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"Satisfying Buyers' Needs" and to be a leading and sustainable ecofriendly textile fabric apparel manufacturer in Bangladesh is our vision.

MISSION

Our mission is to maximize quality products production and services strictly on ethical and moral standards at minimum costs to the society ensuring optimum benefits to the consumers, the shareholders and other stakeholders.



GOAL



- Enhance productivity to extend our products market demands;
- Ensure committed and sound supply chain;
- Maintain strict compliance of best governance norms to ensure long term sustainability of the company;













Generation Next Fashions Limited

Head Office: House # 348, Road # 05, DOHS Baridhara, Dhaka-1206 Telephone: +8802 8411623, 8412625 & Fax: +8802 8416491, Website: www.gnf-bd.com

NOTICE OF THE 14TH ANNUAL GENERAL MEETING

Notice is hereby given that the 14th Annual General Meeting (AGM) of the Shareholders of Generation Next Fashions Limited will be held on Thursday, November 22, 2018 at 11:00 A.M. at the Factory premises at Dhonaid, Earpur, Ashulia, Dhaka to transact the following businesses: -

AGENDA

1. Report and Accounts:

To receive, consider and adopt the Financial Statements of the Company for the year ended on June 30, 2018 together with the Reports of the Board of Directors and the Auditors thereon.

2. Dividend

To declare the dividend for the financial year ended June 30, 2018 as recommended by the Board of Directors.

3. Election of Directors:

To elect/re-elect Directors as per terms of the relevant provision of the Articles of Association of the Company.

4. Appointment of Auditors:

To appoint the Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.

5. Appointment of Independent Directors:

To appoint the Independent Director as per terms of the relevant provision of the Articles of Association of the Company.

6. Miscellaneous:

To transact any other related business with the permission of the Chair.

Dated: Dhaka October 30, 2018 By order of the Board of Directors Sd/-**Mohammad Shahjahan** Company Secretary

NOTES

- The Board of Directors has recommended Stock Dividend @ 10% for the year ended June 30, 2018 subject to approval in the 14th Annual General Meeting (AGM)
- b) The Record Date is October 30, 2018 (Tuesday). The shareholders whose names appeared in the Share Register of Members of the Company or in the Depository Register (CDBL) on the Record Date are eligible to attend the meeting and qualify for Stock Dividend
- c) A member eligible to attend and vote at the Annual General Meeting (AGM) may appoint a proxy to attend and vote on his/her behalf. The Proxy Form must be affixed with revenue stamp of Tk.20/- and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting
- d) Annual Report, Attendance Slip and Proxy Form along with the notice are being sent to all Members by Courier Service/Post. The Members may also collect the "Proxy Form" from the Share Department of the Company
- e) Admission into the Venue of the AGM will be allowed on production of the attendance slip attached with the Annual Report. Shareholders are requested to register their names in the counter at the entrance of the Venue from 8.30 A.M. to 10.30 A.M.

NB: No gift and no food shall be given for attending the 14th Annual General Meeting of the Company as per rules.



LETTER OF TRANSMITTAL

To
The Shareholders
The Bangladesh Securities and Exchange Commission
The Registrar of Joint Stock Companies & Firms
The Dhaka Stock Exchange Limited
The Chittagong Stock Exchange Limited
The Central Depository Bangladesh Limited
All Other Stakeholders

Subject: Annual Report for the year ended June 30, 2018

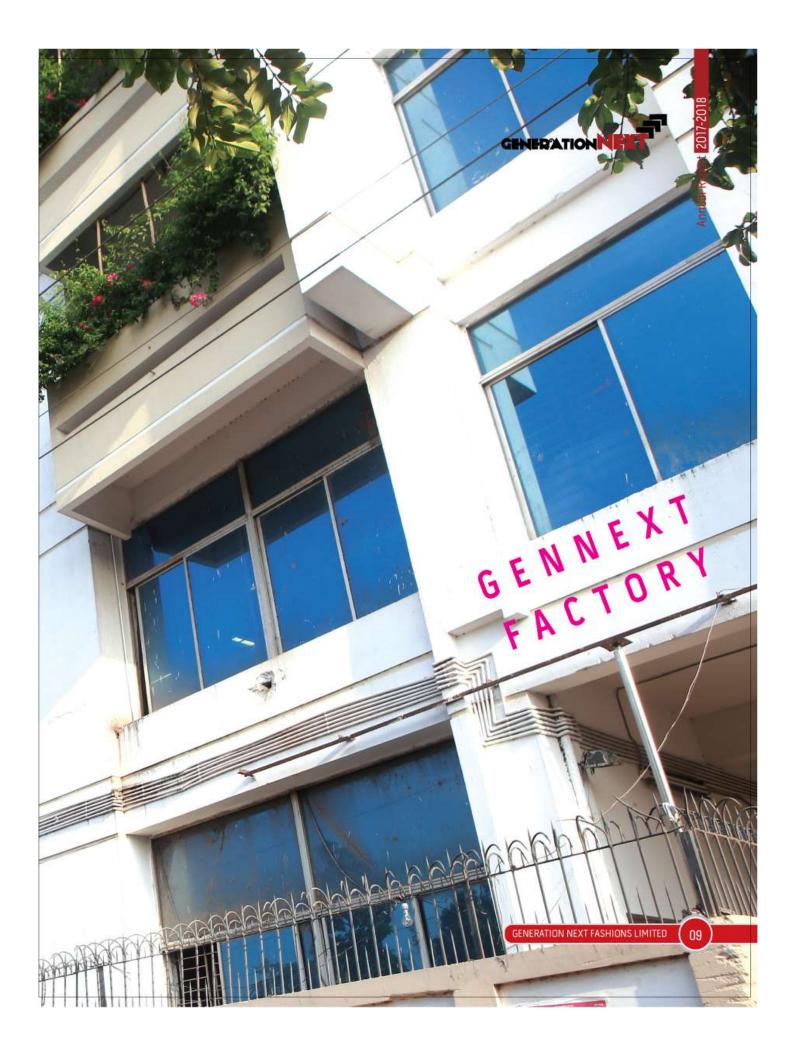
Dear Sirs,

We are pleased to transmit a copy of the Annual Report for the year ended June 30, 2018 containing the Director's Report, the Auditor's Report and the Audited Financial Statements, which includes the Statement of Financial Position, Statement of Cash Flows for the year ended June 30, 2018 along with notes for your record and necessary measures.

Yours sincerely,

Mohammad Shahjahan Company Secretary





GENERATION NEXT







GNFL AT A GLANCE

Generation Next Fashions Limited (GNFL) was incorporated in Bangladesh under the Companies Act 1994 on August 19, 2004 with an authorized capital of BDT 500.00 million and paid up capital of BDT 47.20 million to carry out business of spinning, knitting and manufacturing of various types of ready-made garments of international standard and design. At present, the paid up capital of the company is BDT 4499.77 million while the authorized capital is BDT 5000.00 million.

GNFL is a 100% export oriented Textile and Apparel Company which started its commercial operation in July 30, 2006. The company produces composite knit fabrics and various types of ready-made garments.

Our Products

T- Shirt, Men's Polo Shirt Short Sleeve, Ladies Polo Shirt Short Sleeve, Basic T- Shirt, Printed T- Shirt, Women's Trouser, Girls' Trouser, Ladies' Pant, Ladies' Jacket, Static T- Shirt, Ladies' Night Wear Set, Military Jogger, Women's Flannel Trouser, Basic Drive & Fusion Tee, Ladies' Tang Top, Leggings, Hoody Jackets, etc.

World Market

Mainly North America and Europe

Major Production Departments & Service

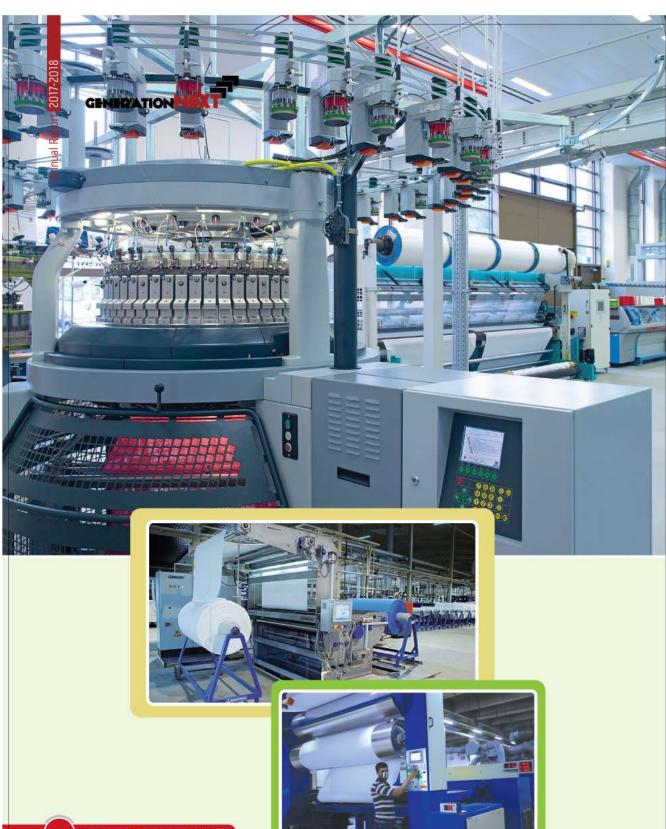
Knitting, Dyeing, Finishing and Garments. Production activities continue virtually round the clock.

