570,001)	(283,347,812)	0.08% ↑
Non-Operating Income	22,813,389	11,636,053	96.06% ↑
Profit Before Tax	(1,055,177,615)	161,089,683	-755.02% ↓
Provision for Tax (Current)	(10,399,661)	(24,177,537)	-56.99% ↓
Deferred Tax (Expenses)/Income	178,917,653	(2,313,086)	7835.02% ↑
Profit After Tax	(886,659,623)	134,599,060	-758.74% ↓
Gross Profit Margin	-76.04%	8.88%	-955.97% ↓
Net Profit Margin	-97.64%	2.11%	-4728.63% ↓
Earnings Per Share (EPS)	(1.75)	0.29	-705.06% ↓

Ring Shine Textiles Limited 2020-2021

The Sales Revenue decreased by 85.77% along with Gross Profit and Profit After Tax by 221.82% and 758.74% respectively during the year 2020-21 in comparison with previous year. Gross Profit Margin and Net Profit Margin decreased by 955.97% and 4,728.63% respectively.

SIGNIFICANT DEVIATION

During the global Covid pandemic outbreak, the factory was in layoff from 15 April 2020 to 12 June 2021 due to insufficient orders. Besides, assets and liabilities have been restated. As such, Net Asset Value per share (NAV), Earnings per share (EPS) are all negative due to the losses in non-operation.

The figures for the year ended on 30 June 2020 were restated due to the misstatement of assets and liabilities.

DIVIDEND

As the Company is incurring loss, the Board of Directors has decided no Cash and Stock Dividend shall be recommended.

Similarly, due to the incurring loss, the 1% Stock Dividend declared for year 2019-20 which has not been approved in the 23rd Annual General Meeting is being held in the current year 2020-21 by decision taken in the Board of Directors' meeting.

RISK & CONCERN

The Covid-19 pandemic in 2020 has caused global and domestic economic slowdown. The extent of such impact will depend on certain future development which cannot be predicted at this moment, including the duration of the spread of the outbreak, economic and social measures that are being taken by the government authorities to eradicate Covid-19 thread. The management is closely monitoring the Company's operation, liquidity and resources, and is actively working to minimize the current and future impact of this unprecedented situation. The financial statements do not include any adjustment that might result from the outcome of the aforementioned uncertainty.

MANAGEMENT'S DISCUSSION & ANALYSIS

A Management's Discussion and Analysis signed by the Managing Director and presenting a detailed analysis of the company's position and operations, along with a brief discussion of changes in the financial statements and other requirements of the Corporate Governance Code, is disclosed in Annexure-II of this report.

APPOINTMENT OF STATUTORY AUDITORS

Kazi Zahir Khan & Co. Chartered Accountants at this Annual General Meeting is on completion of 1 (one) year, and being eligible, offered themselves for re-appointment as Statutory Auditor.

The Board of Directors has confirmed their re-appointment.

APPOINTMENT OF COMPLIANCE AUDITORS

MAK & Co. at this Annual General Meeting is on completion of 1 (one) year, and being eligible, offered themselves for reappointment as Compliance Auditor of the Company for the year 2021-22.

The Board of Directors has confirmed their re-appointment.

DIRECTORS' DECLARATION ON THE FINANCIAL STATEMENTS

As part of corporate good governance, the Board is accountable for providing a true and fair view of the company's financial performance and status. To that end, the Directors affirm to the best of their knowledge that:

- ☑ The Financial Statements of the Company present a true and fair view of the Company's state of affairs, a result of its operation, cash flows and changes in equity.
- ☑ Proper books of accounts as required by the prevailing laws have been maintained.
- ☑ Appropriate accounting policies have been constantly applied in the preparation of the financial statements and the accounting estimates basis are on reasonable and prudent.
- ☑ The financial statements were prepared in accordance with IAS/IFRS as applicable in Bangladesh.
- ☑ The internal control system is sound in design and is effectively implemented and monitored.
- ☑ There is no significant doubt about the company's ability to continue as a going concern.
- ☑ There is no significant deviation from the operating result of the last year.

MANAGEMENT APPRECIATION

The Board of Directors records with deep appreciation for the performance of the management, officers, staff and workers whose relentless efforts helped to increase productivity as well as the turnover despite the natural and unnatural adverse factors of production and marketing throughout the country and the world. It is expected the employees and management will continue to improve the results in the interest of shareholders, whose unswerving trust in management has always been an inspiration to the Board of Directors.

The Directors humbly express their gratitude and acknowledge with keen interest the cooperation and unflinching support they have received from various agencies, including the Bangladesh Securities and Exchange Commission, the Stock Exchanges, Bangladesh Export Processing Zones Authority, Bank/Financial Institutions and other agencies of the public and private sector. We look forward to a brighter future for all of us.



Mejbah Uddin
Chairman

THE DIRECTORS ALSO REPORT THAT:**Board of Directors**

The Reconstituted Board of Directors is formed on 7 February 2021 consisting of 12 (twelve) members, including 7 (seven) Independent Directors and 5 (five) Shareholding Directors.

With the resignation of Mr. Istak Ahmmed Shimul, Independent Director, on 25 May 2021, the Board of Directors thereafter consists of 11 (eleven) members, including 6 (six) Independent Directors and 5 (five) Shareholding Directors.

During the year 2020-21, 26 (twenty six) Board of Directors Meetings were held.

The Board Structure and Attendance of Directors were as follows:

SL	Member Name	Position	Total Attended
1	Mr. Mejbah Uddin	Chairman, Independent Director	26
2	Mr. Sung Wey Min	Managing Director	26
3	Ms. Sung Wen Li Angela	Executive Director	26
4	Mr. Sung Jye Min	Shareholder Director	0
5	Mr. Sung Chung Yao	Shareholder Director	0
6	Mdm. Sheao Yen Shin	Shareholder Director	0
7	Prof. Dr. Mohammed Mizanur Rahman	Independent Director	26
8	Prof. Dr. Mohammad Sogir Hossain Khandoker	Independent Director	24
9	Dr. Mohammad Moniruzzaman	Independent Director	26
10	Dr. Md. Foroz Ali	Independent Director	26
11	Mr. Istak Ahmmed Shimul	Independent Director	19
12	Eng. Abdur Razzak	Independent Director	26

Audit Committee

The Reconstituted Board of Directors has formed the Audit Committee on 7 February 2021 consisting of 4 (four) Independent Directors as members.

With the resignation of Mr. Istak Ahmmed Shimul, Independent Director, on 25 May 2021, the Audit Committee thereafter consists of 3 (three) Independent Directors as members.

During the year 2020-21, 1 (one) Audit Committee Meetings was held.

The Committee Structure and the Attendance of Directors were as follows:

SL	Member Name	Position	Total Attended
1	Dr. Md. Foroz Ali	Chairman, Independent Director	1
2	Dr. Mohammad Moniruzzaman	Independent Director	1
3	Prof. Dr. Mohammad Sogir Hossain Khandoker	Independent Director	1
4	Mr. Istak Ahmmed Shimul	Independent Director	1

Ring Shine Textiles Limited 2020-2021

o Pattern and Number of Shareholdings as on 30 June 2021

The pattern of shareholding as on 30 June 2021 are as follows:

Shareholding Range	No. of Shareholders	Shares Held	Holding %
1-499	12,235	1,163,565	0.23 %
500-5,000	29,952	28,767,976	5.75 %
5,001-10,000	1,513	12,436,989	2.49 %
10,001-20,000	1,131	17,547,774	3.51 %
20,001-30,000	468	12,010,521	2.40 %
30,001-40,000	257	9,179,730	1.83 %
40,001-50,000	265	12,521,243	2.50 %
50,001-100,000	393	30,543,556	6.10 %
100,001-1,000,000	364	93,598,128	18.71 %
1,000,001-Above	38	282,543,561	56.47 %
Total	46,616	500,313,043	100.00 %

Shareholding Pattern			
SL	BO Type	Shares Held	Holding %
1	Sponsor Directors	106,686,246	21.32 %
2	Government	0	0.00 %
3	Institutes	90,768,558	18.41 %
4	Foreigners	34,118,120	6.82 %
5	Public	268,740,119	53.72 %
	Total	500,313,043	100.00 %

SL	Name of Shareholders	Position	Shares Held	Holding %
1	Parent/Subsidiary/Associated Companies and other related parties	No such Holding		
2	Directors, CEO, CS, CFO, HIAC and their spouses and minor children			
	Mr. Sung Wey Min	Managing Director	21,380,397	4.27 %
	Ms. Sung Wen Li Angela	Executive Director	17,179,217	3.43 %
	Mr. Sung Jye Min	Sponsor Director	17,127,812	3.42 %
	Mdm. Hang Siew Lai	Sponsor Director	17,008,500	3.40 %
	Mr. Sung Chung Yao	Sponsor Director	17,002,750	3.40 %
	Mdm. Sheao Yen Shin	Sponsor Director	16,987,570	3.40 %
3	Executives		No such Holding	

MANAGEMENT'S DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION & ANALYSIS

Pursuant to Condition No. 1(5)(xxv) of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis for the year ended 30 June 2021 are presented below:

ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS:

Ring Shine Textiles Ltd follows International Financial Report Standards (IFRS) and International Accounting Standards (IAS) along with prevailing local rules and regulations applicable for preparation of financial statements. Detail description of accounting policies and estimation used for preparation of the financial statements of the Company are disclosed in the Notes No. 2 and 3 to the financial statements.

CHANGES IN ACCOUNTING POLICIES AND ESTIMATION:

Ring Shine Textiles Ltd has been following consistent policies and estimation and there is no such changes in accounting policies or estimation which has material impact on financial statements.

COMPARATIVE ANALYSIS OF FINANCIAL AND OPERATIONAL PERFORMANCE:

The Directors' Report provides the analysis of financial performance and position during the year under review and also a detail comparison of financial performance and position as well as cash flows are presented as part of the financial statements including notes.

However, major areas of financial performance, financial position as well as cash flows with immediate preceding year are depicted below:

Amount in Tk.

Particulars	2020-21	2019-20
Financial Performance		
Sales Revenue	908,083,726	6,380,635,155
Cost of Goods Sold	(1,598,565,593)	(5,813,831,017)
Profit Before Tax	(1,055,177,615)	161,089,683
Profit After Tax	(886,659,623)	134,599,060
Financial Position		
Shares Outstanding	505,316,173	500,313,043
Shareholders' Equity	(738,666,707)	3,362,111,241
Total Assets	4,533,573,199	9,125,308,757
Total Liability	5,272,239,906	5,763,197,516
Current Assets	2,252,964,185	3,421,706,480
Current Liabilities	4,849,852,152	5,215,519,639

Ring Shine Textiles Limited 2020-2021

Particulars	Amount in Tk.	
	2020-21	2019-20
Cash Flow		
Net Cash Generated from Operating Activities	157,359,526	(379,852,548)
Net Cash Used in Investing Activities	(2,544,849)	(118,292,321)
Net Cash Used in Financing Activities	(457,592,650)	1,523,102,363
Financial Ratio		
Current Ratio	0.46	0.66
Debt to Equity	(7.14)	1.71
Gross Profit Margin (in %)	-76.04%	8.88%
Net Profit Margin (in %)	-97.64%	2.11%
Return on Equity (in %)	120.04%	4.00%
Return on Assets (in %)	-19.56%	1.48%
Ordinary Share Information		
Shares Outstanding	505,316,173	500,313,043
Face Value per Share	10.00	10.00
Dividend-Cash (in %)	0	0
Dividend-Stock (in %)	1	0
Dividend Payout (Cash+Stock) in '000	50,031	0
Net Assets Value per Share (NAV)	(1.46)	6.72
Net Operating Cash Flow per Share (NOCFPS)	0.31	(0.76)
Earning per Share (EPS)	(1.75)	0.29

INDUSTRY OUTLOOK

The view of the Company is that the business prospects for 2022 will be better than in 2021, with the Government's efforts to move the economy forward through both fiscal and monetary policies that are deemed helpful to the businesses and in handling the Covid-19 pandemic through extensive vaccination and socialization of the application of health protocols. The global economic conditions are also expected to turn around for the better with the similar policies implemented by countries worldwide.

Going into year 2022, the demand of textile products gradually shows the sign of improving, even though still facing with a tight business competition. A higher inflation rate looms over 2022, marked by rising prices for raw materials and energy since the start of the first quarter of this year.

FUTURE PLAN

The Company makes the effort to improve its sales revenue, to make good in paying the operational costs, including labor costs and salaries of employees, and timely payment of obligations to suppliers and creditors.

In the midst of an uncertain economic situation, the Company continues in heightening its effort in overseeing the expenses in order to face fierce market competition.

With the expectation that market conditions will improve, the Company sets a sales target of US\$30 million for year 2021-22 and to achieve profit from the sales of those products with better margins.

We all hope that the Company can achieve better financial and operational performance after succeeded in getting through the difficult times in the past year, with the support and enthusiasm in the work place by its employees and every levels of management, continue their work spirit and up keep their health and maintain cleanliness in their respective work environments.

We are grateful to the shareholders, the creditors, the customers and the business associates for their trust and support. We express our appreciation to the employees for their commitment and dedication.



