



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

Sub: Third Quarter Unaudited Financial Statement  
of the Company as at 31 March, 2017

As per Rule of Bangladesh Securities and Exchange Commission,  
we are pleased to enclose herewith the Unaudited Third Quarter  
Financial Position, Comprehensive Income Statement, Statement  
of Cashflows and Statement of Changes in Equity as at 31 March,  
2017.

Sd/-

Company Secretary

Date :30/04/2017

# Desh Garments Limited

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017 (UNAUDITED)

Taka in '000

PARTICULARS	Notes	31 March 2017	30 June 2016
<b>Assets:</b>			
<b>Non-Current Assets</b>		<b>103,743</b>	<b>107,370</b>
Property Plant & Equipment	1.00	103,743	107,370
<b>Current Assets</b>		<b>93,267</b>	<b>139,754</b>
Inventories	2.00	26,372	51,109
Investment in Shares	3.00	5,812	5,812
Investment in FDR	4.00	20,469	13,064
Loans, Advances and Deposits	5.00	2,656	1,256
Income Tax Deduction at Source	6.00	14,888	12,964
Cash and Bank Balances	7.00	23,070	55,549
<b>Total Assets</b>		<b>197,010</b>	<b>247,124</b>
<b>Liabilities:</b>			
<b>Shareholders' Equity</b>		<b>96,405</b>	<b>62,080</b>
Share Capital	8.01	52,572	40,440
Tax Holiday Reserve	9.00	7,273	7,273
General Reserve	10.00	1,478	1,478
Capital Reserve	11.00	41,296	41,296
Retained Earning - As per Profit and Loss Account	12.00	(6,214)	(28,407)
<b>Non-Current Liabilities</b>			
Deferred Tax on Revaluation		10,324	10,324
<b>Current Liabilities</b>		<b>90,281</b>	<b>174,720</b>
Loans and Overdraft	13.00	7,686	23,286
Liability for Goods		41,273	109,848
Accrued Expenses		10,574	17,187
Creditors		2,565	4,797
Unclaimed Dividend		238	238
Dividend Payable		8,262	8,262
Employees Provident Fund		208	208
Provision for Income Tax	14.00	19,475	10,894
<b>Total Equity and Liabilities</b>		<b>197,010</b>	<b>247,124</b>
<b>Net Assets Value Per Share (Restated)</b>		<b>20.30</b>	<b>13.77</b>

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

**DESH GARMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD FROM 01.07.2016 TO 31.03.2017**

		<b><u>Taka in' 000</u></b>
<b>1.00</b>	<b><u>Property Plant &amp; Equipment :</u></b>	TK. <b><u>103,743</u></b>
The break up of the amount is as follows:		
	At Cost 01.07.2016	169,696
	Addition during the period	<u>571</u>
	TOTAL	170,267
	Less : Accumulated depreciation	<u>66,524</u>
	Written Down Value As On 31.03.2017	<b><u>103,743</u></b>
<b>2.00</b>	<b><u>Inventories :</u></b>	TK. <b><u>26,372</u></b>
The detailed break up of the amount is as follows:		
	a) Fabrics	11,595
	b) Accessories Assorted	4,725
	c) Carton	192
	d) Finished Goods	3,510
	e) Work in Progress	<u>6,350</u>
		<b><u>26,372</u></b>
<b>3.00</b>	<b><u>Investment In Shares:</u></b>	TK. <b><u>5,812</u></b>
Being the above amount carried from last accounts		
<b>4.00</b>	<b><u>Investment In FDR:</u></b>	Tk. <b><u>20,469</u></b>
The break up of the amount is as follows:		
	Balance as on 01.07.2016	13,064
	Add: During the period	<u>7,405</u>
		<b><u>20,469</u></b>
<b>5.00</b>	<b><u>Loans, Advances &amp; Deposits :</u></b>	Tk. <b><u>2,656</u></b>
The break up of the amount is as follows:		
	Advance against purchase	2,356
	Security Deposits	<u>300</u>
		<b><u>2,656</u></b>
<b>6.00</b>	<b><u>Income Tax Deduction at Source :</u></b>	Tk. <b><u>14,788</u></b>
The break up of the amount is as follows:		
	Balance as on 01.07.2016	12,964
	Add: During the period	<u>1,924</u>
		<b><u>14,888</u></b>

**7.00 Cash & Bank Balances :** Tk. **23,070**

The break up of the amount is as follows:

Cash in hand	253
Cash at banks	<u>22,817</u>
	<b><u>23,070</u></b>

**8.00 Authorised Capital :**

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

**8.01 Issued, Subscribed and Paid- up Capital :** **52,572**

It represents the paid up of the company consisting of 5,257,200 ordinary shares of Tk. 10 each for cash and fully paid up.

**9.00 Tax Holiday Reserve :** TK. **7,273**

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

**10.00 General Reserve :** TK. **1,478**

This is as per last account.

**11.00 Capital Reserve :** TK. **41,296**

Being the above amount carried from last accounts

**12.00 Retained Earnings :** Tk. **(6,214)**

The break up of the amount is as follows:

Accumulated loss up to 30 June 1991 due to cyclone	(65,559)
Accumulated profit for the period from 1992 to dec'2016	<u>59,345</u>
	<b><u>(6,214)</u></b>

**13.00 Loans & Overdraft :** Tk. **7,685**

The break up of the amount is as follows:

Bank Loans and Overdraft	248
Directors Loan (Unsecured)	<u>7,438</u>
	<b><u>7,686</u></b>

**14.00 Provision for Income Tax :** Tk. **19,475**

The break up of the amount is as follows:

Balance as on 01.07.2016	10,894
Addition: During the period	<u>8,581</u>
	<b><u>19,475</u></b>

**15.00 Deviation of Earning Per Share (EPS) :**

Turnover reduced by Tk.8.85% from 30.23 crore during 2016 to Tk.27.55 crore during 2017. On the other hand cost of goods sold reduced by 19.41% to Tk.21.57 crore during 2017 from 26.76 crore during corresponding previous year. This gain in cost of goods sold increased the profit before tax 145.74% to 4.36 crore from 1.77 crore of previous year. This increase profit shot up the EPS to 6.53 from 2.63. The improvement is cost of production was acheived through obtaining of higher unit C.M. of garments and much better worker time utilization through more effective management controls.

**16.00 Net Operations Cash Flow Per Share :**

The basic reasons for decreasing net operating Cash Flow per share for decreasing the liability for goods i.e. more payment to materials supplies during the period than the preceding period.

**17.00 Impairment test of investment and property, plant and equipment (PPE) :**

We have test the impairment of "Investment and PPE" but no impair of Investment and PPE as on 31 March, 2017