Power Gas & Water

Power: Along with the Rural Electrification Board connection, GNFL owns one 1.3 MW Gas generator and one 1.70 MW diesel generator to ensure constant power supply.

Gas: Titas Gas Transmission & Distribution Company Limited is the main source of gas supply. In addition, the company has the provision of LPG.

Water: The company has a number of own deep tube wells installed for necessary water supply.





Our relentless pursuit towardsexcellence of performance manifested with, effective guidance and quality services is the key to quality production. Unity in the work place in an environment of mutual support, collaboration, communication and sharing/ caring of knowledge and skills are the driving forces of the company.

Honesty and morality in service produces good governance, transparency and accountability.

INNOVATION

Our thinking is beyond traditional concepts and boundaries.

CUSTOMER PRIORITY

Satisfaction, trust, and confidence of our customers are of the highest priority.

COMMITMENT

The total resolve and involvement in everything is our responsibility.



CORPORATE INFORMATION

Chairman

Tauhidul Islam Chaudhury

Managing Director

Rajiv Sethi

Directors

Tauhidul Islam Chaudhury Rajiv Sethi Alavee Azfar Chaudhury Shaheen Akhter Chaudhury

(Nominated by A.J Corporation Ltd.)

Independent Director

Atiar Rahman

Chief Financial Officer

Mark Niranjan Chowdhury

Head of Internal Audit

Abdus Salam, FCA

Company Secretary

Mohammad Shahjahan





REGISTERED NAME OF THE COMPANY

Generation Next Fashions Limited

LEGAL FORM

Public Limited Company, listed with Dhaka Stock Exchange and Chittagong Stock Exchange. Incorporated in Bangladesh under Companies Act, 1994.

SHARE & REGISTERED OFFICE

Building# 348, Road# 05, DOHS Baridhara Dhaka- 1206, Bangladesh

Tel: 880-2-8412625, 8411623, 8419210

Fax: 880-2-8416491 web:www.gnf-bd.com

CORPORATE OFFICE:

The Pearl Trade Centre (PTC) Cha- 90/3, ProgotiShoroni Uttar Badda, Dhaka 1212 Tel: 880-2-9895725, 9895752

OPERATIONAL OFFICE & FACTORY

Dhonaid, Earpur, Ashulia, Dhaka.

COMPANY'S REGISTRATION NUMBER

C-53966, August 19, 2004

LISTING RECOGNITION

Company No: 17454, Trade Code: GENNEXT

AUDITORS

Ashraf Uddin & Co.

Chartered Accountant

Office: 142/B, Green Road (3rd & 4th Floor)

Dhaka-1215,

Chamber: Rahman Chamber (5th Floor),

12-13, Motijheel C/A, Dhaka.

LEGAL ADVISOR

Mohsin Mojumder, Advocate

Mojumder & Associates Mahtab Centre (15th Floor) Bijoy Nagar, Dhaka-1000

Moyeen Firozee, Bar-at-Law

ABC House (4th floor), 8 Kamal Ataturk Avenue, Banani, Dhaka.

LISTING

Dhaka Stock Exchange Ltd. Chittagong Stock Exchange Ltd.

INSURER

Asia Insurance Limited

BANKERS

Southeast Bank Limited.
National Bank Limited.
IFIC Bank Limited.
Prime Bank Limited.
Exim Bank Limited.
Jamuna Bank Limited
Brac Bank Limited
Social Islamic Bank limited

MEMBERSHIP PROFILE

Bangladesh Garment Manufacturers and Exporters Association (BGMEA)

Bangladesh Knitwear Manufacturers and Exporter Association (BKMEA)

Bangladesh Textiles Mills Associations (BTMA)

Bangladesh Association of Publicly Listed Companies (BAPLC)

Dhaka Chamber of Commerce and Industries (DCCI)



DIRECTORS' PROFILE



TAUHIDUL ISLAM CHAUDHURY

Chairman

Mr. Chaudhury has 34 years of extensive entrepreneurial and business development experience in successfully steering export oriented textiles and clothing manufacturing industrial and marketing ventures and projects in Bangladesh and in the USA. He successfully pioneered one of the first Bangladeshi Garments Import Houses in New York in 1990 and marketed clothing from Bangladesh to Kenya and US retailers and wholesalers.

He has over 25 years of leadership experience in RMG buying and marketing business in Bangladesh in exporting the widest variety of woven and knitted RMG to the US and European markets. He also has about 25 years of professional knowledge in human resource management, social and ethical standards for global RMG sector.

Mr. Chaudhury has professional membership with Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), Bangladesh Textiles Mills Associations (BTMA) and Dhaka Chamber of Commerce and Industries (DCCI).



RAJIV SETHI Managing Director

Mr. Sethi is an Indian national with residency in Bangladesh. He has been associated with the Garments & Textile sector since 1989. He has a vast experience in the field of sales, merchandising, manufacturing, sourcing of both woven and knit RMG products for exporting to European markets for retailers from various countries as Kenya, Jordan, Pakistan, India, UAE, Bangladesh, China, etc. After his graduation from Delhi University, Mr. Sethi has obtained Diploma in Fashion Designing from Indian Institute of Fashion Technology New Delhi.



DIRECTORS' PROFILE

Alavee Azfar Chaudhury Director

Mr. Chaudhury is a young well known business man in Bangladesh. He is a graduate from USA.



Ms. SHAHEEN AKHTER CHAUDHURY Director (Nominated by A.J Corporation Ltd.)

Ms. Chaudhury is a service holder in A.J Corporation Ltd. She has over 14 years of experience in business and commerce.

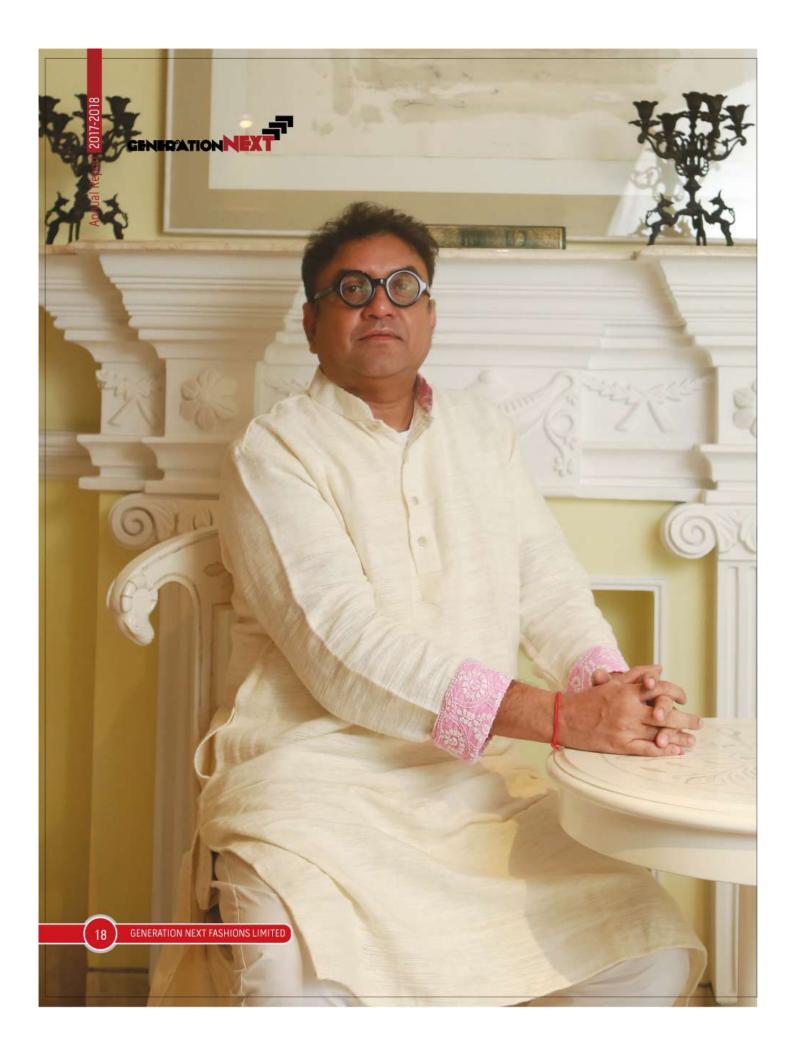


ATIAR RAHMAN

Independent Director

Mr. Rahman is a dynamic asset of the company. He has played a vital role is streamlining the merchandising, production and operations of the company







CHAIRMAN'S MESSAGE

Dear Valued Shareholders.