Sung Wey Min
Managing Director

DECLARATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

Under Condition # 1(5)(xxvi) of CGC
The Board of Directors
Ring Shine Textiles Ltd
Plot No. 224-260, Extension Area,
Dhaka EPZ, Ganakbari, Savar, Dhaka-1349,
Bangladesh.

Date : 31 August 2022

Subject: Declaration on Financial Statements for the year ended on 30th June 2021.

Dear Sirs,

Pursuant to condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Ring Shine Textiles Ltd for the year ended on 30th June 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Report Standards (IFRS), as applicable in Bangladesh and any departure therefrom has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure the above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regards, we also certify that:-

- i. We have reviewed the financial statements for the year ended 30th June 2021 and to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or in violation of the code of conduct of the Company's Board of Directors or its members.

Sincerely yours,



Sung Wey Min
Managing Director



Sung Wen Li Angela
Chief Financial Officer (Acting)

Mak & Co.

Chartered Accountants

Certificate on Compliance on the Corporate Governance Code
[Issued under condition # 1(5) (xxvii) of Corporate Governance Code of BSEC vide
Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018]

We have examined the compliance status to the Corporate Governance Code by “RING SHINE TEXTILES LIMITED” for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except for statutory auditor's qualified opinions mentioned in the audit report and the explanations are absent in the directors report and others specify in compliance status checklist;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place : Dhaka
Date : 20 May 2023


Mr. Mohammad Ali Kawsar, FCA
Partner,
Mak & Co.
Chartered Accountants



BSEC Bhaban (Level - 11)
102, Kazi Nazrul Islam Avenue,
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Corporate Governance Compliance Status Report

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

(Report under Condition No. 9)

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors			
1(1)	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	☑	-	
1(2)	Independent Directors: All companies shall have effective representation of Independent Directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:			
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be Independent Directors; Any fraction shall be considered to the next integer or whole number for calculating number of Independent Director(s);	☑	-	
1(2)(b)	"Independent Director" means a Director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	☑	-	
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	☑	-	
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	☑	-	
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	☑	-	
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	☑	-	
1(2)(b)(vi)	Who is not a shareholder, director except Independent Director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	☑	-	
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	☑	-	
1(2)(b)(viii)	Who is not an Independent Director in more than 5 (five) listed companies;	☑	-	

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	☒	-	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	☒	-	
1(2)(c)	The Independent Director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM):	-	☒	All Independent Directors were appointed by BSEC in the formation of the Reconstituted Board.
1(2)(d)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days; and	☒	-	
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may extend for 1 (one) tenure only: Provided that a former Independent Director may be considered for reappointment for another tenure after a time gap of one tenure, i.e. three years from his or her completion of consecutive two tenures (i.e. six years) Provided further that the Independent Director shall not be subject to retirement by rotation as per the কোম্পানি আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) (Companies Act, 1994)	☒	-	
1(3)	Qualification of Independent Director			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	☒	-	
1(3)(b)	Independent Director shall have the following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-	-	Not Applicable
1(3)(b)(ii)	Corporate Leader who is or was top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk.100.00 million or of a listed company; or	☒	-	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at	-	-	Not Applicable

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
	least educational background of Bachelor degree in Economics or Commerce or Business or Law; or			
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	☑	-	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant, or Certified Public Accountant or Certified Management Accountant or Chartered Secretary or equivalent qualification;	☑	-	
1(3)(c)	The Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	☑	-	
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	☑	-	
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	☑	-	
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive Directors of the Company.	☑	-	
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;		-	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive Directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	☑	-	
1(5)	Directors' Report to Shareholders The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act. No. XVIII of 1994):-			
1(5)(i)	An Industry outlook and possible future developments in the industry;	☑	-	
1(5)(ii)	Segment-wise or product-wise performance;	☑	-	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	☑	-	
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin where applicable;	☑	-	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	☑	-	
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	☑	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instructions;	☑	-	
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.;	☑	-	
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	☑	-	
1(5)(x)	A statement of remuneration paid to the Directors including Independent Directors;	☑	-	
1(5)(xi)	A statement that the financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, Cash Flows and Changes in Equity.	☑	-	
1(5)(xii)	A statement that proper books of account of the issue company have been maintained;	☑	-	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	☑	-	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	☑	-	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	☑	-	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;	☑	-	
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	☑	-	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	☑	-	
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	☑	-	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	☑	-	
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	☑	-	
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each Director;	☑	-	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	☒	-	
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	☒	-	
1(5)(xxiii)(c)	Executives (name-wise details); and	☒	-	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	☒	-	
1(5)(xxiv)	In case of the appointment or reappointment of a Director, a disclosure on the following information to the shareholders:			
1(5)(xxiv)(a)	A brief resume of the director;	☒	-	
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	☒	-	
1(5)(xxiv)(c)	Names of Companies in which the person also holds the directorship and the membership of committees of the Board;	☒	-	
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	☒	-	
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	☒	-	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five year explaining reasons thereof;	☒	-	
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	☒	-	
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	☒	-	
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	☒	-	
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	☒	-	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under Condition NO. 3(3) shall be disclosed as per Annexure-A; and	☒	-	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under Condition No.9 shall be disclosed as per Annexure-B and Annexure-C	☒	-	
1(6)	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards	☒	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
	(BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.			
1(7)	Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	☑	-	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship and environment, employees, customers and suppliers, and independency.	☑	-	
(2)	Governance of Board of Directors of Subsidiary Company:-			
(2)(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	☑	-	
(2)(b)	At least 1 (one) Independent Director on the Board of the holding company shall be a director on the Board of the subsidiary company;	☑	-	
(2)(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	☑	-	
(2)(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	☑	-	
(2)(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	☑	-	
(3)	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-			
(3)(1)	Appointment			
(3)(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	☑	-	
(3)(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	☑	-	
(3)(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	☑	-	
(3)(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	☑	-	
(3)(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	☑	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
(3)(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	☒	-	
(3)(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
(3)(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
(3)(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	☒	-	
(3)(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	☒	-	
(3)(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, not transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	☒	-	
(3)(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	☒	-	
(4)	Board of Directors' Committee:- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
(4)(i)	Audit Committee; and	☒	-	
(4)(ii)	Nomination and Remuneration Committee.	☒	-	
(5)	Audit Committee:-			
(5)(1)	Responsibility to the Board of Directors.			
(5)(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	☒	-	
(5)(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	☒	-	
(5)(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	☒	-	
(5)(2)	Constitution of the Audit Committee			
(5)(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	☒	-	
(5)(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) Independent Director;	☒	-	
(5)(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	☒	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
(5)(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	☑	-	
(5)(2)(e)	The Company Secretary shall act as the Secretary of the Committee;	☑	-	
(5)(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	☑	-	
(5)(3)	Chairperson of the Audit Committee			
(5)(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director;	☑	-	
(5)(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under Condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	☑	-	
(5)(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the Annual General Meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	☑	-	
(5)(4)	Meeting of the Audit Committee			
(5)(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	☑	-	
(5)(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an Independent Director is a must.	☑	-	
(5)(5)	Role of Audit Committee The Audit Committee shall:-			
(5)(5)(a)	Oversee the financial reporting process;	☑	-	
(5)(5)(b)	Monitor choice of accounting policies and principles;	☑	-	
(5)(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	☑	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
(5)(5)(d)	Oversee hiring and performance of external auditors;	☑	-	
(5)(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	☑	-	
(5)(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	☑	-	
(5)(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	☑	-	
(5)(5)(h)	Review the adequacy of internal audit function;	☑	-	
(5)(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	☑	-	
(5)(5)(j)	Review statement of all related party transactions submitted by the management;	☑	-	
(5)(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	☑	-	
(5)(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	☑	-	
(5)(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results; Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	☑	-	
(5)(6)	Reporting of the Audit Committee			
(5)(6)(a)	Reporting to the Board of Directors			
(5)(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	☑	-	
(5)(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
(5)(6)(a)(ii)(a)	Report on conflicts of interest;	☑	-	
(5)(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements:	☑	-	
(5)(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	☑	-	
(5)(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	☑	-	
(5)(6)(b)	Reporting to the Authorities	☑	-	

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
	If the Audit Committee Has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			
(5)(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under Condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	☑	-	
(6)	Nomination and Remuneration Committee (NRC)			
(6)(1)	Responsibility to the Board of Directors			
(6)(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	☑	-	
(6)(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	☑	-	
(6)(1)(c)	The Terms of Reference (ToR) of the NRC shall clearly set forth in writing covering the areas stated at the Condition No. 6(5)(b).	☑	-	
(6)(2)	Constitution of the NRC			
(6)(2)(a)	The Committee shall comprise of at least three members including an Independent Director;	☑	-	
(6)(2)(b)	All members of the Committee shall be non-executive directors;	☑	-	
(6)(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	☑	-	
(6)(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	☑	-	
(6)(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	☑	-	
(6)(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	☑	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
(6)(2)(g)	The Company Secretary shall act as the Secretary of the Committee;	☒	-	
(6)(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;	☒	-	
(6)(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	☒	-	
(6)(3)	Chairperson of the NRC			
(6)(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director;	☒	-	
(6)(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	☒	-	
(6)(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders; Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	☒	-	
(6)(4)	Meeting of the NRC			
(6)(4)(a)	The NRC shall conduct at least one meeting in a financial year;	☒	-	
(6)(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	☒	-	
(6)(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an Independent Director is must as required under Condition No. 6(2)(h);	☒	-	
(6)(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	☒	-	
(6)(5)	Role of the NRC			
(6)(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	☒	-	
(6)(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
(6)(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
(6)(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	☒	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
(6)(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	☒	-	
(6)(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	☒	-	
(6)(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	☒	-	
(6)(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	☒	-	
(6)(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	☒	-	
(6)(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	☒	-	
(6)(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	☒	-	
(6)(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report	☒	-	
(7)	External or Statutory Auditors			
(7)(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
(7)(1)(i)	Appraisal or valuation services or fairness opinions;	☒	-	
(7)(1)(ii)	Financial information systems design and implementation;	☒	-	
(7)(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	☒	-	
(7)(1)(iv)	Broker-dealer services;	☒	-	
(7)(1)(v)	Actuarial services;	☒	-	
(7)(1)(vi)	Internal audit services or special audit services;	☒	-	
(7)(1)(vii)	Any service that the Audit Committee determines;	☒	-	
(7)(1)(viii)	Audit or certification services on Compliance of Corporate Governance as required under Condition No.9(1); and	☒	-	
(7)(1)(ix)	Any other service that creates conflict of interest.	☒	-	
(7)(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	☒	-	
(7)(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	☒	-	

Ring Shine Textiles Limited 2020-2021

Condition No.	Title	Status of Compliance with the Corporate Governance Code (CGC)		Remarks (if any)
		Complied	Not Complied	
(8)	Maintaining a website by the Company: -			
(8)(1)	The company shall have an official website linked with the website of the stock exchange.	☑	-	
(8)(2)	The company shall keep the website functional from the date of listing.	☑	-	
(8)(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	-	☑	
(9)	Reporting and Compliance of Corporate Governance: -			
(9)(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate be disclosed in the Annual Report.	☑	-	
(9)(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting.	-	☑	
(9)(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the Directors' Report whether the company has complied with these conditions or not.	☑	-	



কাজী জহির খান এন্ড কোং
KAZI ZAHIR KHAN & CO.
Chartered Accountants
In Practice Since 1980

INDEPENDENT AUDITOR'S REPORT

To

The Shareholders of RING SHINE TEXTILES LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **RING SHINE TEXTILES LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2021 and the statement of profit or loss and other comprehensive income, statement of changes in shareholder's equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSS).

Basis for Qualified Opinion

a) Audited sum of total assets and total liabilities as on June 30, 2020 was Tk. 13,409,604,384 which has been reduced to Tk. 9,125,308,757 resulting total assets and liabilities restated by Tk. 4,284,295,627 which has not been certified by any auditor. However, the board has duly approved this restatement.

b) The company reported in Note-8 Trade and Other Receivables Tk. 400,177,859 with a restatement of Tk. 1,198,677,947. Therefore, this overstated amount has been adjusted with the opening balance of the previous year;

c) The company has restated Property, Plant & Equipment by Tk. 3,200,475,863 (Note-4), Cash & cash equivalents by Tk. 7,466,089 (Note-6), Inventory by Tk. 3,010,508,348 (Note- 9), Retained earnings by Tk. 5,338,716,444 (Note-12), Outstanding Liabilities and Accounts Payable by Tk. 101,457,056 (Note-14). However, the board has duly approved these restatements;

d) Refer to the Annexure-01, where the company reported Property, Plant and Equipment Tk. 2,185,549,495. Except Building and Plant & Machinery, we are unable to verify the "other assets" total amount in written down value Tk. 102,468,468 due to the lack of proper books of register;

e) During the year, management of the Company has kept Tk. 21 Crore as Provident Fund Liability through restatement of the retained earnings of the Company for non-payment of monthly contributions to the Provident Fund in previous years;

f) During the year, management of the Company has kept Tk. 24 Crore as Gratuity Fund Liability through restatement of the retained earnings of the Company for non-keeping of gratuity liability in previous years.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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Ring Shine Textiles Limited 2020-2021

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is no material misstatement of this other information we are required to report that fact.