I deem it to be an exclusive privilege for me to place before you the Annual report along with the audited accounts of your company and auditor's report thereon for the year ending June 30, 2018.

Business Condition:

The year 2018 has been another successful year when we were able to achieve sales growth in spite of extreme competition in global apparel sector. We could overcome all odd situations that prevailed during this period.

Financial Aspects:

It is encouraging to note that, this year, sales revenue has been increased by 22.69% compared to last period, while EPS has increased by 87.04%.

BMRE & Expansion Plan:

You should be happy to know that, we have successfully completed our BMRE with huge expansion works. We have successfully installed all heavy machineries, including setting of Knitting, Dyeing & Sewing machines. Very recently we have finished construction of new building having an area of 1,50,000 square feet. This has created an employment opportunity for additional 2,000 staffs and workers giving a rise in export volume from Tk. 327.96 crore to Tk. 402.38 crore. Our export target in the coming years is projected to be Tk. 700 to Tk. 750 crore.

Total asset of the company now stands at Tk. 709.41 crore, which was Tk.639.73 crore in the last year. We have further added new retailers in our customer bank: a) Norma- Germany, b) Vermond Teddy Bear/ Amazon- USA, c) NKD Services GMBH- Germany, d) Kauf Land- Germany, e) Dunues Storg- Ireland, f) Kroger- USA

Human Resources:

The foregoing achievements would not have been possible without the dedication and selfless commitment of our employees who are the foundation and backbone of our company.

Conclusion:

Here I would like to take this opportunity on behalf of the Board of Directors express our deepest appreciation to all our valued customers for their confidence in our products. I also like convey our sincere thanks and gratitude to all the employees for their tireless efforts, to the suppliers for their quality goods and to the esteemed shareholders for their continuous support and interest for the welfare of the company. We also hope that the same support from all stakeholders will continue in the coming year. May Allah bless us all.

Thanking you all, Chairman of the Board





MANAGING DIRECTOR'S MESSAGE

Dear Shareholders

On behalf of the Board of Directors and on my personal behalf, I take the opportunity to welcome all of you to the 14th Annual General Meeting of our company. The Annual Report containing the audited accounts and auditor's reports thereon for the year ending June 30, 2018 has already been dispatched to you for your kind perusal. I am highly pleased to report that, this year, our company has earned a net profit of Tk. 456,373,261. During this year, sales revenue of the company has reached from Tk. 3,279,614,648 for the year ending June 30, 2017 to Tk. 4,023,783,905 for the year ending June 30, 2018.

If we look ahead, we are striving to produce more and more value added products to enhance our retention in order to maximize profitability. Ready-made garments sector is now facing various challenges of enhanced compliance standards from customers. There are new regulations as regards the buildings and fire safety, payment of minimum wages, introduction of social dialogue, management of chemicals and corporate social responsibilities. To overcome these difficulties and to meet the augmented costs, the management is striving to make operations more efficient. Here we would like to mention that, we have recently completed the construction of a new factory building with an area of 1,50,000 square feet. This will definitely increase our volume of production. We have also installed world class new Dyeing, Knitting & Sewing machines to increase our productivity with the aim of giving a boost to our export volume.

Let me use this platform to convey my thanks to each one of you for your continued support and cooperation. We are whole heartedly working for sustainable growth in the days to come. I would also take this opportunity to express my gratitude to our valued shareholders, all our colleagues & Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Central Depository Bangladesh Limited and all regulatory bodies for the cooperation and support extended to us.

gaziri Sellu Rajiv\Sethi Managing Director





DIRECTOR'S MESSAGE

Dear Valued Shareholders,

With a humble heart I would like to welcome you to our 14th Annual General Meeting of Generation Next Fashions Limited. With the completion of our new building unit, we have managed to significantly increase our production capacity from an estimated 150,000 RMG units to 250,000 RMG units daily for this coming fiscal year. Also, with our expansion in our dyeing capacity, all together we are proudly creating another 2000 new jobs to add to our workforce.

While having a successful tenure increasing sales from Tk. 3,279,614,648 to Tk. 4,023,783,905 for our 2017-2018 period, upcoming sales are projected to grow this coming year to an estimated Tk. 7,000,000,000 to Tk. 7,500,000,000.

Given the change in wage policies and increases in our plant machineries, we are focused on supply chain and productivity, along with technological advancements and extensive research & development, we are planning to arise more prepared and capable than ever to optimize our assets and maximize our cash flow.

I would like to thank you all for your continuous support in allowing our slogan to be a reality; "together we grow as a community."

Sincerely,

Alavee A. Chaudhury Director of the Board









DIRECTOR'S **REPORT**





Dear Shareholders

On behalf of the Board of Directors of Generation Next Fashions Limited, I have the pleasure to welcome you all to the 14th Annual General Meeting of the company. We are pleased to submit before you the operational activities and Audited Financial Statements for the year ended June 30, 2018 as approved by the Board of Directors

Background

The textile sector is at the forefront of the Bangladesh industrial arena. More than 80% of the nation's export earning is derived from this sector. Generation Next Fashions Limited, as a vertically integrated fabric and apparel manufacturing company, is looking to tap into the rising demand by manufacturing products in a more efficient manner. We are now looking to enhance value addition to retain maximum profits. Our marketing strategy is to look for better customers in the days ahead. We have all the latest technologies and machineries to manufacture garments for the top retailers of the world.

Business Activities and Contribution to National Economy

The company has earned Tk.4.02 billion in foreign exchange in the period from July 01, 2017 to June 30, 2018 as against Tk.3.28 billion in the period from July 01, 2016 to June 30, 2017. This is a significant leap forward. We are a 100% export oriented business firm and our revenues are generated in foreign currency. We also purchase our raw materials in US dollars and we also sell our products in US dollars. The fact that, we generated revenues through exports earnings, is a testament to the company's contribution to the national economy

Industry Outlook and Possible Future Developments in the Industry

The major challenges for the period from July 01, 2018 to June 30, 2019 will be inflation, high cost of funding and export order devastation. Despite all these challenges, Generation Next Fashions Limited will continue to look into its potentials and development options with its business strategy. Corporate image, professionalism and quality product growth with aggressive marketing will be our priority

Segment wise or product wise performance during the year.

| Particulars | Capacity | Actual Production | Capacity Utilization |
|----------------------|--------------------|----------------------|-------------------------|
| Garments | 4,076,000 Dozen | 3,750,000 Dozen | 92.00% |
| Fabrics/ Knitting | 11,000 MT | 9,350 MT | 85.00% |
| Fabric Dyeing | 11,000 MT | 9,350 MT | 85.00% |

Risks and Concerns.

1. Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuations may affect the profitability of the company. If exchange rate is increased against local currency, opportunity will be created for generating more profit

Management Perception

The exchange rate of US Dollar against BDT in the country has traditionally witnessed upward trends, which makes ample opportunity for increasing revenue from exports. On the other hand, appreciation of local currency against US Dollar will reduce the import cost of the company. Therefore, change in exchange rate in both ways offsets the profitability of GNFL

2. Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc. which could have an adverse impact on the business, financial condition and results of operation



Management Perception

The company continuously carries out research and development (R&D) to keep pace with the customers' choices and fashions. The industry has successfully coped with the post MFA (Multi Fiber Agreement) competitive situation. The force, which is helping the sector in its strong existence, is emergence of the backward linkage industry. Backward linkage industries are supporting manufacturers in minimizing lead time and cost of production

3. Market Risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception

The company has set its focus only on the export market. The management is trying to sell through direct contacts with the existing customers in selected regions by understanding their needs. The company also has established a relationship with potential buyers across the world and expects to find market for its capacity despite competitions prevailing in the sector. However, the company successfully sourced a number of new potential buyers in the world market.

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management Perception

The company is aware of technological changes and has adopted new state of the art technology according to its needs. Furthermore, routine and proper maintenance of equipment carried out by the company technicians ensures longer service life of the existing equipment and facilities.

5. Potential or Existing Government Regulations

The Company operates under the Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Customs Act, 1969, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt change of the policies made by the regulatory authorities may adversely affect the business of the company.

Management Perception

Unless any adverse policies are made, which may significantly affect the industry as a whole, the business of the company will not be affected. Government emphasizes on the growth of Textile Industry to boost the export of textile products. Yet the promoters and the sponsors have to convince the policy makers for adopting favorable terms and conditions, which will eventually help the textile manufacturers of Bangladesh to compete with the low cost locations in the global arena.



6. Changes in Global or National Policies

The performance of the company may be affected due to unavoidable situation arising from political or environmental changes worldwide. These may also bring changes to world economy as a whole.

Management Perception

To reduce the risk the company has customers from various countries of the world. The management of the company is always concerned about the prevailing and upcoming changes in the global and national policy and shall take corrective actions as required in the days to come.

Internal Control System

The Company has an internal control system with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectively and independence, the Internal Audit function report to the Board.

The internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all sector of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board.

Minority Shareholders' Protection

The Board is and shall be committed to respect the rights of the minority shareholders to voting, right to information, dividends and appraisal of any alteration in Memorandum and Articles.

Going Concern

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and has therefore continued to adopt the going concern basis preparing the financial statements.

Discussion on Production Cost of Goods, Gross Profit Margin and Net Profit Margin

Production cost of goods sold has increased compared to last period due to high rise of labour costand materials cost. However, the gross profit margin and net profit margin have increased significantly.

Discussion on Continuity of any Extra-Ordinary Gain or Loss.

There is no extra-ordinary gain or loss in the financial statements under report except Tk.13,228,175/-interest from bank deposit against Rights Issue Fund.

Related Party Transactions

During the year ended 30th June, 2018 the company has purchased office space at Pearl Trade Centre (PTC), Cha- 90/3, ProgotiSaroni, Uttar Badda, Dhaka amounting Tk. 187,140,735/- from A.J Corporation Limited, a first class developer.

Taxation

The expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit and loss except to the extent that it relates to a business combination or items recognized directly in equity.



Deferred Tax:

The provision for deferred tax has been made based on the difference between accounting depreciation and tax depreciation of property, plant and equipment calculated by the tax authority in the assessment year 2015-16. The rate of deferred tax has been applied as per Income Tax Ordinance, 1984.

Utilization of Proceeds from Public Issues, Rights Issues and/or Through any Others Instruments.

The raised fund has been fully utilized by June 30, 2018 and has been reported to regulatory authority concerned.

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.

No deterioration of financial result has been observed during the year.

Significant Variance Between Quarterly Financial Performance and Annual Financial Statements

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

Remuneration to Directors Excluding Independent Directors.

Remunerations paid during the period are given in notes no.22 of this Annual Report. There is no pay as "Directors' Attendance Fee" in the board meetings.

The Financial Statements prepared by the management of Generation Next Fashions Limited fairly represent its state of affairs, the result of its operations, cash flows and changes in its equity.

Proper books of account of Generation Next Fashions Limited have been maintained.

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.

International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.

Significant deviations from the last period's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.

No significant deviations occurred during the year ended June 30, 2018.





Financial Highlights: Value in Crore Taka

| 2017 to 2018 | 2016 to 2017 | Jan 15 to June 16 | 2014 | 2013 |
|-----------------|---|---|---|--|
| 402.38 | 327.96 | 447.91 | 260.53 | 213.38 |
| 89.09 | 64.24 | 82.82 | 72.81 | 67.15 |
| 56.45 | 38.41 | 57.32 | 63.13 | 58.30 |
| 45.64 | 24.17 | 42.71 | 49.78 | 36.36 |
| 1.01 | 0.59 | 1.14 | 1.54 | 2.15 |
| 450.51 | 399.80 | 359.37 | 309.56 | 298.18 |
| | 2018 402.38 89.09 56.45 45.64 | 2018 2017 402.38 327.96 89.09 64.24 56.45 38.41 45.64 24.17 1.01 0.59 | 2018 2017 June 16 402.38 327.96 447.91 89.09 64.24 82.82 56.45 38.41 57.32 45.64 24.17 42.71 1.01 0.59 1.14 | 2018 2017 June 16 2014 402.38 327.96 447.91 260.53 89.09 64.24 82.82 72.81 56.45 38.41 57.32 63.13 45.64 24.17 42.71 49.78 1.01 0.59 1.14 1.54 |

Five Years' Significant Ratios

| Particulars | Jan 17 to June 18 | 2016 to 2017 | Jan 15 to June 16 | 2014 | 2013 |
|------------------------------------|----------------------|-----------------|----------------------|------|------|
| Liquidity Ratios: | | | | | |
| Current Ratio | 3.28 | 2.87 | 2.44 | 2.86 | 1.04 |
| Quick Ratio | 1.72 | 1.69 | 1.37 | 1.92 | 0.61 |
| Debt Equity Ratio | 0.25 | 0.23 | 0.22 | 0.19 | 0.52 |
| Operating Ratios: | | | | | |
| Accounts Receivable Turnover Ratio | 106 | 98 | 71 | 111 | 106 |
| Inventory Turnover Ratio | 2.76 | 2.5 | 3.78 | 2.76 | 2.54 |
| Asset Turnover Ratio | 0.57 | 0.51 | 0.74 | 0.48 | 0.48 |
| Profitability Ratios: | | | | | |
| Gross Profit Margin Ratio | 0.22 | 0.20 | 0.18 | 0.28 | 0.31 |
| Operating Profit Margin Ratio | 0.14 | 0.12 | 0.13 | 0.24 | 0.27 |
| Net Profit Margin Ratio | 0.11 | 0.07 | 0.10 | 0.19 | 0.17 |
| Return on Assets Ratio | 0.06 | 0.04 | 0.07 | 0.09 | 0.08 |
| Return on Equity Ratio | 0.08 | 0.05 | 0.09 | 0.11 | 0.12 |
| Earnings Per Share | 1.01 | 0.59 | 1.14 | 1.54 | 2.15 |
| Earnings Per Share – Diluted | 1.01 | 0.59 | 1.14 | 1.22 | 0.89 |



If the issuer company has not declared dividend (cash or stock) for the year ended June 30, 2018 the reasons thereof shall be given.

The Board of Directors of the company has recommended stock dividend of 10% for the year ended June 30, 2018

The number of Board Meetings held for the year ended June 30, 2018 and attendance by each director shall be disclosed.

The Board of Directors had 21 meetings during the year ended June 30, 2018. Name of the Directors and number of meetings attended are given below:

| Name of Directors | |
|---|------------|
| Tauhidul Islam Chaud | lhury |
| Rajiv Sethi | |
| Alavee Azfar Chaudhi | ury |
| Shaheen Akhter Chau (Nominated by A.J Co | 2000 D. A. |
| Atiar Rahman | |

| Designation | Attained in Meeting |
|----------------------|---------------------|
| Chairman | 18 |
| Managing Director | 20 |
| Director | 17 |
| Nominee Director | 20 |
| Independent Director | 19 |

Whenever Directors could not attend the meetings, they were granted leave of absence.

Shareholding Pattern

Pattern of Shareholding as at 30 June 2018

| SI. No. | Shareholder's Group | No. of Share Held |
|---------|--|-------------------|
| i) | Shares held by Parent/Subsidiary/Associated Company etc. | NIL |
| ii) | Shares held by Directors: | |
| | Tauhidul Islam Chaudhury, Chairman | 23,099,110 |
| | Rajiv Sethi, Managing Director | 8,999,536 |
| | AlaveeAzfarChaudhury | 9,528,580 |
| | A. J Corporation Limited | 20,375,062 |
| iii) | Executives | NIL |
| iv) | Shareholders who are holding 10% or more voting right: | |
| | ICB | 47,292,683 |

Directors' Election and Re-Appointment

Mr. Tauhidul Islam Chaudhury, Chairman and Mr. Alavee Azfar Chaudhury Director, retired by rotation at this AGM and being eligible, offered themselves for re-election under Article 128 of the company's Articles of Association.

Mr. Atiar Rahman, Independent Director will retire and Mr. Mehdi Mahmood Haque will be appointed as Independent Director

Financial Results

The company's financial results for the year ended June 30, 2018 with recommendation of appropriations are as follows:



| Particulars | Amount in Taka |
|---------------------------------------|-------------------|
| Net Profit for the year June 30, 2018 | 456,373,261 |
| Profit Brought Forward | 465,346,811 |
| Depreciation on Revaluation Surplus | 8,397,154 |
| Bonus Share Issued for the year 2017 | 409,069,880 |
| Profit Available for Appropriation | 521,047,346 |
| Appropriations: | |
| Proposed Stock Dividend | 449,976,869 |
| Transferred to Retained Earnings | 71,070,477 |

Board of Directors

Tauhidul Islam Chaudhury Rajiv Sethi Alavee Azfar Chaudhury Shaheen Akhter Chaudhury (Nominee of A.J Corporation Ltd.) Atiar Rahman

Auditors

The present auditors Ashraf Uddin & Co., Chartered Accountants, will retire at this Annual General Meeting and being eligible, offered themselves for re-election for the year to June 30, 2019

Business Expansion

The company plans to use its already expanded capacity to enhance turnover and profitability for coming years 2018-2019.

Insurance Coverage

The company has comprehensive insurance covering all risks including fire, business interruption, natural disaster, etc.

Human Resources

The company employed a total of 4,404 people as of June 30, 2018. Currently, the management believes that, it can reduce production expenses and enhance exports in future and is taking necessary steps in this regard.