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 Tk. 908,083,726. The company generates revenue from sale of goods. 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: - Obtaining an understanding of and assessing the design and operating effectiveness of controls designed 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 documentation for sale transaction recorded either side of year end to determine whether revenue was recognized in the current period; - Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation; - Critically assessing manual journals posted to revenue to identify unusual or irregular and finally assessed items, the appropriateness and presentation of disclosures against relevant accounting standards. <i>[See note number 21 for details]</i>
Valuation of Property, Plant and Equipment	
The carrying value of the PPE amounted to Tk. 2,185,549,495 as at 30 June 2021. 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 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.	Our audit included the following procedures: We reviewed and assessed the addition of PPE during the year, checked the related accounting treatment. We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS-16; We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals; 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. <i>[See Annexure-01 for details]</i>

Ring Shine Textiles Limited 2020-2021

Withholding Tax, Value added Tax & Policy MatterRevenue recognition	
In our audit period management could not provide any Return of Withholding Tax.	As per Sec- 75A, Challan of quarterly advance Tax, Minutes of the last year board meeting, Minutes of the last year Annual General meeting and Policy against Procurement and Advance adjustment; In our audit period we observed that the company did not deposit the TDS and VDS on many applicable sector which is non- compliance of Income Tax Ordinance 1984 and Value Added Tax and Supplementary Duty Act-2012 and Value Added Tax and Supplementary Duty Rules-2016;
Account Receivable & Account Payable	
The company reported the Accounts Payables Tk. 471,891,399 and Note-8 Trade and other receivables Tk. 400,177,859 where we sent balance confirmation letter on a sample basis but did not get any reply.	Management complies the alternative procedure to confirm the account receivables and account payable; <i>[See Note: 15 for details]</i>
Complying Income Tax Ordinance 1984	
As per Section-30(m), Income Tax Ordinance 1984 any payment by a person exceeding taka fifty thousand or more, otherwise than by bank transfer excluding (i) salary or remuneration made to any employee, without prejudice to an obligation referred to in clause; (ii) any payment for government obligation; (iii) any payment on account of purchase of raw materials.	The company is not Complying the Tax Ordinance 1984 and salary and remuneration paid in cash more than Tk. 50,000/- including the supplier's payment in many cases.
Audit Report 2020	
Previous year financial statements were audited by Shiraz Khan Basak & Co., Chartered Accountants;	The new Board of Directors opined to restate the accounts 2021 because the property, plant, equipment, inventory, account receivables, and account payables were restated because the audited accounts 2020 were not reflecting true and fair view of the aforementioned items.
Establish a Workers Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF).	As per section 234 of Bangladesh Labor Act 2006 as amended up to 2013 every company should Profit establish a Workers Participation Fund (WPPF) and Workers' Welfare Fund (WWF)

We have nothing to report on going concern

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. We have nothing to report in these respects.

Other Matters

a) In our audit period, management could not provide any Return of Withholding Tax as per Sec- 75A, Challan of quarterly advance Tax, Minutes of the last year board meeting, Minutes of the last year Annual General meeting and Policy against Procurement and Advance adjustment.

b) The company reported in Note-15 as Accounts Payables Tk. 471,891,399 and Note-8 Trade and others receivables Tk. 400,177,859. We sent balance confirmation letter to the third parties on a sample basis but did not get any reply. However, we conducted the alternative procedure to confirm these figures.

c) As per Section-30(m) of the Income Tax Ordinance 1984, a Company has to pay exceeding taka fifty thousand or more through bank transfer or cross cheque, excluding: (i) Salary or remuneration made to any employee, without prejudice to an obligation referred to in clause;

Ring Shine Textiles Limited 2020-2021

(ii) Any payment for government obligation;

(iii) Any payment on account of purchase of raw materials.

The company did not make most of the payments as described in the said provision.

d) The company did not deposit the TDS and VDS on many applicable heads, which is a non-compliance of Income Tax Ordinance 1984 and Value Added Tax and Supplementary Duty Act-2012 and Value Added Tax and Supplementary Duty Rules-2016.

e) Previous year's financial statements were audited by Shiraz Khan Basak & Co., Chartered Accountants.

f) As per section 234 of Bangladesh Labor Act 2006 as amended up to 2013 every company should establish a Workers Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF) within one month of being this chapter applicable if:

(i) The paid-up capital of the company as on the last day of its accounting year is one crore taka or more; and

(ii) The value of the fixed assets of the company at cost on last day of the accounting year is two crore or more.

The company did not do the same as described in the said provision.

g) The company may face contingent liabilities for the following matters:

(i) A claim from Customs Bond Commissionerate Tk. 257,376,294.25 vide reference letter number 5(13)18/Cus.Bond/Reg/98/Part-01/2007/5901 dated: May 31, 2021;

(ii) A claim from Customs, Excise and VAT Commissionerate, Dhaka (West) Tk. 58,209,977 vide reference letter number 4/VAT/West.Com.-8(1120) Ring Shine/CA AUDIT/Justice/2021/603 dated: February 10, 2022;

(iii) Income Tax Return of the company has not been submitted to NBR since 2017-18 income year.

h) The Bangladesh Securities and Exchange Commission (BSEC) deployed Hoda Vasi Chowdhury & Co., Chartered Accountants to conduct a special audit following the financial anomalies revealed by the BSEC after IPO. However, we did not receive the report of the said special audit.

i) The company did not submit the income tax return to the NBR since the income year 2017-2018. A liability may arise from this non-compliance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSS, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the 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.

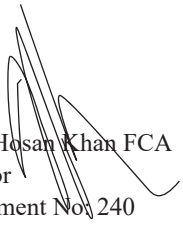
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rule 1987 and relevant notifications issues by, 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 purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka
Dated: August 31, 2022


Nuru Hosan Khan FCA
Auditor
Enrollment No. 240
Kazi Zahir Khan & Co.
Chartered Accountants
DVC: 2208310240AS832709

RING SHINE TEXTILES LIMITED

DEPZ, Extension Area, Plot 224-260 Ganakbari, Savar, Dhaka.

Statement of Financial Position

As at June 30, 2021

Particulars	Note	*Restated		**Audit Reported	01-07-2019
		30-06-2021	30-06-2020	30-06-2020	
		Taka	Taka	Taka	Taka
ASSETS					
Non Current Assets		2,280,609,014	5,703,602,277	5,703,602,277	6,034,363,784
Property, Plant and Equipments*	4	2,185,549,495	5,651,072,675	5,651,072,675	5,959,103,314
Investment-FDR	5	55,074,451	52,529,602	52,529,602	75,260,470
Right of Use Asset	40	39,985,068	-	-	-
Current Assets		2,252,964,185	3,421,706,480	7,706,002,107	6,528,023,891
Cash & Cash Equivalents*	6	814,273,653	1,105,364,354	1,112,830,443	87,735,764
Advances, Deposits & Prepayments	7	36,158,416	53,797,413	53,797,413	51,997,709
Trade & Others Receivable*	8	400,177,858	1,265,970,954	2,464,648,901	3,197,542,944
Inventories*	9	844,660,911	849,280,074	3,927,431,665	3,079,459,679
Advance Income Tax	10	157,693,346	147,293,685	147,293,685	111,287,795
TOTAL ASSETS		4,533,573,199	9,125,308,757	13,409,604,384	12,562,387,675
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' Equity		(738,666,707)	3,362,111,241	8,700,827,685	7,091,045,271
Share Capital	11	5,053,161,734	5,003,130,430	5,003,130,430	2,850,548,200
Retained Earnings*	12	(5,791,828,441)	(1,641,019,189)	3,697,697,255	4,240,497,071
Non-Current Liabilities		422,387,754	547,677,877	547,677,877	545,364,791
Deferred Tax Liability	13	368,760,224	547,677,877	547,677,877	545,364,791
Lease Liabilities	41	53,627,531	-	-	-
Current Liabilities & Provisions		4,849,852,152	5,215,519,639	4,161,098,822	4,925,977,614
Outstanding Liabilities for Expenses*	14	455,930,885	311,764,481	161,815,533	107,448,585
Accounts Payable*	15	471,891,399	555,212,319	105,948,886	983,291,172
Bank Overdraft	16	751,603,950	700,318,948	700,318,948	725,419,164
Payable for Provident Fund*	17	475,888,454	455,208,436	-	-
Provision for Income Tax	18	155,851,852	145,452,191	145,452,191	139,654,015
Bill Discounted	19	249,947,213	893,637,131	893,637,131	1,668,640,797
Short Term Loan	20	2,288,738,399	2,153,926,133	2,153,926,133	1,301,523,881
Total Equity and Liabilities		4,533,573,199	9,125,308,757	13,409,604,384	12,562,387,675
Net Assets Value per share	27	(1.46)	6.72	17.39	24.88

Chairman

Managing Director

Director

Director

Company Secretary

Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka

Dated: Aug 31, 2022

DVC: 2208310240AS832709

Md. Nurul Hossain Khan FCA
Enrolment No: 0240
Managing PartnerKAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS

Ring Shine Textiles Limited 2020-2021

RING SHINE TEXTILES LIMITED
DEPZ, Extension Area, Plot 224-260 Ganakbari, Savar, Dhaka.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2021

Particulars	Note	30-06-2021	30-06-2020
		Taka	Taka
Sales Revenue	21	908,083,726	6,380,635,155
Less: Cost of Goods Sold	22	1,598,565,593	5,813,831,017
Gross Profit/(Loss)		(690,481,866)	566,804,138
Administrative and Selling Expenses	23	103,939,136	134,002,696
Profit/(Loss) from Operations		(794,421,002)	432,801,442
Financial Overhead	24	283,570,002	284,768,330
Foreign Exchange gain(loss)		-	1,420,518
Other Income	29	22,813,389	11,636,053
Profit Before Tax		(1,055,177,614)	161,089,683
Provision for Tax(Current)		10,399,661	24,177,537
Deferred Tax Expense/(Income)	28.2	(178,917,653)	2,313,086
		(886,659,622)	134,599,060
Earnings per Share-EPS	25	(1.75)	0.29

Chairman

Managing Director

Director

Director

Company Secretary

Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka
Dated: Aug 31, 2022
DVC: 2208310240AS832709

Md. Nurul Hossain Khan FCA
Enrolment No: 0240
Managing Partner
KAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS

RING SHINE TEXTILES LIMITED
DEPZ, Extension Area, Plot 224-260 Ganakbari, Savar, Dhaka.
Statement of Changes in Equity
For the year ended June 30, 2021

**Reported

Particulars	Share Capital	Retained Earnings	Total	Retained Earnings	Total
Balance as at July 01,2020	5,003,130,430	(1,641,019,189)	3,362,111,241	3,697,697,255	8,700,827,685
Issue during the period-Bonus	50,031,304	(50,031,304)	-	-	50,031,304
Asset Revaluation Adjustment		(3,200,475,863)	(3,200,475,863)		-
IFRS-16 adjustment		(13,642,463)	(13,642,463)	(13,642,463)	(13,642,463)
Net Profit after tax for the period-2021	-	(886,659,622)	(886,659,622)	(886,659,622)	(886,659,622)
Total	5,053,161,734	(5,791,828,441)	(738,666,707)	2,797,395,170	7,850,556,904

RING SHINE TEXTILES LIMITED
DEPZ, Extension Area, Plot 224-260 Ganakbari, Savar, Dhaka.
Statement of Changes in Equity
For the year ended June 30, 2020

*Restated

**Reported

Particulars	Ordinary Share Capital	Retained Earnings	Total	Retained Earnings	Total
As at July 01,2019	2,850,548,200	4,240,497,071	7,091,045,271	4,240,497,071	7,091,045,271
Issue during the period-IPO	1,500,000,000	-	1,500,000,000	-	1,500,000,000
Issue during the period-Bonus	652,582,230	(652,582,230)	-	(652,582,230)	-
IPO Expenses	-	(29,196,007)	(29,196,007)	(29,196,007)	(29,196,007)
Tax benefit of Expenses		4,379,361	4,379,361	4,379,361	4,379,361
Prior years adjustment*		(5,338,716,444)	(5,338,716,444)		-
Net Profit after tax for the period		134,599,060	134,599,060	134,599,060	134,599,060
Total	5,003,130,430	(1,641,019,189)	3,362,111,241	3,697,697,255	8,700,827,685

Chairman

Managing Director

Director

Director

Company Secretary

Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka
Dated: Aug 31, 2022
DVC: 2208310240AS832709

Md. Nurul Hossain Khan FCA
Enrolment No: 0240
Managing Partner
KAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS

Ring Shine Textiles Limited 2020-2021

RING SHINE TEXTILES LIMITED

DEPZ, Extension Area, Plot 224-260 Ganakbari, Savar, Dhaka.