Nomination and Remuneration Committee (NRC) Operation:

Nomination and Remuneration Committee (NRC) Operation is under process it will be completed by March 31, 2019.

Rights Issue Fund

The company earlier raised Rights Issue Fund which is fully utilized for import of machineries by June 30, 2018.

Acknowledgement

The Board of Directors would like to thank all the shareholders for their continued support over the past period. We would also like to express gratitude to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, RJSC, CDBL and other business associates for their valuable suggestions, continuous support and co-operation extended during the period towards the company. We would also like to thank our auditors Ashraf Uddin & Co., Chartered Accountants for their efforts for timely completion of the audit. We also like to thanks our bankers, customers, and suppliers for providing the necessary support to enhance our growth and profitability. Lastly, I would like to say that the Board, with the support of the shareholders, would continue to strive to improve the company's operation and profitability in the upcoming years.

With Best Wishes

Tauhidul Islam Chaudhury

Chairman





Annexure-A [As per condition No. 1(5)(xxvi)]

Generation Next Fashions Ltd. Declaration by MD and CFO

Date: 04th October, 2018

The Board of Directors Generation Next Fashions Limited Building# 348, Road# 05 DOHS Baridhara, Dhaka-1206.

Subject: Declaration on Financial Statements for the year ended on 30th June, 2018.

Dear Sirs.

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No.SEC/CMRRCD/ 2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- The Financial Statements of Generation Next Fashions Limited for the year ended on 30 June, 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from 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 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 regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June, 2018 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- these statements collectively present 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 are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

جمودية لمعللية Rajiv\Sethi Managing Director (MD)

Mark Nifanjan Chowdhury Chief Financial Officer (CFO)







Eastern View (10th Floor) 50 D.I.T. Extension Road, Navapaltan Dhaka-1000, Tel: 880-2-9350992, 9330365 Cell: 01712 000 588 01972 000 588 E-mail: mzislam.ca@gmail.com, afakrul@yahoo.com

Annexure-B [Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Generation Next Fashions Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Generation Next Fashions Limited for the year ended on 30th June, 2018. This Code relates to the Notification No. SEC/CMRRC-D/2006-158/207/Admin/80 dated 3rd 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 Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

- 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 or not complied (if not complied, specify non-compliances);
- 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 or not complied (if not complied, specify non-compliances);
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws or not complied (if not complied, specify non-compliances); and
- The governance of the company is highly satisfactory or satisfactory or not satisfactory.

Place: Dhaka

Dated: 18th October, 2018

M.Z. ISLAM & CO. Chartered Accountants





Generation Next Fashions Limited

Corporate Governance Compliance Status Report
Under Condition No. 7.00

Annexure-c

Status of Compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRC-D/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is as follows:

| Condition No. | Title | Compliance Status (Put√in the appropriate column) | | Remarks |
|------------------|--|---|-----------------|----------|
| | | Complied | Not complied | (if any) |
| 1 | BOARD OF DIRECTORS: | | | |
| 1(1) | Board's Size: 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 | | |
| 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 | | |
| 1(2) (b) | For the purpose of this clause "Independent Director" means a Director | 1 | | |
| 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 | | |
| 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 | | |
| 1(2) (b)(iv) | Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies. | 1 | | |
| | | | | |





| Condition No. | Title | | ce Status appropriate mn) | Remarks |
|------------------|--|----------|---------------------------------|-------------------|
| | | Complied | Not complied | (if any) |
| 1(2) (b) (v) | Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange; | 1 | | |
| 1(2) (b)(vi) | Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | 1 | | |
| 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 engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code; | V | | |
| 1(2) (b)(viii) | Who is not independent director in more than 5 (five) listed Companies; | 1 | | |
| 1(2) (b)(ix) | Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and | √ | | |
| 1(2) (b)(x) | Who has not been convicted for a criminal offence involving moral turpitude. | √ | | |
| 1(2) (c) | The Independent Director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM); | √ | | |
| 1(2) (d) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days. | √ | | |
| 1(2) (e) | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only. | √ | | |
| 1(3) | Qualification of Independent Director (ID) | | | |
| 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 following qualifications: | V | | |
| 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 a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a Candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or | | | Not Applicable |





| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks |
|------------------|---|---|-----------------|-------------------|
| | | Complied | Not complied | (if any) |
| 1(3) (b)(iii) | Former official of government are statutory or autonomous or regulatory body in the position not below 5th Grade of the National Pay Scale, who has at least educational Background of Bachelor Degree in Economics or Commerce or Business or Law; or | | | Not Applicable |
| 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 & Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | | | Not Applicable |
| 1(3) (c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | J | | |
| 1(3) (d) | In special cases the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | | | Not Applicable |
| 1(4) | Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer: | | | |
| 1(4) (a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals. | √ | | |
| 1(4) (b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | J | | |
| 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. | J | | |
| 1(5) | The 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) | Industry outlook and possible future developments in the industry; | J | | |
| 1(5) (ii) | Segment-wise or product-wise performance; | J | | |
| 1(5) (iii) | Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | √ | | |





| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remark |
|------------------|---|---|-----------------|-----------------|
| | | Complied | Not complied | (if any) |
| 1 (5) (iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | 1 | | |
| 1(5) (v) | Discussion on continuity of any Extra-Ordinary 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; | V | | |
| 1(5) (vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any others Instruments; | √ | | |
| 1(5) (viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc; | | | Not Applicab |
| 1(5) (ix) | An explanation of any significant variance occurs between Quarterly Financial performance and Annual Financial Statements; | | | Not Applicab |
| 1(5) (x) | A statement of Remuneration paid to the directors including independent directors; | √ | | |
| 1(5) (xi) | The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | | |
| 1(5) (xii) | Proper books of account of the issuer company have been maintained; | √ | | |
| 1(5) (xiii) | 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) | International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), 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) | The system of internal control is sound in design and has been effectively implemented and monitored; | J | | |
| 1(5) (xvi) | 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) | There are no significant doubts upon the company's ability to continue as a going concern; | V | | |
| 1(5) (xviii) | Significant deviations from the last year's operating results of the company shall be highlighted and the reasons thereof should be explained; | √ | | |





| Condition No. | TILLE | | Compliance Status (Put √ in the appropriate column) | |
|------------------|---|----------|---|---|
| 1100 | | Complied | Not complied | (if any) |
| 1(5) (xix) | Key operating and financial data of at least preceding 5 (five) years are summarized; | √ | | |
| 1(5) (xx) | If the issuer company has not declared dividend (cash or stock) for the year; | | | Not Applicable, as the Company declared stock dividend @ 10% for the year ended 30 June 2018 |
| 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 | | |
| 1(5) (xxii) | The total number of board meetings held during the year and attendance by each director; | 1 | | |
| 1(5) (xxiii) | The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:- | √ | | |
| 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 their spouses and minor children (name wise details) | √ | | |
| 1(5)(xxiii)(c) | Executives; and | | | Not Applicable |
| 1(5)(xxiii) (d) | Shareholders holding ten percent (10%) or more voting interest in the company (name wise details). | 1 | | |
| 1(5) (xxiv) | In case of the appointment or re-appointment of a director the company shall disclose the following information to the shareholders:- | | | |
| 1(5)(xxiv) (a) | A brief resume of the directors. | √ | | |
| 1(5) (xxiv)(b) | Nature of his/her expertise in specific functional areas; | √ | | |
| 1(5) (xxiv) (c) | Names of companies in which the person also holds the directorship and the membership of committees of the board. | 1 | | |
| 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 | | |
| 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. | | | Not Applicable |
| 1(5) (xxv) (c) | Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof. | √ | | |
| 1(5) (xxv) (d) | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario. | 1 | | |





| Condition No. | Title | | ce Status appropriate mn) | Remarks | |
|------------------|--|----------|---------------------------------|--|--|
| | | Complied | Not complied | (if any) | |
| 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. | J | | | |
| 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. | J | | | |
| 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 | √ | | | |
| 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 (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. | | V | To be complied by 31st March,2019. | |
| 1(7) (b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | | ✓ | To be complied by 31st March,2019. | |
| 2 | Governance of Board of Directors of Subsidiary Company:- | | | | |
| 2 (a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company. | | | Not Applicable | |
| 2 (b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company. | | | Not Applicable | |
| 2 (c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company. | | | Not Applicable | |
| | | | | | |





| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks |
|------------------|---|---|-----------------|-------------------|
| | | Complied | Not complied | (if any) |
| 2 (d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also. | | | Not Applicable |
| 2 (e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company. | | | Not. Applicabl |
| 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) | 4 | | |
| 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. | 1 | | |
| 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. | 1 | | |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFD, the HIAC and the CS | 1 | | |
| 3(1) (e) | The MD or CED, 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). | 4 | | |
| 3(2) | Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company 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. | f | | |
| 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: | 1 | | |
| 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. | 1 | | |
| 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. | 1 | | |





| Condition No. | Title | Complian (Put√in the colu | appropriate | Remarks |
|------------------|---|---------------------------------|-----------------|------------------------------------|
| | | Complied | Not complied | (if any) |
| 3(3) (b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members. | J | | |
| 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 | V | | |
| 4 (ii) | Nomination and Remuneration Committee. | | √ | To be complied by 31st March,2019. |
| 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. | 1 | | |
| 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. | V | | |
| 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. | 1 | | |
| 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; | J | | |
| 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. | 1 | | |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee. | √ | | |





| - | | Jan 64 | | |
|------------------|--|----------|---------------------------------|----------|
| Condition No. | Title | | ce Status appropriate mn) | Remarks |
| | | Complied | Not complied | (if any) |
| 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. | 1 | | |
| 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. | 1 | | |
| 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. | 1 | | |
| 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. | √ | | |
| 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. | 1 | | |
| 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. | √ | | |





| Condition No. | Title | Compliance Status (Put√in the appropriate column) | | Remarks | |
|------------------|--|---|--------------|-------------------|--|
| | | Complied | Not complied | (if any) | |
| 5(5) (h) | Review the adequacy of internal audit function. | 1 | | | |
| 5(5) (i) | Review the Management's Discussion and Analysis before disclosing in the Annual Report. | 1 | | | |
| 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) (I) | 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. | 1 | | | |
| 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: | 1 | | | |
| 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:- | 1 | | | |
| 5(6)(a)(ii) (a) | Report on conflicts of interests. | | | Not Applicab | |
| 5(6) (a)(ii)(b) | Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | | | Not Applicable | |
| 5(6) (a)(ii)(c) | Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations. | | | Not Applicable | |
| 5(6) (a)(ii)(d) | Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately. | | | Not Applicable | |
| 5(6) (b) | Reporting to the Authorities 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. | | | Not Applicable | |
| 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. | | | Not Applicable | |





| Condition No. | Title | | ce Status appropriate mn) | Remarks |
|------------------|--|----------|---------------------------------|---|
| | | Complied | Not complied | (if any) |
| 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. | | √ | To be complied by 31st March,2019 |
| 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. | | J | To be complied by 31 st March,2019 |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. $6(5)(b)$. | | √ | To be complied by 31st March,2019 |
| 6(2) | Constitution of the NRC | | | |
| 6(2) (a) | The Committee shall comprise of at least three members including an independent director. | | √. | To be complied by 31st March,2019 |
| 6(2)(b) | All members of the Committee shall be non-executive directors. | | √ | To be complied by 31st March,2019 |
| 6(2) (c) | Members of the Committee shall be nominated and appointed by the Board. | | √ | To be complied by 31st March,2019 |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee. | | √ | To be complied by 31st March,2019 |
| 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. | | √ | To be complied by 31 st March,2019 |
| 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. | | √ | To be complied by 31st March,2019 |
| 6(2) (g) | The company secretary shall act as the secretary of the Committee. | | √ | To be complied by 31st March,2019 |
| 6(2) (h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director | | √ | To be complied by 31st March,2019 |
| 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. | | ✓ | To be complied by 31 st March,2019 |
| 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. | | 1 | To be complied by 31st March,2019 |





| Condition No. | Title | Compliance Status (Put√in the appropriate column) | | Remarks | |
|------------------|---|---|--------------|--|--|
| | | Complied | Not complied | (if any) | |
| 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. | | √ | To be complied by 31st March,2019 | |
| 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. | | √ | To be complied by 31st March,2019 | |
| 6(4) | Meeting of the NRC | | | | |
| 6(4) (a) | (a) The NRC shall conduct at least one meeting in a financial year. | | J | To be complied by 31st March,2019 | |
| 6(4) (b) | (b) The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC. | | J | To be complie by 31st March,2019 | |
| 6(4) (c) | (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); | | 1 | To be complie by 31st March,2019 | |
| 6(4) (d) | (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. | | √ | To be complie by 31st March,2019 | |
| 6(5) | Role of the NRC | | | | |
| 6(5) (a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders. | | √ | To be complie by 31st March,2019 | |
| 6(5) (b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | | √ | To be complie by 31st March,2019 | |
| 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: | | J | To be complie by 31 st March,2019 | |
| 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. | | √ | To be complie by 31st March,2019 | |
| 6(5)(b) (i) (b) | meets appropriate performance benchmarks. | | √ | To be complie by 31st March,2019 | |
| 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. | | √ | To be complie by 31 st March,2019 | |
| 6(5) (b) (ii) | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality. | | V | To be complied by 31st March,2019 | |





| | | | | 22/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2/2 |
|------------------|---|----------|------------------------------------|---|
| Condition No. | Title | | ice Status e appropriate mn) | Remarks |
| | | Complied | Not complied | (if any) |
| 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. | | √ | To be complied by 31st March,2019 |
| 6(5) (b) (iv) | Formulating the criteria for evaluation of performance of independent directors and the Board. | | √ | To be complied by 31st March,2019 |
| 6(5) (b) (v) | Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria. | | √ | To be complied by 31 st March,2019 |
| 6(5) (b) (vi) | Developing, recommending and reviewing annually the company's human resources and training policies. | | √ | To be complied by 31st March,2019 |
| 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. | | √ | To be complied by 31st March,2019 |
| 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. | 1 | | |
| 7(1)(ii) | Financial information systems design and implementation. | J | | |
| 7(1) (iii) | Book-keeping or other services related to the accounting records or financial statements. | V | | |
| 7(1) (iv) | Broker-dealer services | √ | | |
| 7(1)(v) | Actuarial services | J | | |
| 7(1) (vi) | Internal audit services or special audit services. | √ | | |
| 7(1)(vii) | Any service that the Audit Committee determines. | J | | |
| 7(1)(viii) | Audit or certification services on compliance of corporate governance as required under condition No. 9(1). | V | | |
| 7(1)(ix) | Any other service that creates conflict of interest. | 1 | | |
| 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: | Ą | | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | √. | | |
| 8 | Maintaining a website by the Company:- | | | |
| 8(1) | The company shall have an official website linked with the website of the stock exchange. | √ | | |
| 8(2) | The company shall keep the website functional from the date of listing. $ \\$ | √ | | |





| Condition No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks |
|------------------|---|---|-----------------|----------|
| | | Complied | Not complied | (if any) |
| 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). | V | | |
| 9 | Reporting and Compliance of Corporate Governance:- | √ | | |
| 9(1) | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | | |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | √ | | |
| 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. | √ | | |

Chairman Generation Next Fashions Limited Managing Director
Generation Next Fashions Limited

Company Secretary Generation Next Fashions Limited



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: 01-2018/239



Date of issue: August 29, 2018

Renewed Certificate

This is to certify that

GENERATION NEXT FASHIONS LIMITED

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

This certificate remains current until 31st December 2018



Secretary-General (Acting)





CORPORATE GOVERNANCE

The Corporate Governance refers to the processes, structures and information used for directing and overseeing the management of the company. Corporate governance framework establishes the mechanism for achieving accountability between the Board, senior management and shareholders, while protecting the interests of relevant stakeholders. It also sets out the structure through which the division of power in the organization is determined.

It provides the company necessary directives to utilize its resources at optimum level. It also provides the Board to do their responsibility with integrity, reliability and transparency which ensures accountability to the stakeholders.

Details relating to the issuer's different Board committees, Board organization and summary of the terms of reference under which the committees operate:

BOARD COMMITTEES

To maintain good and sound governance within the organization, the Board of Directors formed some special purpose committees, namely -

Audit Committee, includes

- 1. Atiar Rahman, Chairman
- 2. Shaheen Akther Chaudhury, Member
- 3. Mohammad Shahjahan, Member Secretary

Constitution of Audit Committee:

- 1. The Audit Committee shall be composed of at least 3 (three) members.
- 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.
- 3. 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.
- 4. 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. The company secretary shall act as the secretary of the committee.
- 6. The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.

Meetings and Responsibilities of Audit Committee:

- The meeting of the Audit Committee shall be presided over by its Chairperson. In the absence of the Chairperson
 of the Audit Committee, the remaining members present may elect one of themselves as the Chairperson for that
 particular meeting and the reason of absence of the regular chairperson shall be duly recorded in the minutes of
 the meeting.
- The quorum of the meeting of the Audit committee shall be constituted by the presence of either 2 (two) members or two-third of the members of Audit Committee, whichever is higher, and shall not be constituted without the presence of an independent director.
- The Audit Committee shall hold at least 4(four) meetings in a financial year to perform its duties and responsibilities.
- The audit Committee may invite the Managing Director, Chief Operating Officer, Head of Internal Audit or any other
 official to attend the meeting.



- All the observations / recommendations of the Audit Committee shall be recorded in the minutes of the committee
 meeting.
- The Secretary shall prepare the minutes of the proceedings and resolutions of all Audit Committee meetings, including the name of those present and in attendance and shall circulate the minutes of meeting to all members of the committee.