Statement of Cash Flows

For the year ended June 30, 2021

Particulars	Notes	Amount in Tk.	
		July to June 2020-21	July to June 2019-20
Cash Flows from Operating Activities:			
Collection from Customers	32	1,773,876,822	7,116,069,336
Collection from Others	29.01	22,813,389	11,636,053
Total Receipts		1,796,690,211	7,127,705,389
Payment to Suppliers, Employees & others	33	(1,243,955,050)	(7,097,638,507)
Payment for operating Expenses	34	(101,405,973)	(75,145,210)
Income Tax Deducted at source	35	(10,399,661)	(50,005,890)
Payment for Financial expenses	24	(283,570,002)	(284,768,330)
Total Payments		(1,639,330,686)	(7,507,557,937)
Net cash Generated(Used in) from Operating Activities.		157,359,525	(379,852,548)
Cash Flows from Investing Activities:			
Acquisition of Property, Plant & Equipment		-	(141,023,189)
Interest on Investment	36	(2,544,849)	22,730,868
Net cash Generated(Used in) from Investing Activities.		(2,544,849)	(118,292,321)
Cash Flows from Financing Activities:			
Bank overdraft Increased	37	51,285,002	
Short term Bank Loan Received/(Repaid)	38	134,812,266	52,298,370
IPO Expenses			(29,196,007)
Received from Share Capital			1,500,000,000
Increase/(Decrease) in Bill Discounted	39	(643,689,918)	
Net cash Generated(Used in) from Financing Activities.		(457,592,650)	1,523,102,363
Net cash Increase/(Decrease) in cash & cash Equivalents		(302,777,974)	1,024,957,494
Foreign Exchange gain/(loss)		4,221,184	137,185
Opening Cash and cash equivalents		1,112,830,443	87,735,764
Closing Cash and cash equivalents		814,273,653	1,112,830,443
Net Operating Cash Flows Per Share (NOCFPS)	31	0.31	(0.76)

Chairman

Managing Director

Director

Director

Company Secretary

Chief Financial Officer

Signed in terms of our report of even date.

Place: Dhaka
Dated: Aug 31, 2022
DVC: 2208310240AS832709

Md. Nurul Hossain Khan FCA
Enrolment No: 0240
Managing Partner
KAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS

RING SHINE TEXTILES LIMITED

Notes to the Financial Statements
For the year ended of June 30, 2021

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 share 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 (DEPZ), 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 greige and finished fleece fabrics of various qualities and dyed yarn to garment industry in Bangladesh and International market.

2. Basics of Preparation and Presentation of Financial Statements:

2.1 Statements 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 complying 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 & Supplementary Duty Act, 2012

The Value Added Tax Rules & Supplementary duty Rules, 2016

The Customs Act, 1969

Bangladesh Labor Law 2006(Amended)

The Securities and Exchange Rules, 1987 and

Bangladesh EPZ related rules & regulations.

2.3 Measurement basis 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)

2.4 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.

Ring Shine Textiles Limited 2020-2021

2.5 Use of Estimates and Judgments

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affects 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

2.7.A) The financial period of the company covers one year from July 01, 2020 to June 30, 2021 and Comparative Statement of financial position for the year ended June 30, 2020 cover one-year period from July 01, 2019 to June 30, 2020.

2.7.B) "Restated" means the closing balance as on 30th June 2020 has been changed to reflect the correct view of the Accounts.
**Audited means the closing balance that has been shown in the Accounts for 2019-20 income year after audit.

2.8 Changes in Accounting Policy

During the year the company has not changed its policy to record at "Historical Cost" conversion 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) I 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, 2021
- II) Statement of the Profit or Loss and Other Comprehensive Income for the year ended June 30, 2021
- III) Statement of Changes in Equity for the Year ended June 30, 2021
- IV) Statement of Cash Flows for the year ended June 30, 2021
- 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/Admin /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:

SI No.	Name of the	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
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 Cost	23
12	Related Party Disclosure	24
13	Accounting and Reporting by Retirement Benefit Plans	26
14	Earnings Per Share	33
15	Interim Financial Reporting	34
16	Impairment of Assets	36
17	Provision, Contingent Liabilities and Contingent Assets	37
18	Financial Instruments: Recognition & Measurement	39

Ring Shine Textiles Limited 2020-2021

SI No.	Name of the IFRS	IFRS No
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3 Principal Accounting Policies

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

3.1 Property, Plant and Equipment

3.1.1 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 replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the equity and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

3.1.2 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.

3.1.3 Depreciation on Fixed Assets

Depreciation on fixed assets is charged on reducing balance method. Depreciation continue to be 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 respective of their date of disposal. Rates of depreciation on various classes of fixed assets are as under:

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

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 and its cost can be measured reliably. The costs of the day-to-day servicing of the 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 Assets

3.2.1 Recognition and Measurement

Intangible assets are measured at cost less accumulated depreciation and accumulated impairment loss, if any. 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 thereof 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 classified 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 and 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.

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, damage and slow moving inventories.

3.6 Accounts Receivable/Trade Debtors

Account 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 sales/purchase of related party transactions are fixed as applicable to other outsider parties. No amount was 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 of cash balances and all deposits. Bank overdrafts that are repayable on demand and form an integral part of equity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of the cash flows. Amount of Cash and Cash Equivalent under USD has been reflected in BDT and exchange rate fluctuation has been recognized accordingly.

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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 a 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 Borrowings

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".

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 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 Bangladeshi 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 is 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. There is no provision for Worker's Profit Participation Fund in company's loss.

3.15.2 Provident Fund

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

3.15.3 Workers Welfare Fund

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

**3.16 Employee Retirement Benefits
Defined Contribution Plan**

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

3.17 Finance Income and Expenses

Finance income comprises of interest income on funds invested. Interest income is recognized on maturity. Finance expenses comprise of 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 constructions period of the plants in accordance with IAS 23" Borrowing Cost"

3.18 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 the Statement of Comprehensive Income account, and the computation of EPS is stated in 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 shareholder.

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.

3.19 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 1987 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".

3.20 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 "The Framework for the preparation and presentation of Financial Statements" issued by the International Accounting Standard Board (IASB) as adopted by ICAB.

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 textiles industry and situated geographically in the 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 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 contribution 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 substantially 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 Transaction

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.

3.27 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.

3.28 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 impact of raw materials. Export- Import has also been impacted worldwide in the reporting year and thereafter. 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.

3.29 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.

3.30 Date of Authorization and Proposed Dividend

The financial statements were authorized for issue by the Board of Directors of the company on August 27, 2022.

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Note-4 Property, Plant and Equipments*

A. Cost:

Opening Balance *

Addition during the year

Disposal/Adjust during the year

A Total =

B. Accumulated depreciation

Opening Balance *

Charged during the year

Disposal/Adjust during the year

B Total =

Written down value (A-B)

30.06.2021 Tk.	30-06-2020 Tk.	30-06-2020 Tk.
*Restated		**Reporetd
11,795,272,493	11,654,249,304	11,654,249,304
-	141,023,189	141,023,189
11,795,272,493	11,795,272,493	11,795,272,493
(9,609,722,998)	-	-
	-	-
2,185,549,495	11,795,272,493	11,795,272,493
6,144,199,818	5,695,145,990	5,695,145,990
265,047,317	449,053,828	449,053,828
6,409,247,135	6,144,199,818	6,144,199,818
6,409,247,135	-	-
-	6,144,199,818	6,144,199,818
2,185,549,495	5,651,072,675	5,651,072,675

Details of Property, Plant and Equipments are shown in Annexure-01

Note-5 Investment of FDR

DBBL FDR A/C 0167

DBBL FDR A/C 0250

DBBL FDR A/C 1049

DBBL FDR A/C 1211

DBBL FDR A/C 1384

DBBL FDR A/C 2989

DBBL FDR A/C 3050

DBBL FDR A/C 3353

DBBL FDR A/C 3534

DBBL FDR A/C 3627

DBBL FDR A/C 4123

PBL FDR A/C 2124419003045

PBL FDR A/C 2124416005472

Investment in FDR

3,558,934	3,393,400	3,393,400
1,530,528	1,459,000	1,459,000
909,136	867,700	867,700
305,568	296,166	296,166
3,164,217	3,014,340	3,014,340
1,631,580	1,571,471	1,571,471
8,844,723	8,518,876	8,518,876
19,100,312	18,099,530	18,099,530
7,264,880	6,929,600	6,929,600
4,685,881	4,452,030	4,452,030
311,122	300,000	300,000
328,899	309,200	309,200
3,438,671	3,318,289	3,318,289
55,074,451	52,529,602	52,529,602

Note-6 Cash & Cash Equivalent:(Note 6.01+6.02)

Tk. **814,273,653**

This amount consists of the followings:

6.01 Cash & Cash Equivalent

Cash Account

Woori BDT A/C 923 00 4306

Woori USD A/C CDA 923 004 281

Woori OBU A/C 923 004 475

Woori MOB A/C

UBL BDT A/C 21-985

UBL USD A/C 81-10

DBBL BDT A/C 122-110-1038

DBBL USD A/C 103-111-0496

30.06.2021 Tk.	*Restated 30-06-2020 Tk.	**Reported 30-06-2020 Tk.
780,711	873,043	873,043
28,043	205,100	205,100
133,180	133,180	133,180
16,131	27,923,622	27,923,622
74	-	-
-	222,513	222,513
-	208,897	208,897
23,921,043	700,198	700,198
57,858	57,858	57,858

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		*Restated	**Reported
	30.06.2021	30-06-2020	30-06-2020
	Tk.	Tk.	Tk.
Prime bank OBU A/C 11000141/4601119000003	18,142	18,982	18,982
Dhaka Bank BDT 212.100.4555	60,074,501	87,570	87,570
Dhaka Bank BDT 212.100.5287	2,470	3,160	3,160
Dhaka Bank USD 9911250001796	4,141,667	61,256,728	61,256,728
Dhaka Bank USD 9911250001719	63,755	18,290,573	18,290,573
Dhaka Bank USD 0991125000001082	116,028	770,363	770,363
One Bank BDT 0051020004937	315,196	316,501	316,501
Premier Bank BDT A/C No.0011100015501	97,440,246	51,916	51,916
Premier Bank USD A/C No. 0102 15200000889	1,876,185	28,266,958	28,266,958
Premier Bank USD A/C No. 010212800000215	42,000,000	-	-
The City Bank BDT a/c 1101902764001	215,424	216,264	216,264
The City Bank USD 5121902764001	29,553	30,905	30,905
BRAC BDT A/C	11,000	11,000	11,000
Brac OBU A/C 1599202739426001	1,234	1,234	1,234
Brac Bank *	-	-	7,466,089.00
EBL BDT A/C 1231060027991	185	21,017	21,017
EBL USD 1043050227415	419,703	420,000	420,000
EBL Margin	391,891		
Closing Balance	232,054,221	140,087,582	147,553,671
6.02 Cash & Cash Equivalent Account freeze			
Brac Bank BDT IPO	430,538,704	821,055,822	821,055,822
Brac Bank USD IPO	150,092,273	142,579,439	142,579,439
Brac Bank GBP IPO	738,084	738,084	738,084
Brac Bank EUR	255,303	255,303	255,303
SBAC	595,069	648,124	648,124
Total	582,219,432	965,276,772	965,276,772
Note-7 Advances, Deposits & Prepayments:			
	Tk. 36,158,416		
<u>The above balance has been made up as under:</u>			
Opening Balance	53,797,413	51,997,709	51,997,709
Add: Payment during this year	12,507,992	1,799,704	1,799,704
	66,305,405	53,797,413	53,797,413
Less: Expenses during this year	30,146,989	0	0
Closing Balance	36,158,416	53,797,413	53,797,413

Details of Advances, Deposits & Prepayments are shown in Annexure-02

Note-8 Trade & Others Receivables:(Note 8.01+8.02)

		*Restated	**Reported
	Tk. 400,177,858		
<u>The above balance has been made up as under:</u>			
8.01 Trade Receivables			
Opening Balance	1,265,970,954	3,197,542,944	3,197,542,944
Add: Sales	908,083,726	6,380,635,155	6,380,635,155
Less: Adjustment*	-	(1,198,677,947)	
Less: Proceed realized during the year	(1,791,787,619)	(7,113,529,198)	(7,113,529,198)
	382,267,061	1,265,970,954	2,464,648,901

Details of Accounts Receivables are shown in Annexure-03

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		*Restated	**Reported
	30.06.2021 Tk.	30-06-2020 Tk.	30-06-2020 Tk.
Aging analysis of Trade Receivable			
Witinin Three Months	264,451,958		
Three to Six Months	20,499,095		
More than Six Months	97,316,008		
Total	382,267,061		
8.02 Other receivable			
Accrued Interest-IPO Fund	17,910,797	-	-

Accounts Receivables were overstated by Tk. 1,1986,77,947/- in previous year. Thus this amount has been adjusted with retained earnings of previous year to rfect the true and fair view of the Accounts

Note-9 Closing Stock	Tk. 844,660,911		*Restated	Reported
		30.06.2021 Tk.	30-06-2020 Tk.	30-06-2020 Tk.
<u>The above balance has been made up as under:</u>				
Raw Yarn*		540,494,340	488,090,111	2,563,935,841
Top Dyed Yarn		70,280,562	82,115,370	
Acrylic Tow		38,137,638	7,344,948	247,185,618
Dye Stuff*		34,177,454	38,842,467	117,652,418
Chemicals*		33,204,878	25,614,471	208,516,982
Work in Process*	9.1	19,338,704	22,163,983	398,241,637
Finished Goods*	9.2	72,643,222	104,472,883	378,716,352
Material in Transit		36,384,113	80,635,841	
Others				13,182,817
Closing Balance		844,660,911	849,280,074	3,927,431,665

Inventory Balance as on 30.06.2020	3,927,431,665
Less: Material in transit	67,643,245
Less: Invenotry Aadjustment	3,010,508,346
Inventory Balance as on 30.06.2021	849,280,074

Closing inventory was overstated by Tk. 3,010,508,346/- in previous years which has been adjusted with the retained earnings in previous year to give correct view of the accounts

9.01 Work in Process

This is made up as follows:

WIP Yarn	6,679,642	11,941,253	
WIP Fabric	12,659,062	10,222,730	
Total	19,338,704	22,163,983	-

9.02 Finished Goods

This is made up as follows:

Finished Goods Yarn	44,091,845	60,601,828	
Finished Goods Fabric	28,551,377	43,871,055	
Total	72,643,222	104,472,883	-

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Notes-10

Advance Income Tax Tk. 157,693,346

The above balance has been made up as under:

Income tax at source-Opening Balance

Add: Tax deduct at source during this year-From Export

Add: Tax deduct at source during this year-From FDR

Add: Tax deduct at source during this year-From IPO Fund

Less: Paid during the year

Closing Balance

	30.06.2021	*Restated	**Reported
	Tk.	30-06-2020	30-06-2020
		Tk.	Tk.
	147,293,685	111,287,795	111,287,795
	8,126,811	34,962,803	34,962,803
	282,761	270,701	270,701
	1,990,089	772,386	772,386
	157,693,346	147,293,685	147,293,685
	-	-	-
	157,693,346	147,293,685	147,293,685
	5,400,000,000	5,400,000,000	5,400,000,000
Total	5,400,000,000	5,400,000,000	5,400,000,000

Note-11 Share Capital:

11.01 Authorized Share Capital

540,000,000 Ordinary Share of Taka 10/- each

Total

11.02 Issued, Subscribed and paid up Share capital

Name of Shareholder	No. of Share	Percentage	Amount
Mr. Sung Jye Min	17,299,090	3.42%	172,990,901
Mdm Hang Siew Lai	17,178,585	3.40%	171,785,850
Mr. Hsiao Hai He	17,018,182	3.37%	170,181,819
Ms Sung Wen LI Angela	17,351,009	3.43%	173,510,092
Mr. Sung Chung Yao	17,172,778	3.40%	171,727,775
Mdm Sheao Yen Shin	17,157,446	3.40%	171,574,457
Mr. Sung Wey Min	21,594,201	4.27%	215,942,010
Mrs. Hsiao Liu Yi Chi	17,287,418	3.42%	172,874,176
Mdm Chuk Kwan	17,338,837	3.43%	173,388,367
Others Shareholders	345,918,629	68.46%	3,459,186,289
Total	505,316,173	100.00%	5,053,161,734

11.03 Issued, subscribed and paid-up share

This is made up as follows:

Opening share

Issue during the period-IPO

Bonus Share 1% proposed in 2019-20, Issued 15% in 2018-19

Total

500,313,043	285,054,820	285,054,820
0	150,000,000	150,000,000
5,003,130	65,258,223	65,258,223
505,316,173	500,313,043	500,313,043

The company has issued 284,054,820 shares as pre IPO placement against which no money has been received from the shareholders. After issuing bonus shares 15% in 2019 and proposed 1% in 2020 the total number of unpaid shares has become 329,929,673. The company has to collect the face value of the said issued shares from all those shareholders otherwise BSEC will forfeit all those shares after following necessary SEC guidelines.

	Reported	Actual	Difference
Opening No. of Shares before IPO	285,054,820	1,000,000	284,054,820
Add: IPO	150,000,000	150,000,000	-
Total No. of Issued Shares	435,054,820	151,000,000	284,054,820
Add: Bonus share @ 15% in 2019	65,258,223	22,650,000	42,608,223
Add: Proposed Bonus @ 1% in 2020	5,003,130	1,736,500	3,266,630
Closing No. of Shares	505,316,173	175,386,500	329,929,673

Ring Shine Textiles Limited 2020-2021

	30.06.2021 Tk.	*Restated 30-06-2020 Tk.	**Reported 30-06-2020 Tk.
Note-12 Retained Earnings			
This is made up as follows			
Opening Balance	(1,641,019,189)	4,240,497,071	4,240,497,071
Less: IPO Expenses		(29,196,007)	(29,196,007)
Less: Bonus Issue	(50,031,304)	(652,582,230)	(652,582,230)
Add: Net Profit after tax for the year	(886,659,622)	134,599,060	134,599,060
Add: Tax benefit on IPO expenses		4,379,361	4,379,361
Prior years adjustment*	(3,214,118,326)	(5,338,716,444)	
Total	(5,791,828,441)	(1,641,019,189)	3,697,697,255

Retained Earnings Adjustment in 2020-21

Total Fixed Asset(WDV) shown in 2019-20	5,651,072,675
Less Depreciation for current year	265,047,317
Total Fixed Asset(WDV) 2020-21	5,386,025,358
Total Fixed Asset after Valuation	2,185,549,495
Fixed Asset Restatement adjustment with Retained Earnings	3,200,475,863
IFRS-16 adjustment with Retained Earnings	13,642,463

Total Adjustment with Retained Earnings(2020-21) **3,214,118,326**

Detail of the Retained Earnings adjustment for 2019-20 has been shown in Annexure-06

Note-13 Deferred Tax+

This is made up as follows:

Opening Balance	547,677,877	545,364,791	545,364,791
Provision for Current year 28.02	(178,917,653)	2,313,086	2,313,086
Total	368,760,224	547,677,877	547,677,877

Fixed Assets were overstated by Tk. 320,047,863/- in previous years which have been restated this year resulting reversal of Deferred tax in current year although the Tax rate has been increased to 22.5% from 15%

Note-14 Outstanding Liabilities for Expenses Tk. 455,930,885

The above balance has been made up as under:

Opening Balance	263,272,609	161,815,533	161,815,533
Add: Addition during this year	455,930,885	-	-
	719,203,494	161,815,533	161,815,533
Less: Paid during this year	263,272,609	-	-
Less: Adjustment*	-	101,457,076	
Closing Balance	455,930,885	263,272,609	161,815,533

Details of Outstanding Liabilities are shown in Annexure-05.

Note-15 Trade Payables: Tk. 471,891,399

The above balance has been made up as under:

Opening Balance	555,212,319	105,948,886	105,948,886
Add: Addition during this year	471,891,399	-	-
	1,027,103,718	105,948,886	105,948,886
Less: Paid during this year	555,212,319	-	-
Prior year adjustment*		449,263,433	
Closing Balance	471,891,399	555,212,319	105,948,886

Details of Accounts Payables are shown in Annexure-04.

Ring Shine Textiles Limited 2020-2021

	30.06.2021 Tk.	*Restated 30-06-2020 Tk.	**Reported 30-06-2020 Tk.
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Trade payable was understated by Tk. 449,263,433/- in 2019-20 which has been restated and necessary adjustment was done in Retained earnings to reflect the true and fair view of Trade Payable.

Note-16 Bank Overdraft Tk. 751,603,950

HSBC OBU A/C 050-000397-005	-		
Premier ObU A/C	341,467,159	314,055,480	314,055,480
One Bank A/C	95,995,531	91,326,603	91,326,603
Dhaka Bank OBU	283,755,748	266,060,012	266,060,012
EBL OBU A/C 1231060027991	30,385,512	28,876,853	28,876,853
Brac OBU A/C	-	-	-
Closing Balance	751,603,950	700,318,948	700,318,948

Note-17 Employee Benefit Payable:(Note 17.01+17.02)

Tk. 475,888,454

The above balance has been made up as under:

17.01 Provident fund			
Opening Balance	208,826,94	261,170,304	
Add: Addition during this year		17,931,170	
	208,826,941	279,101,474	-
Less: Paid during this year	8,024,222	70,274,533	
Closing Balance	200,802,719	208,826,941	-
17.02 Gratuity fund			
Opening Balance	246,381,495		318,610,320
Add: Addition during this year	23,495,960	-	-
	269,877,455	318,610,320	-
Less: Paid during this year	5,014,595	72,228,825	
Closing Balance	264,862,860	246,381,495	-
17.03 Leave encashment	10,222,875	-	-

Note-18 Provision For Tax Tk. 155,851,852

The above balance has been made up as under:

Opening Balance	145,452,191	139,654,015	139,654,015
Add: Addition during this year	10,399,661	24,177,537	24,177,537
	155,851,852	163,831,552	163,831,552
Less: Paid during this year		14,000,000	14,000,000
Less: Tax benefit of IPO Expenses	-	4,379,361	4,379,361
Closing Balance	155,851,852	145,452,191	145,452,191

Yearwise breakdown	2017-18	2018-19	2019-20	2020-21
Opening Balance	69,383,349	81,144,589	139,654,015	145,452,191
Addition during the year				
Tax on Export Income	81,144,589	75,431,926	24,177,537	8,126,811
Tax on Others Income	-	-	-	2,272,850
	150,527,938	156,576,515	163,831,552	155,851,852
Less: Paid/Adjustment during the year	69,383,349	16,000,000	14,000,000	
Less: Tax benefit on IPO expenses		922,500	4,379,361	
Total	81,144,589	139,654,015	145,452,191	155,851,852

Ring Shine Textiles Limited 2020-2021

		*Restated	**Reported
	30.06.2021	30-06-2020	30-06-2020
	Tk.	Tk.	Tk.
Note-19 Bills Discounted:	Tk. 249,947,213		
<u>The above balance has been made up as under:</u>			
Bill Discounted-Woori	61,361,412	206,661,401	206,661,401
Bill Discounted-Premier	163,769,155	322,490,623	322,490,623
Bill Discounted-Dhaka	24,816,646	364,485,107	364,485,107
Closing Balance	249,947,213	893,637,131	893,637,131
Note-20 Short Term Loans:(Note 20.01+20.02)	Tk. 2,288,738,399		
<u>The above balance has been made up as under:</u>			
Trust Receipt (Note - 20.1)	1,313,895,193	1,385,357,625	1,385,357,625
Short Term Loans (Note - 20.2)	974,843,206	768,568,508	768,568,508
Closing Balance	2,288,738,399	2,153,926,133	2,153,926,133
20.01 Trust Receipt	Tk. 1,313,895,193		
Loan Against At Sight LC Woori	302,498,165	442,019,252	442,019,252
Loan Against At Sight LC Dhaka	821,364,980	758,000,200	758,000,200
Loan Against At Sight LC EBL	190,032,048	185,338,173	185,338,173
	1,313,895,193	1,385,357,625	1,385,357,625
20.02 Short Term Loan	Tk. 974,843,206		
Short Term Loan (Dhaka)	-	81,941,960	81,941,960
Short Term Loan (Premier)	500,361,108	52,455,380	52,455,380
Demand Loan (Premier)	474,482,097	452,872,325	452,872,325
IBDA Loan (Premier)	-	181,298,843	181,298,843
	974,843,206	768,568,508	768,568,508
Note-21 Revenue from Export:	Tk. 908,083,726		
Yarn Export	569,186,526	4,675,418,761	4,675,418,761
Polar Fleece Fabric Export	338,897,200	1,705,216,394	1,705,216,394
	908,083,726	6,380,635,155	6,380,635,155

Ring Shine Textiles Limited 2020-2021

Note-22 Cost of Goods Sold Statement: Tk. 1,598,565,593
For the year ended of June 30, 2021

PARTICULARS	Tk.	Tk.
<u>Opening Stock of Raw Materials:</u>		
Raw Yarn	488,090,111	
Top Dyed Yarn	82,115,370	
Acrylic Tow	7,344,948	
Chemicals	25,614,471	
Dye Stuff	38,842,467	
Packing Materials		
Material in Transit	80,635,841	
Total of Opening Stock		722,643,208
<u>Add : Cost of Materials Purchase</u>		
Raw Yarn	385,831,934	
Top Dyed Yarn	-	
Acrylic Tow	101,311,814	
Dye Stuff	33,382,756	
Chemicals	34,614,179	
Packing Materials	6,778,378	
Add :		
Bank Charge (Import)	4,460,151	
Carriage Inward	1,366,437	
Import Clearing Expenses	55,769,304	
Marine Insurance	42,871	
Total Material Purchased		623,557,824
Total Cost of Raw Materials available for use		1,346,201,032
<u>Less : Closing Stock of Raw Materials</u>		
Raw Yarn	540,494,340	
Top Dyed Yarn	70,280,562	
Acrylic Tow	38,137,638	
Dye Stuff	34,177,454	
Chemicals	33,204,878	
Packing Materials		
Material in Transit	36,384,113	
Total Closing Stock of Raw Materials		752,678,985
Raw Material Consumed		593,522,047
Add: Direct Labour	Note-30	435,364,612
Prime Cost:		1,028,886,659
Add: Factory Overhead	Note - 22.01	535,023,995
Total Manufacturing Cost		1,563,910,653
Add : Opening Stock, WIP		22,163,983
		1,586,074,636
Less : Closing Stock, WIP	Note-9.01	19,338,704
Total Cost of Goods Manufactured		1,566,735,932
Add : Opening stock of Finished goods		104,472,883
		1,671,208,815
Less : Closing stock of Finished Goods	Note-9.02	72,643,222
Cost of Goods Sold		1,598,565,593