Duties and Responsibilities of the Audit Committee:

- 1. The Audit Committee members shall oversee the financial reporting process.
- 2. The Committee members shall monitor the choice of accounting policies and principles.
- The Committee shall monitor internal audit and compliance process, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- 4. The Committee shall oversee the hiring and performance of external auditors.
- 5. The Audit Committee members shall review the quarterly, half yearly and annual financial statements before submission to the Board for approval or adoption.
- The members of Audit Committee shall review the adequacy of internal audit function, statement of all related party transactions, management's discussion and analysis, management letters or letter of internal control weakness issued by statutory auditors.
- 7. In case of capital raised through any kind of public offer, the members of the Audit Committee shall examine whether the funds raised through such public offer have been utilized as per the purposes stated in the relevant offer document or prospectus approved by the commission.

Purchase & Procurement Committee. This includes:

Tauhidul Islam Chaudhury Chairman
 Alavee Azfar Chaudhury Member

3. Shaheen Akhter Chaudhury Member Secretary

Operation & Maintenance Committee. This includes:

Rajiv Sethi Chairman
 Saheen Akhter Chaudhury Member

Tauhidul Islam Chaudhury Member Secretary

Nomination & Remuneration Committee:

As per the decision of the Board of Management, the formation of the Nomination & Remuneration Committee will be completed within 31st March, 2019.

The main goal to form these committees is to assess how to minimize the risk in various sectors of operation and how to maximize the performance and how to achieve the ultimate objectives of the company. To govern the objectives, governance framework is based on the following principles:

- That the Board size is appropriate and the members of the board are aware of their responsibilities and duties.
- That the internal control system is sound to avoid error and omission of information and risk management is effective to minimize risk in different levels of operation.
- That all material information timely flows to the board and other committees to ensure efficiency of decision making.
- That all material information concerning to the capital market will flow to the shareholders as well as to the stakeholders to determine their investment decision.
- That all transactions are transparent and accountable.
- That all regulatory and statutory rules and regulations are complied.



BOARD ORGANIZATION & STRUCTURE

a) Role of the Board and its composition

The Directors of the Board are appointed by the shareholders at Annual General Meeting and consists of 05 Directors including an Independent Director, who is appointed by the Board. They are responsible for guiding the company to accomplish its ultimate goal set by the shareholders. Roles of the Board are:

- To ensure proper guidance to the company to achieve its goal.
- To ensure maintaining good governance throughout the company.
- To monitor the effectiveness of internal control system and risk management.
- To ensure the optimum utilization of company's resources to achieve maximum profit and also concentrate on minimizing cost.
- ▶ To make sure transparency, accountability and timely flow of accounting information.
- To protect the interest of shareholders and stakeholders as well as the employees of the company.
- To comply with all regulatory and statutory rules & regulations.

b) Board Meeting

In pursuant with the Articles of Association of the company, the Board meets at least four times in a year and at least once in a quarter when duly called for in writing by a Board member. Dates for Board Meeting in the ensuring year are decided in advance and notice of each Board Meeting is served in writing well in advance.

MANAGEMENT TEAM

The management team is the executive committee of the company who are managing the company. The team is lead by the Managing Director of the company and other members are directors of executive committee and key managers throughout the organization. Management team endeavors to achieve the goal of the company set by the Board of Directors.

GNFL believes in integrity, reliability and transparency to the nation by following good, effective and sound corporate governance within the organization. The company also believes that, corporate governance can play a vital role in making bridges among the management, the shareholders and the statutory bodies.





AUDITORS' REPORT & FINANCIAL STATEMENT

FOR THE YEAR ENDED 30TH JUNE, 2018



Ashraf Uddin & Co.

CHATERED ACCOUNTANTS

MANAGING PARTNER
MD. ASHRAF UDDIN AHMED
LLB, CFC, FCA
PARTNERS
ENAMUL KABIR FCA
MD. MOHIUDDIN AHMED, FCA

 Office
 9554301

 9124650

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 9565767

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 9116183

 E-mail
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Office: 142/B, Green Road (3rd & 4th Floor) Dhaka-1215 Chamber: Rahman Chamber (5th Floor) 12-13, Motijheel Commercial Area, Dhaka-1000

Telephone

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accompanying financial statements of **Generation Next Fashions Limited** (the company) which comprise the Statement of Financial Position as on 30th June, 2018 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the financial position of Generation Next Fashions Limited as of 30th June, 2018, and results of its financial performance and its cash flows for the year then ended & comply with The Companies Act 1994, The Securities and Exchange Rules 1987 & other applicable laws & regulations.

We also report that:

- a) We have obtained all the information & explanations which to the best of our knowledge & belief were necessary for the purposes of our audit & made due verification thereof:
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books.
- c) The company's financial position and profit or loss and other comprehensive income statement dealt with the report are in agreement with the books of accounts and returns.
- d) The expenditure incurred was for the purpose of the company's business.

Dhaka

Date: 08th October 2018





GENERATION NEXT FASHIONS LIMITED

Statement of Financial Position

As at June 30, 2018

| | Particulars | Notes | Amount in | n Taka |
|----|---|------------|---------------|---------------|
| 7 | Particulars | Notes | 30.06.2018 | 30.06.2017 |
| ١. | NON-CURRENT ASSETS | | 4,505,145,853 | 3,997,985,157 |
| | Property, Plant & Equipment | Annexure-1 | 4,246,973,702 | 3,694,771,174 |
| | Capital Works-in-Progress | 04 | 258,172,151 | 303,213,983 |
| 3. | CURRENT ASSETS | | 2,588,986,428 | 2,399,357,831 |
| | Inventories | 05 | 1,227,778,662 | 1,041,071,140 |
| | Accounts Receivable | 06 | 1,171,674,567 | 883,439,410 |
| | Advances, Deposits and Pre-Payments | 07 | 131,724,403 | 100,919,902 |
| | Cash & Cash Equivalents | 08 | 57,808,796 | 373,927,379 |
| 2. | CURRENT LIABILITIES & PROVISIONS | | 790,161,182 | 835,821,950 |
| | Accounts & Other Payables | 09 | 32,292,830 | 36,825,901 |
| | Accrued Expenses | 10 | 353,571,424 | 307,055,126 |
| | Bank Overdraft | 11 | 41,968,033 | 36,586,342 |
| | Short Term Bank Credits | 12 | 297,414,301 | 304,497,247 |
| | Deferred L/C Liabilities | 13 | 45,186,260 | 109,450,472 |
| | Share Money Refundable | 14 | 2,592,334 | 2,370,862 |
| | Current Maturity of Long Term Loans | 15 | 17,136,000 | 39,036,000 |
|). | NET CURRENT ASSETS (B-C) | | 1,798,825,246 | 1,563,535,881 |
| Ε. | NET ASSETS (A+D) | | 6,303,971,099 | 5,561,521,038 |
| F. | SHAREHOLDERS' EQUITY | | 5,670,435,574 | 5,214,062,313 |
| | Share Capital | 16 | 4,499,768,690 | 4,090,698,810 |
| | Share Premium | 90007 | 236,779,111 | 236,779,111 |
| | Revaluation Surplus | 17 | 412,840,428 | 421,237,581 |
| | Retained Earnings | 18 | 521,047,345 | 465,346,811 |
| 3. | LONG TERM LOAN | 19 | 633,535,525 | 347,458,724 |
| Н. | LIABILITIES & SHAREHOLDERS' EQUITY (F+G) | ₩ - | 6,303,971,099 | 5,561,521,038 |
| | Net Assets Value Per Share (Previous Year Restate | ed) | 12.60 | 11.59 |

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

Chairman

Managing Director

Signed in terms of our separate report of even date annexed.





GENERATION NEXT FASHIONS LIMITED Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2018

| Particulars | Notes Amoun | | in Taka |
|---|-------------|---------------|---------------|
| Particulars | Mores | 30.06.2018 | 30.06.2017 |
| Sales Revenue | 20 | 4,023,783,905 | 3,279,614,648 |
| Less: Cost of Goods Sold | 21 | 3,132,843,549 | 2,637,141,557 |
| Gross Profit | | 890,940,356 | 642,473,091 |
| Less: Administrative & Selling Expenses | 22 | 326,432,028 | 258,375,770 |
| Operating Profit | | 564,508,328 | 384,097,321 |
| Add: Other Income | 23 | 133,752,026 | 90,488,907 |
| | • | 698,260,354 | 474,586,228 |
| Less: Financial Expenses | 24 | 163,068,174 | 154,254,291 |
| Net Profit Before Tax and WPWFs | | 535,192,180 | 320,331,937 |
| Less: Workers' Participation/Welfare Funds & Contribution to Central Fund (RMG Sector) | | 1,194,569 | 17,041,865 |
| Net Profit Before Tax | | 533,997,611 | 303,290,072 |
| | | 77,624,350 | 61,576,078 |
| Less: Current Tax | 25 | 36,070,992 | 29,106,971 |
| Less: Deferred Tax | 26 | 41,553,358 | 32,469,107 |
| Net Profit After Tax | _ | 456,373,261 | 241,713,994 |
| Earning Per Share (Previous Year Restated) | 27 | 1.01 | 0.54 |

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

Chairman

Signed in terms of our separate report of even date annexed.