Ring Shine Textiles Limited 2020-2021

		*Restated	**Reported
	30.06.2021	30-06-2020	30-06-2020
	Tk.	Tk.	Tk.
Note- 22.01 Factory Overhead	Tk. 535,023,995		
<u>This amount consists of the followings:</u>			
Factory Maintenance	3,153,580	23,786,203	16,398,246
Titas Gas Bill	66,320,719	186,026,011	186,026,011
DEPZ Land Rent	29,575,785	26,408,271	26,408,271
DEPZ Electric Bill	102,442,971	95,462,782	95,462,782
DEPZ Gas Service Charge	9,889,168	20,189,208	20,189,208
DEPZ Water Bill	41,023,925	61,391,584	61,391,584
DEPZ Medical Bill	1,462,440	1,501,920	1,501,920
DEPZ Workers welfare	743,400	625,968	625,968
DEPZ Water Testing Fee	207,434		
Insurance For Factory	6,905,623	17,242,808	17,242,808
Licence & Renewal	44,440	360,350	360,350
Stationery	363,405	2,684,265	2,684,265
Fuel For Forklift	786,778	932,051	932,051
Fuel For Generator		43,935,546	43,935,546
Tiffin Bill	2,084,462	5,563,947	5,563,947
Medical Expenses	-	1,784,168	1,784,168
Postage & Courier	-	101,425	101,425
Rates and Taxes	206,987	1,182,413	1,182,413
Factory Entertainment	33,933		
Workers Group Insurance Premium	25,000	50,000	50,000
Service benefit for Retrenched worker	5,872,017		
Conveyance	-	1,169,827	1,169,827
Vehicle maintenance	-	901,728	901,728
LNG	-	542,106	542,106
Other Expenses	-	841,274	841,274
Store & Spare consumed	1,042,774	41,781,507	41,781,507
Sundry Expenses	-	3,250,417	3,250,417
Depreciations	262,839,154	444,563,290	444,563,290
Tk.	535,023,995	982,279,069	974,891,112

Ring Shine Textiles Limited 2020-2021

		*Restated	**Reported
	30.06.2021	30-06-2020	30-06-2020
	Tk.	Tk.	Tk.
Note-23 Administrative and Selling Expenses:	Tk. 103,939,136		
The above balance has been made up as under:			
Staff Salary	43,603,878	55,090,452	47,606,821
Staff Bonus	7,227,758	6,786,412	6,786,412
Earn Leave	1,351,770		
Staff Welfare	-	376,421	376,421
Staff Fooding	1,070,141	2,481,634	2,481,634
Security Bill	4,527,481	6,644,569	6,550,000
Office Expenses	6,654,561	5,901,728	5,901,728
Office Maintenance	7,300	773,051	773,051
Travelling	40,460	5,781,428	
Baridhara Gas Bill	48,722	16,496	16,496
Baridhara Electricity	129,000	144,100	144,100
Baridhara Water Bill	97,025	25,362	25,362
Baridhara House Rent	3,006,900	2,305,500	1,218,000
Conveyance Bill	661,455	2,751,481	2,084,671
Printing	272,013	1,765,319	1,765,319
Computer Maintenance	121,302		
CNG For Vehicle	3,785,985	13,210,379	810,652
Vehicle Maintenance	633,427	4,911,098	751,846
Mobile Accessories	2,500		
Entertainment	97,543	718,642	718,642
Local Welfare	97,000		
License & Renewal Fee	16,796	1,463,972	1,463,972
Telephone Bill	290,740	210,526	210,526
Mobile Bill	740,396	817,241	817,241
Internet Expenses	791,651	617,051	617,051
Legal & Consultancy Fee		470,524	470,524
Audit Fee	255,556	255,556	550,000
Membership fee	10,000	360,000	360,000
Insurance For Vehicle	268,118		
Repair & Maintainance	320,640	635,241	635,241
Inspection & Testing Charge	1,954,502	3,863,510	3,863,510
Directors Remuneration MD,ED	6,365,730	4,338,140	4,338,140
Garage Rent	839,800	590,000	180,000
DSE Fee	2,440,873		
RJSC Charge	284,865		
Staff Service benefit	440,309		
Gratuity Staff	2,139,867		
Postage & Courier	322,354	610,352	610,352
Board Honararium	1,728,000		
Baridhara Society service charge	85,000		
Other Expenses	-	327,236	
Carriage Outward	10,500	7,125,279	
BTMA expensed	-	162,341	162,341
Depreciations	2,208,163	4,490,538	2,694,323
Selling Expenses:			
Customer claim	8,396,522	3,162,058	
Export Clearance Expenses	244,970	263,415	263,415
C & F Bill (Delivery)	100,000	1,182,469	1,182,469
EP/IP/ Local Automation	247,563		
	103,939,136	140,629,521	96,430,260

Ring Shine Textiles Limited 2020-2021

Note- 24 Financial Expenses:

Tk. **283,570,002**

*Restated

**Reported

This consists of as follows:

Bank Charges	2,601,848	31,871,419	31,871,419
Bank Interest	281,363,903	252,896,911	252,896,911
Exchange Gain/Loss (Gain)	(4,221,184)	-	-
FCC	799,242	-	-
Bank Charges (Export)	3,026,193	-	-
	283,570,002	284,768,330	284,768,330

30.06.2021	30-06-2020	30-06-2020
Tk.	Tk.	Tk.

Note-25 Earnings per share (EPS):

This consists of as follows:

Ner profit after tax	(886,659,622)	134,599,060	134,599,060
No. of share	505,316,173	462,915,783	462,915,783
Earnings per share	(1.75)	0.29	0.29

Note-26 Weighted average No of Shares:

This consists of as follows:

A) Opening Share for the year	500,313,043	285,054,820	285,054,820
Multiply weight	1	1	1
Weighted average No of opening Shares	500,313,043	285,054,820	285,054,820
B) i. Share issued during the year-Bonus Share	5,003,130	43,085,133	43,085,133
Multiply weight	1	1	1
Weighted average No of Issue Shares	5,003,130	43,085,133	43,085,133
ii) Share issued during the year-IPO	0	150,000,000	150,000,000
Multiply weight	1.00	0.75	0.75
Weighted average No of Issue Shares	0	112,602,740	112,602,740
Total (i+ii)	5,003,130	155,687,873	155,687,873
C) Total weighted average No of Shares (A+B)	505,316,173	440,742,693	440,742,693

Note-27 Net Asset Value per share (NAV):

The above balance is made up as follows:

Net Asset Value	738,666,707	3,362,111,241	8,700,827,685
No. of Share Outstanding(Weighted average)	505,316,173	500,313,043	500,313,043
Net Asset Value per share (NAV)	(1.46)	6.72	17.39

Note-28 Income tax Expenses:(Note 28.01+28.02)

This is made up as follows:

Current Tax	28.1	(207,196,127.87)	24,177,537	24,177,537
Drferred Tax	28.2	(178,917,653.15)	2,313,086	2,313,086
Total		(386,113,781)	26,490,623	26,490,623

Ring Shine Textiles Limited 2020-2021

28.01 Current Tax Expenses

This is made up as follows:

	30.06.2021 Tk.	*Restated 30-06-2020 Tk.	**Reported 30-06-2020 Tk.
Net Profit before tax	(1,055,177,614)	161,089,683	161,089,683
Less: Other Income	(22,813,389)	(11,636,053)	(11,636,053)
Less: IPO Expenses	0	(29,196,007)	(29,196,007)
Add: Depreciation-Accounting base	265,047,317	449,053,828	449,053,828
Less: Depreciation-Tax base	(130,741,382)	(464,474,404)	(464,474,404)
	(943,685,069)	104,837,047	104,837,047
Tax rate	22.5%	15.0%	15.0%
Current tax on operating income as per tax rate	(212,329,140)	15,725,557	15,725,557
Current tax on Non-operating income as per tax rate (A-1)	5,133,013	4,072,619	4,072,619
	(207,196,128)	19,798,176	19,798,176
Add: Tax benefit of IPO Expenses	0	4,379,361	4,379,361
	(207,196,128)	24,177,537	24,177,537

A-1

This is made up as follows:

	30.06.2021 Tk.	30-06-2020 Tk.	30-06-2020 Tk.
Non Operating income	22,813,389	11,636,053	11,636,053
	22.5%	35%	35%
Current tax on Non-operating income	5,133,013	4,072,619	4,072,619

28.02 Deferred Tax

This is made up as follows:

Property, Plant & Equipment:			
Carrying amount as Accounting base	2,185,549,495	5,651,072,675	5,651,072,675
Carrying amount as Tax base	546,615,166	1,999,886,827	1,999,886,827
Difference	1,638,934,329	3,651,185,848	3,651,185,848
Tax rate	22.5%	15%	15%
Total deferred tax liability at the end of the year	368,760,224	547,677,877	547,677,877
Total deferred tax liability beginning of the year	547,677,877	545,364,791	545,364,791
Deferred Tax for the Year	Total	(178,917,653)	2,313,086

Fixed Assets were overstated by Tk. 320,0475,863/- in previous years which have been restated this year resulting reversal of Deferred tax in current year although the Tax rate has been increased to 22.5% from 15%

Note-29 Other Income:

This is made up as follows:

Sample Sales	84,892	1,205,176	1,205,176
Interest Income-FDR	2,827,612	2,707,014	2,707,014
Interest Income IPO Fund	19,900,886	7,723,863	7,723,863
Total	22,813,389	11,636,053	11,636,053

29.01 Interest income from IPO Fund

17,910,797

This is made up as follows:

Interest from-IPO Fund	19,900,886	7,723,863	7,723,863
Less: Tax deduct at source	1,990,089	772,386	772,386
Advacne interest from IPO fund	Total	17,910,797	6,951,477

Note-30 Direct Labour

435,364,612

This is made up as follows:

Workers Wages	361,776,476	332,113,289	332,113,289
Workers Bonus	44,199,341	37,451,968	37,451,968
Earn Leave	8,032,702		
Gratuity	21,356,093		
Total	435,364,612	369,565,257	369,565,257

Ring Shine Textiles Limited 2020-2021

		*Restated	**Reported
	30.06.2021	30-06-2020	30-06-2020
	Tk.	Tk.	Tk.
Note-31 Net Operating Cash flows per share			
This is made up as follows:			
Net Operating Cash flows	157,359,525	(379,852,548)	(379,852,548)
No. of Share Outstandings	505,316,173	500,313,043	500,313,043
Net Operating Cash flows per share	0.31	(0.76)	(0.76)
Note-32 Cash Received from Customers			
This is made up as follows:			
Sales	908,083,726	6,380,635,155	6,380,635,155
Add: Account receivable Opening Balance	1,265,970,954	3,197,542,944	3,197,542,944
Less: Account receivable Closing Balance	(400,177,858)	(2,462,108,763)	(2,462,108,763)
Less: Written off			
	1,773,876,822	7,116,069,336	7,116,069,336
	30.06.2021		
	Tk.		
Note 33 Payment to Suppliers, Employees & others			
Cash paid to suppliers			
Cost of goods sold	1,598,565,593		
Add: Increase/(Decrease) in inventory	(4,619,163)		
Add: Increase/(Decrease) in Accounts payable	(83,320,921)		
Less: Depreciation	(262,839,154)		
Less: Others	(3,831,305)		
Total Cash outflows	1,243,955,050		
Note 34 Payment for operating Expenses			
Administrative, selling & Distribution expenses	103,939,136		
Add: Marketing expenses			
Add: Increase in liabilities for expenses	144,166,404		
Add: WPPF			
Less: Restatement of expenses with retained earnings	(144,491,404)		
Less: Depreciation	(2,208,163)		
Total	101,405,972		
Note 35 Income Tax Deducted at source			
Provision for Income Tax Closing Balance	155,851,852		
Provision for Income Tax Opening Balance	145,452,191		
Add: Income Tax Deducted at source	10,399,661		
Note 36 Interest on Investment			
Investment-FDR Closing Balance	55,074,451		
Investment-FDR Opening Balance	52,529,602		
Interest on Investment	2,544,849		
Note 37 Increase on Bank overdraft			
Bank Overdraft Closing Balance	751,603,950		
Bank Overdraft Opening Balance	700,318,948		
Interest on Bank Overdraft	51,285,002		
Note 38 Increase/(Decrease) Short term Loan			
Short Term Loan Closing Balance	2,288,738,399		
Short Term Loan Opening Balance	2,153,926,133		
Increase/(Decrease) Short term Loan	134,812,266		
Note 39 Increase/(Decrease) in Bill Discounted			
Bill Discounted Closing Balance	249,947,213		
Bill Discounted Opening Balance	893,637,131		
Increase/(Decrease) in Bill Discounted	(643,689,918)		

Ring Shine Textiles Limited 2020-2021

	<u>Amount (TK)</u>
Note 40 Right of Use Asset:	
Balance as on 30.06.2020	45,894,186
Less: Depreciation	5,909,118
Balance as on 30.06.2021	39,985,068
Note 41 Lease Liabilities:	
Balance as on 30.06.2020	60,765,808
Less: Lease Liability reduction	7,138,279
Balance as on 30.06.2021	53,627,529

RING SHINE TEXTILES LIMITED

DEPZ, Extension Area, Plot 224-260

Ganakbari, Savar, Dhaka.

Property, Plant and Equipment Schedule

As at June 30, 2021.

Annexure-01

*Restated

Particulars	Cost				Accumulated Depreciation					Written Down
	Balance as on 01.07.2020	Addition	Adjustment	Balance as on 30.06.2021	Balance as on 01.07.2020	Rate	For The Period	Adjustment of Acc. Dep for Revaluation	Balance as on 30.06.2021	Balance as on 30.06.2021
1	2	3	4	5=(2+3+4)	6	7	8=5 X 7	9	10=(6+8+9)	11=(5-10)
Building	4,694,426,957	-	(3,602,126,957)	1,092,300,000	1,746,386,756	10%	109,230,000	(1,855,616,756)	-	1,092,300,000
Plant & Machinery	6,544,255,550	-	(5,553,474,523)	990,781,027	4,071,193,189	15%	148,617,154	(4,219,810,343)	-	990,781,027
Transport & Vehicles	63,564,007	-	(60,698,833)	2,865,174	46,369,291	20%	573,035	(46,942,326)	-	2,865,174
Office Equipments	37,445,920	-	(33,267,289)	4,178,631	20,729,246	15%	626,795	(21,356,041)	-	4,178,631
Furniture & Fixtures	14,718,886	-	(12,510,806)	2,208,080	12,510,806	10%	220,808	(12,731,614)	-	2,208,080
Electrical Equipments	116,680,146	-	(98,614,719)	18,065,427	81,956,075	15%	2,709,814	(84,665,889)	-	18,065,427
Telephone Line & Installation*	2,185,666	-	(1,937,539)	248,127	1,345,850	15%	37,219	(1,383,069)	-	248,127
Gas Line Installation	38,994,105	-	(37,298,835)	1,695,270	25,436,619	15%	254,291	(25,690,910)	-	1,695,270
Electric Line Installation	84,180,978	-	(82,453,463)	1,727,515	37,203,862	15%	259,127	(37,462,989)	-	1,727,515
Water Line & Tank	42,599,327	-	(41,817,347)	781,980	23,176,112	15%	117,297	(23,293,409)	-	781,980
Fire Extinguisher	11,757,347	-	(11,703,683)	53,664	7,813,846	15%	8,050	(7,821,896)	-	53,664
Lab Equipment	26,188,824	-	(25,835,242)	353,582	22,094,404	15%	53,037	(22,147,441)	-	353,582
Leasehold Land Development*	118,274,780	-	(47,983,762)	70,291,018	47,983,762	3.33%	2,340,691	(50,324,453)	-	70,291,018
For the Year Ended 30.06.2021	11,795,272,493	-	(9,609,722,998)	2,185,549,495	6,144,199,818		265,047,317	(6,409,247,135)	-	2,185,549,495
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

RING SHINE TEXTILES LIMITED
Schedule of Advances, Deposits & Prepayments

As at June 30, 2021

Annexure-02

SL. No.	Particulars	Balance as on 01.07.2020	Payment During the Year	Utilized During the Year	Balance as on 30.06.2021
1	Advance for Factory expense	1,282,716	-	1,282,716	-
2	Advance to DEPZ	2,455,916	-	-	2,455,916
3	Security Deposit for DEPZ Land	6,758,557	-	-	6,758,557
4	Security For PDB	501,111	-	-	501,111
5	Security Deposit for DEPZ Electricity	4,940,781	-	-	4,940,781
6	Security Deposits for Tel & Mobile	774,975	-	-	774,975
7	Security Deposits for Titas Gas	34,873,684	-	21,958,650	12,915,034
8	Prepaid Insurance For Factory	1,737,253	6,198,870	6,905,623	1,030,500
9	Advance to Unique Logistics	-	2,700,000	-	2,700,000
10	CNF Advance payment	-	3,609,122	-	3,609,122
11	Security for BGIC	440,420	-	-	440,420
12	Security for BOC Gas	32,000	-	-	32,000
Total Advances & Security Deposits		53,797,413	12,507,992	30,146,989	36,158,416

Ring Shine Textiles Limited 2020-2021

RING SHINE TEXTILES LIMITED Details of Accounts Receivables

As at June 30, 2021.

Annexure-03

Particulars

Yarn	(Annexure-03-A)	254,351,403	973,041,292	
Polar Fleece	(Annexure-03-B)	127,915,659	292,929,662	
		382,267,061	1,265,970,954	2,464,648,901
			* Restated	** Reported
		30.06.2021	30.06.2020	30.06.2020

Yarn	Annexure-03-A		
SL. No.	Buyers' Name	Amount (TK)	Amount (TK)
1	AMS INTERNATIONAL (SWEATER) LTD		2,573,130
2	ANZIR APPARELS LIMITED (UNIT-2).	2,354,940	24,072,749
3	A-ONE (BD) LTD.	3,749,256	3,749,256
4	A VANT GARDE FASHION LTD.	61,361,412	329,499,736
5	BLP WARM FASHION LTD		4,503,752
6	BKC SWEATERS LTD		976,857
7	BEST WOOL SWEATERS LTD		413,763
8	BHUYAN WARMTEX LTD		2,100,995
9	BODY FASHION (PVT) LTD	2,198,902	32,071,078
10	C AND R SWEATER LTD.	3,994,242	10,097,703
11	COLD ASIA SWEATER LTD		2,651,292
12	COSMIC SWEATERS LTD		6,906,695
13	D AND S PRETTY SWEATERS LTD		425,040
14	DESH SWEATER LTD		8,828,687
15	DIGANTA SWEATERS LTD		17,319,015
16	DISHANG SWEATER LTD		3,275,328
17	DISNEY SWEATER LTD		3,263,068
18	DK. SWEATER LTD.	390,600	14,254,926
19	DYNASTY SWEATER LTD		216,720
20	EKRAM SWEATERS LTD		2,267,370
21	ENRICH LIMITED	4,032,000	2,342,676
22	EVERBRIGHT SWEATER LTD.	7,431,392	6,122,340
23	FB FASHION (PVT) LTD		1,662,570
24	FYNE SWEATERS LTD		187,526
25	GARIB & GARIB CO. LTD. UNIT-2	2,805,600	13,561,443
26	GLOBAL MERCHANTS LTD		1,683,360
27	IXORA APPARELS LTD		3,902,934
28	JFK FASHION LTD		4,645,116
29	J.L SWEATERS LTD.	1,177,294	17,447,690
30	JAZZ SWEATER LTD		3,143,293
31	JOVIAN SWEATER LTD		674,730
32	KNIT STUDIO LTD		10,337,800
33	KONABARI FASHION LTD	2,268,000	
34	L USINE FASHION LTD.	1,527,876	25,046,511
35	LABIB DYEING LTD		4,805,892
36	MT SWEATER LTD		7,171,651
37	MAGPIE KNITWEAR LTD	22,952,442	89,536,595
38	MAHDEEN SWEATERS LTD	720,720	

Ring Shine Textiles Limited 2020-2021

39	MASIHATA SWEATER'S LTD.	3,528,000	10,964,520
40	MIM DESIGN LTD		398,601
41	MOHAMMADI FASHION SWEATER LTD		1,731,131
42	NAR SWEATERS LTD.		51,726,708
43	NATURAL SWEATER VILLAGE LTD.		3,080,994
44	OASIS FASHION LTD		253,890
45	OCEAN SWEATER IND.(PVT) LTD	30,545,340	46,438,430
46	ORCHID SWEATER LTD		289,170
47	PANDORA FASHION LTD		5,602,569
48	PERFACT SWEATERS LTD.	5,626,320	
49	PIONEER KNITWEARS (BD) LTD	2,095,867	18,997,865
50	POSMI SWEATERS LTD	45,360	1,806,000
51	PRINCE JACQUARD SWEATER LTD	4,783,027	
52	PROBRIDHI APPARELS LTD.	582,120	1,967,532
53	PT. MATAHARI SENTOSA JAYA	27,493,360	30,430,100
54	RAHMAT SWEATERS LTD.		5,468,400
55	ROAR FASHION LIMITED.	7,623,420	4,728,662
56	S R P SWEATERS LIMITED.	3,726,933	
57	S.S SWEATER LTD.	3,097,038	2,225,370
58	SAKOATEX LIMITED.	2,859,024	17,146,197
59	SAVAR SWEATERS LTD		5,105,134
60	SHOMAHAR SWEATERS LTD		1,794,106
61	SPRING TRADE LTD		18,693,906
62	SQ CELSIUS LTD		332,518
64	SAMAD SWEATERS LTD.	874,944	
65	SINHA KNIT INDUSTRIES LTD	6,137,208	
66	SMH NEW GENERATION APPARELS LTD.	429,097	
67	SMUG SWEATER LTD.	2,146,452	3,413,340
68	SWEATERTECH LTD.	8,117,123	24,097,544
69	SYNERGY FASHIONS LTD.	5,117,532	1,402,439
70	T. J. SWEATERS LTD.	9,596,790	18,517,976
71	TARGET FINE KNIT IND'S LTD.		6,025,488
72	T-DESIGN KNITWEAR LTD.		17,231,340
73	WINTER DRESS LTD		8,256,965
74	WOOLEN AND WOOL LTD		2,449,939
75	TOP TEX SWEATER LIMITED.	10,493,322	
76	UNICORN SWEATERS LTD	771,649	725,172
77	ZA SWEATERS LTD.	1,696,800	
total		254,351,403	973,041,292

Ring Shine Textiles Limited 2020-2021

RING SHINE TEXTILES LIMITED Details of Accounts Receivables

As at June 30, 2021.

		*Restated	
		30.06.2021	30.06.2020
Polar Fleece		Annexure-03-B	
SL. No.	Buyers' Name	Amount (TK)	Amount (TK)
1	AHSAN COMPOSITE LTD	21,971,746	2,646,386
2	AKH STITCH ART LTD.	13,823,080	21,525,422
3	B L P WARM FASHION LTD.		558,222
4	BLUE PLANET KNITWEAR LTD		13,728,782
5	DIPS APPAREL LIMITED		5,991,594
6	FABRICA KNIT COMPOSITE LTD		43,909,997
7	ASKO KNITWEARS LTD.	2,955,397	
8	BARAKA FASHIONS LTD	4,532,371	
9	BASE FASHION LTD.	4,425,960	
10	ENTRUST FASHIONS LTD	3,198,552	
11	FLORESCENT APPARELS LTD	3,708,865	765,240
12	KC BOTTOM AND SHIRT WEAR COMPANY.		7,197,624
13	KNIT BAZAR(PVT) LTD		1,144,685
14	LIZ APPARELS LTD	214,200	
15	MAC TEX INDUSTRIES LIMITED	4,600,462	2,820,325
16	MAGPIE COMPOSITE TEXTILE LTD	5,281,920	
17	MANEL FASHION LIMITED.	27,058,121	7,740,942
18	MAX CLOTHING BD LTD.		126,874
19	NT APPARELS LTD	293,328	
20	NASSA KNIT LTD.		31,525,045
21	NATURAL SWEATER VILLAGE LTD		352,800
22	PATRIOT ECO APPAREL LTD.	5,427,744	
23	PRETTY SWEATERS LTD	3,295,908	
24	PT. MATAHARI SENTOSA JAYA	2,357,039	2,357,039
25	ROWA FASHIONS LIMITED.		661,177
26	SHINE FASHION CO. (PVT) LTD		135,506,498
27	SIJI GARMENTS CO. LTD.		2,251,049
28	SAYEM FASHIONS LTD	2,270,835	
29	SIDKO APPARELS LTD	1,147,717	
30	TOKIO MODE LTD	2,592,416	722,694
31	TOY WOODS (BD) CO. LTD.		
32	Z-3 COMPOSITE KNITWEAR LTD.	18,759,997	11,397,267
Total		127,915,659	292,929,662

RING SHINE TEXTILES LIMITED
Details of Accounts Payable
As at June 30, 2021.

Annexure-04

SL. No.	Suppliers' Name			
		30.06.2021	*Restated 30.06.2020	**Reported 30.06.2020
SL. No.	Suppliers' Name	Amount (TK)	Amount (TK)	Amount (TK)
01	ASM CHEMICAL INDUSTRIES LTD.	2,226,000	2,226,000	
02	BSL LIMITED	20,784,721	-	
03	DAEYU BANGLADESH LTD.	6,048,000	20,664,000	
04	DAMODAR INDUSTRIES LTD.	4,884,328	21,390,687	
05	DYSIN INTERNATIONAL LIMITED	6,331,819	-	
06	E.ASTRO CO LTD	144,850,494	156,171,184	
07	Groz-Beckert Singapore Pte Ltd.	1,212,669	-	
08	HWA TAI INDUSTRY CO., LTD.	11,348,939	8,945,370	
09	ISRAQ ROTOR SPINNING MILLS LTD	2,641,800	17,085,600	
10	JIANGSU GTIG ESEN CO LTD.	13,117,578	13,117,578	
11	JINDO CHEMICAL SOLUTIONS PVT LTD	5,827,290	-	
12	KEW ALRAM TEXTILES PVT LTD.	17,139,876	-	
13	LAHOTI OVERSEAS LIMITED	11,606,372	-	
14	LE MERITE EXPORTS PVT. LT.	11,673,446	-	
15	NADEEM TEXTILES MILLS LTD.	38,635,834	-	
16	NYTEX PTE LTD.	12,236,717	-	
17	PT Indorama Polychem Indonesia	7,969,329	-	
18	SAMINFOOD& BEVERAGE IND'S & TEXTILE LTD	46,200,000	68,880,000	
19	SINSIN POLY LIMITED	1,560,300	-	
20	SPECTRA DYE CHEM (PVT) LTD.	1,272,600	1,272,600	
21	SRI CHERAN SYNTHETICS INDIA PRIVATE LIMITED	12,420,230	-	
22	SRI SALASAR BALAJI AGRO TECH (P) LTD.	12,025,880	-	
23	SUEZ WATER TECHNOLOGIES	3,175,200	2,940,000	
24	SUNFLAG (THILAND) LTD.	10,496,640	-	
25	THAI ACRYLIC FIBRE CO., LTD.	60,309,378	-	
26	TRADEASIA INTERNATIONAL PTE. LTD.	5,895,960	4,595,774	
27	AA SYNTHETIC FIBRES LIMITED	-	11,564,179	
28	AKBAR TEXTILES LTD.	-	22,260,000	
29	CHINA MAYLALA LIMITED	-	788,168	
30	D.H.EURO HI-TECH CO LIMITED	-	151,656,656	
31	FENATEX CO., LTD.	-	5,758,553	
32	ISRAQ TEXTILE MILLS LTD	-	5,166,000	
33	JIANGSU PENGXIANG NEW MATERIAL POLYTRON TECH. INC	-	4,122,250	
34	JIA XING TIBAI IMPORT & EXPORT CO LTD.	-	4,032,000	
35	S.F TEXTILE IND'S LTD.	-	24,948,000	
36	SAMUDA CHEMICAL COMPLEX LTD.	-	2,578,800	
37	SO FNC INTERNATIONAL Les Co Ltd	-	1,516,838	
38	TAIWAN SURFACTANT CORP.	-	3,532,082	
Total Accounts Payables		471,891,399	555,212,319	105,948,886

Ring Shine Textiles Limited 2020-2021

RING SHINE TEXTILES LIMITED

DEPZ, Extension Area, Plot 224~260
Ganakbari, Savar, Dhaka.

Details of Outstanding Liabilities

As at June 30, 2021.

Annexure-05

SL. No.	Particulars	Annexure-05		
		30.06.2021	*Restated 30.06.2020	**Reported 30.06.2020
		Amount (TK)	Amount (TK)	Amount (TK)
1	Staff Salary	9,772,822	3,744,580	3,236,355
2	Worker's Salary	27,104,474	42,613,645	42,613,645
3	Security Bill	1,006,583	1,723,039	1,628,470
4	DEPZ Medical Bill	2,338,560	876,120	876,120
5	DEPZ Electric Bill	125,448,787	40,227,583	40,227,583
6	DEPZ Water Bill	50,124,332	24,864,708	24,864,708
7	DEPZ Service Charge	13,954,274	11,923,132	11,923,132
8	DEPZ Land Rent	41,069,280	13,399,260	13,399,260
9	Titas Gas Bill*	42,413,200	99,107,154	15,591,278
10	Outstanding gen standby ch.	6,297		
11	Worker's welfare fund	1,117,368	373,968	373,968
12	Gas Bill-Baridhara Office	40,124	8,598	8,598
13	Water Bill-Baridhara Office	97,025	12,659	12,659
14	Electricity Bill-Baridhara Office	67,000	25,876	25,876
15	Baridhara House Rent	1,103,000	1,087,500	
16	Telephone Bill	297,711	6,971	6,971
17	Mobile Bill	84,958	90,441	90,441
18	EP/IR/Sub Con bill	247,563		
19	CNG Bill	2,770,405	2,752,882	
20	Office expenses	197,841		
21	Internet bill	64,797		
22	Staff Service benefit	265,986		
23	Workers Service benefit	3,553,059		
24	Tiffin Bill	4,164,688	4,054,800	
25	Postage & Courier	1,775		
26	Conveyance Bill	666,810	666,810	
27	Stationary	198,993		
28	Concord C&F	2,941,908	2,319,800	
29	Unique C&F	4,539,300		
30	Popular C & F	7,677,449		
31	MS Islam C & F	7,330,600	3,858,300	
32	Mother C & F	6,811,700	1,549,300	
33	NoVo Cargo C & F	1,385,500		
34	Fedarel C & F	1,547,100	1,547,100	
35	Fusion C & F	381,700		
36	Others CnF Payment	14,324,060		
37	Baridhara Society	87,700		
38	Staff Fooding	317,263		
39	Staff Resign salary	1,224,941		

Ring Shine Textiles Limited 2020-2021

40	Bhuiyan Sewing	635,250		
41	IT Fair Trade	74,970		
42	Tahsin Abid	1,282,126	938,400	
43	Share Biz	18,975		
44	Vehicle Maintenacne	388,929		
45	Entertainment	33,686		
46	Local welfare	22,000		
47	Repairing	7,300		
48	Computer Maintenace	16,832		
49	Outstanding Alo Bitan	672,086	672,086	
50	Outstanding SMA Engineering	528,067	528,067	
51	Outstanding Kaltimex Energies	1,362,004	1,362,004	
52	Outstanding SS Trade Link	424,000	424,000	
53	Outstanding FF Trade Corp	132,000	132,000	
54	Outstanding Ejab Distribution	828,000	828,000	
55	Outstanding New Razia Motor	518,600	518,600	
56	Outstanding MH Engineer	2,255,200	2,255,200	
57	Outstanding Benevolent	282,500	282,500	
58	Outstanding Bangladesh Bearing	338,300	338,300	
59	Outstanding Ecotec Energy	47,200	47,200	
60	Outstanding ARG Trading	174,287		
61	Outstanding Khan Engineers	303,700	353,700	
62	Outstanding Khan Enterprise	2,844,000	2,701,000	
63	Outstanding Rupsha Chemical	13,262,170	13,262,170	
64	Outstanding Alpha Corp.	12,000		
65	Outstanding NP Chemical	232,000		
66	Outstanding Impetial Allied	465,700		
67	Outstanding Dysin Int'l	2,062,220	2,062,220	
68	Outstanding Texchem Int'l	237,600		
69	Outstanding Silkflex Bangladesh	91,700		
70	Outstanding Kopothakko	2,184,000	2,184,000	
71	Outstanding ITS Labtex	19,245		
72	Outstanding Bureau Veritas	2,520		
73	Outstanding Bangladesh General	351,600		
74	Outstanding Multicolor	313,405		
75	Outstanding Moni Enterprise	17,600		
76	Earn Leave Staff	1,674,160		
77	Earn Leave Workers	-		
78	Garage Rent	1,231,200	746,944	
79	BRTA for Vehicle	565,618	1,106,839	
80	Probal Engineers	17,405,500	17,405,500	
81	RJSC Fee	284,865		
82	DSE Fee	2,440,873		
83	Wastage water bill	262,858		
84	Audit Fee	255,556	255,556	592,500
85	Directors Remuneration	3,659,789	1,223,400	1,223,400
86	Vat & Tax	1,187,533		
87	Workers Resign Benefit	17,757,530		
88	Partex cables	16,700		
89	Sundry Expenses	-	5,120,569	5,120,569
90	Shakil Engineering	-	182,000	
Total Outstanding Liabilities		455,930,885	311,764,481	161,815,533

Ring Shine Textiles Limited 2020-2021

Prior Years Adjustment List of Restated Items

Annexure-06

S L N o.	Description	Financial Statement 2021: Note No/Item	Reported in Audited FS_2019-20	Overstated/ (Understated)	Period
1	Inventory	Note-9	3,927,431,665	3,010,508,348	2019-20
2	Trade Receivable	Note-8	2,464,648,901	1,198,677,947	2019-20
3	Outstanding Liabilities for Expenses	Note-14	161,815,533	101,457,056	2019-20
4	Trade Payable	Note-15	105,948,886	449,263,433	2019-20
5	Provident fund	Note-17	-	330,241,882	2019-20
6	Gratuity	Note-17	-	119,646,850	2019-20
7	Brac bank balance	Cash Equivalent	7,466,089	7,466,089	2019-20
8	House Rent	Administrative Expenses	-	1,087,500	2019-20
9	Garage Rent	Administrative Expenses	-	410,000	2019-20
10	Factory Maintenance	Factory Overhead	-	2,701,000	2019-20
11	Rupsha Chemical	Chemical purchase	-	13,262,170	2019-20
12	Dysin International	Chemical purchase	-	2,062,220	2019-20
13	Kopotakko	Chemical purchase	-	2,184,000	2019-20
14	Tiffin Bill	Factory expenses	-	4,054,800	2019-20
15	ENI Security Bill	Administrative Expenses	1,628,470	94,569	2019-20
16	Kaltimex Energy	Factory expenses	-	1,362,004	2019-20
17	MH Engineers	Factory expenses	-	2,255,200	2019-20
18	Conveyance Bill	Administrative Expenses	-	666,810	2019-20
19	Opening Good in Transit	Cost of goods sold	-	(81,609,252)	2019-20
20	CNF Bill	Cost of goods sold	-	9,274,500	2019-20
22	CNG Bill	Administrative Expenses	-	346,490	2019-20
23	CNG Bill	Administrative Expenses	-	2,406,392	2019-20
24	Vehicle Maintenance	Administrative Expenses	-	1,106,839	2019-20
25	Factory Maintenance	Factory Overhead	-	3,770,753	2019-20
26	Staff salary	Administrative Expenses	3,236,355	508,225	2019-20
27	Packing Material	Purchase	-	938,400	2019-20
28	PF/Gratuity	Note-17	-	154,572,219	2019-20
	Total		6,672,175,899	5,338,716,444	

Total Liabilities	267,764,419	550,720,489	2019-20
Total Expenses	4,864,825	652,952,823	2019-20
Total Assets	6,399,546,655	4,135,043,132	2019-20
Grand Total	6,672,175,899	5,338,716,444	

Retained Earnings Adjustment 2020-21:

Total Fixed Asset(WDV) shown in 2019-20	5,651,072,675
Less Depreciation for current year	265,047,317
Total Fixed Asset(WDV) 2020-21	5,386,025,358
Total Fixed Asset after Valuation	2,185,549,495
Fixed Asset Restatement adjustment with Retained Earnings	3,200,475,863
IFRS-16 adjustment with Retained Earnings	13,642,463
Total Adjustment with Retained Earnings(2020-21)	3,214,118,326

Ring Shine Textiles Limited 2020-2021

RING SHINE TEXTILES LIMITED

DEPZ, Extension Area, Plot 224~260

Ganakbari, Savar, Dhaka.

Allocation Base of Depreciation

As at June 30, 2021.

Annexure-06

Particulars	Basis of Apportion	Factory	Selling &	Total
		Amount (TK)	Amount (TK)	Amount (TK)
Building	100:00	109,230,000	-	109,230,000
Plant & Machinery (Imported)	100:00	148,617,154	-	148,617,154
Transport & Vehicles	50:50	286,517	286,517	573,035
Office Equipments	00:100	-	626,795	626,795
Furniture & Fixtures	25:75	55,202	165,606	220,808
Electrical Equipments	80:20	2,167,851	541,963	2,709,814
Telephone Line & Installation	80:20	29,775	7,444	37,219
Gas Line Installation	100:00	254,291	-	254,291
Electric Line Installation	75:25	194,345	64,782	259,127
Water Line & Tank	60:40	70,378	46,919	117,297
Fire Extinguisher	100:00	8,050	-	8,050
Lab Equipment	100:00	53,037	-	53,037
Leasehold Land Development	80:20	1,872,553	468,138	2,340,691
Total		262,839,154	2,208,163	265,047,317

Ring Shine Textiles Limited

Corporate Office: House # 05, Road # 06, Block # K, Baridhara
Model Town, Gulshan-1, Dhaka-1212, Bangladesh

Proxy Form

I/We.....of

..... being a shareholder of Ring Shine Textiles Limited and entitled to vote hereby appoint Mr./Ms as my/our proxy to attend and vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company to be held on Tuesday, the 20 June, 2023 at 11:30 a.m. in digital platform and at any adjournment thereof. link <https://ringshine24th.digitalagmbd.net>

As witness my/our hand this.....day of.....2023

Signature of the Shareholder(s)

(Signature of the Proxy)

Affix Twenty
Taka Revenue
Stamp

Folio No/ BOID No:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of shares held..... Dated:

Note:

01. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf.
02. The Proxy Form, duly stamped, must reach at the share office Located at House # 05, Road # 06, Block # K, Baridhara Model Town, Gulshan, Dhaka-1212 of the company not less than 48 hours before of the meeting.

Ring Shine Textiles Limited

Corporate Office: House # 05, Road # 06, Block # K, Baridhara
Model Town, Gulshan-1, Dhaka-1212, Bangladesh

ATTENDANCE SLIP

SEAL

I/We hereby record my/our attendance at the 24th Annual General Meeting of the company being held on Tuesday, the 20 June, 2023 at 11:30 a.m. in digital platform and at any adjournment thereof. link <https://ringshine24th.digitalagmbd.net>

Name of the shareholder /Proxy.....

Folio No/ BOID No:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No of Shares held.....

(Signature of the Proxy)

Signature of the Shareholder(s)

N.B: Please present this slip duly signed at the entrance of the Meeting Hall or, please login to the designated link filling up the required field.



Corporate Office:

House # 05, Road # 06, Block # K, Baridhara Model Town
Gulshan, Dhaka-1212, Bangladesh

E-mail: fabric@ringshine.com, yarn@ringshine.com

Factory:

Plot # 224-260, Extension Area, DEPZ,
Ganakbari, Savar, Dhaka, Bangladesh.
Tel: +880-2-996688980, Fax: +880-2-996688960, 996688961

E-mail: info@ringshine.com

www.ringshine.com