(Amount in Taka)

Total

Revaluation

5,214,062,313

(8,397,154)

421,237,582

5,670,435,574

412,840,428

521,047,345

236,779,111

4,499,768,690

Balance at June 30, 2018

456,373,261

GENERATION NEXT FASHIONS LIMITED Statement of Changes in Equity For the year ended June 30, 2018

For (01 July 2017 to 30 June 2018):

| Particulars | Share Capital | Share Premium | Retained |
|-------------------------------------|---------------------------------------|---------------|---------------|
| Balance at July 01, 2017 | 4,090,698,810 | 236,779,111 | 465,346,811 |
| Depreciation on Revaluation Surplus | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | ¥11 | 8,397,154 |
| Net Profit during the year | | 1001 | 456,373,261 |
| Issue of Bonus Shares | 409,069,880 | Si | (409,069,880) |

| For (01 July 2016 to 30 June 2017): | | |
|--|---------------|---------|
| Particulars | Share Capital | Share P |
| Balance at July 01, 2016 | 3,718,817,100 | 236,7 |
| Depreciation on Revaluation Surplus | 7 | * |
| Net Profit during the year | FF. | 9 |
| Issue of Bonus Shares | 371,881,710 | ٠ |
| Excess provision for Income Tax | 12 | 10 |
| Deffirence AIT between CAIT & DCT Assessment | | |
| | | |

| 569,989,089 | | |
|---|--|-------------|
| | 429,951,498 | 4 |
| 8,713,916 | (8,713,916) | |
| 241,713,994 | | |
| (371,881,710) | , | |
| 12,080,217 | - | |
| 4,731,304 | | |
| 465,346,811 | 421,237,582 | 5 |
| A | WIII) 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | |
| (371,881,710) 12,080,217 4,731,304 465,346,811 | | 421,237,582 |

952,536,798

Total

241,713,994

12,080,217 4,731,304

> Jazin Serm Managing Director

> > Chairman

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

Balance at June 30, 2017

Company Secretary

Chartered Accountants

Ashraf Uddin & Co.

Signed in terms of our separate report of even date annexed.



GENERATION NEXT FASHIONS LIMITED

Statement of Cash Flows For the year ended June 30, 2018

| Particulars | | Amount in Taka | |
|-------------|--|-----------------|-----------------|
| | raiticulais | 30.06.2018 | 30.06.2017 |
| A. | CASH FLOWS FROM OPERATING ACTIVITIES: | 39,799,267 | 421,217,355 |
| | Cash Received from Customers and Other Income | 3,869,300,774 | 3,359,863,771 |
| | Cash Paid for Materials, Expenses and Services | (3,788,868,275) | (2,910,170,238) |
| | Income Tax Paid/(Deducted) | (40,633,232) | (28,476,178) |
| В. | CASH FLOWS FROM INVESTING ACTIVITIES: | (618,614,867) | (486,431,004) |
| | Acquisition of Fixed Assets | (663,656,699) | (885,256,986) |
| | Expenditures for Capital Work-in-Progress | 45,041,832 | 398,825,982 |
| C. | CASH FLOWS FROM FINANCING ACTIVITIES: | 262,697,018 | 33,975,133 |
| | Bank Overdraft Received/(Repaid) | 5,381,691 | 19,115,165 |
| | Short Term Bank Credit Received/(Repaid) | (7,082,946) | (169,467,086) |
| | Long Term Loan Received/(Repaid) | 264,176,801 | 167,517,012 |
| | Excess provision for Income Tax | \$ | 12,080,217 |
| | Deffirence AIT between CAIT & DCT Assessment | 2 | 4,731,304 |
| | Share Money Deposit (Refunded)/Adjusted | 221,472 | (1,479) |
| D. | Net Increase/(Decrease) in cash & cash equivalents (A+B+C) | (316,118,582) | (31,238,516) |
| E. | Cash & Cash equivalents at the beginning of the year | 373,927,379 | 405,165,895 |
| F. | Cash & Cash equivalents at the end of the year (D+E) | 57,808,796 | 373,927,379 |
| | Net Operating Cash Flow Per Share(Previous Year Restated) | 0.09 | 0.94 |

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

Chairman

Managing Director

Company Secretary

Signed in terms of our separate report of even date annexed.





GENERATION NEXT FASHIONS LIMITED Schedule of Property, Plant & Equipment As on 30th June, 2018

Annexure-1 (Amount in Taka)

| | | Cost or Valuation | u | Rate | | Depreciation | | 0 00000 |
|---------------------------|---------------------------|--|---------------------------|-------------------|---------------------------|---------------------------------|-----------------------------|---|
| Particulars | Balance as on 01.07.17 | Addition or valuation during the period | Balance as on 30.06.18 | of Dep. (%) | Balance as on 01.07.17 | Charged during the period | Balance as on 30.06.2018 | Written down value as on 30.06.2018 |
| Land & Land Development | 249,687,532 | E. | 249,687,532 | %0 | 8 | 9 | 83 | 249,687,532 |
| Building | 2,808,257,089 | 377,819,685 | 3,186,076,774 | 2% | 170,171,690 | 56,741,943 | 226,913,633 | 2,959,163,141 |
| Plant & Machinery | 1,022,446,684 | 260,536,582 | 1,282,983,266 | 2% | 310,534,457 | 44,438,121 | 354,972,578 | 928,010,688 |
| Vehicles | 80,203,266 | 38 | 80,203,266 | 10% | 17,150,133 | 6,305,313 | 23,455,447 | 56,747,819 |
| Other Assets | 53,323,332 | 25,300,432 | 78,623,764 | 10% | 21,290,449 | 3,968,794 | 25,259,243 | 53,364,521 |
| Total as on June 30, 2018 | 4,213,917,903 | 663,656,699 | 4,877,574,602 | | 519,146,729 | 111,454,111 | 111,454,171 630,600,900 | 4,246,973,702 |

| - | Amount in 1 | aka |
|----------|-------------|------------|
| ciculais | 30.06.2018 | 30 06 2017 |

3,694,771,174

519,146,729

82,143,132

437,003,597

4,213,917,903

885,256,986

3,328,660,917

Total as on June 30, 2017

Depreciation charge during the year Head of Accounts:

Factory Overhead (Note: 21.2)

Administrative & Selling Expenses (Note: 22) Total

4,107,157 78,035,975 82,143,132 5,572,709 111,454,171 105,881,462

82,143,132

111,454,111





GENERATION NEXT FASHIONS LIMITED

Notes to the Financial Statements For the Year Ended 30th June, 2018

1. INCORPORATION AND BUSINESS ACTIVITIES

1.1 Reporting Entity

Generation Next Fashions Limited was incorporated in Bangladesh under the Companies Act 1994 vides Registration No-C-53966(661)/2004 as a Private Limited Company on August 19, 2004. Later the company converted from private company into public limited company on September 19, 2010. The principal place of business and registered office of the company is located at Building # 348, Road# 05, DOHS Baridhara, Dhaka-1206, Bangladesh.

1.2 Nature of business

The principal activities of the company are Spinning, weaving, manufacturing of textile, various types of ready-made garments of international standard and design.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of Compliance

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994 and other relevant local laws as applicable and in accordance with Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs), Securities and Exchange Rules 1987 (amended in 2015) adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting standards (IFRSs).

2.2 Measurements of the elements of financial statements

These financial statements have been prepared based on going concern, consistency and accrual concepts and such other convention as required by BAS-1 for fair presentation of financial statements.

2.3 Components of Financial Statements

The financial Statements of the company consist of the following components:

- a) Statement of Financial Position;
- b) Statement of Profit or Loss and Other Comprehensive Income;
- c) Statement of Changes in Equity;
- d) Statement of Cash Flows and;
- e) Accounting Policies & Explanatory Notes to the Financial Statements.

2.4 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (BDT/Tk.) except where indicated otherwise, which is both functional currency and presentation currency of the company. The figures of financial statements have been rounded off to the nearest BDT/Tk. Figures in brackets indicate deductions.





2.5 Use of estimates and judgments

The preparation of the financial statements in conformity with Bangladesh Financial Reporting Standards requires measurements to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosure requirements of contingent assets and liabilities during and at the date of financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by BAS 8: Accounting policies, Changes in accounting estimates and Errors

In Particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect of the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and tax provision.

2.6 Reporting period

These financial statements of the company cover a period of one year from 1st July 2017 to 30th June, 2018.

2.7 Comparative information and rearrangements thereof

In accordance with the provisions of BAS-34: Interim Financial Reporting, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.8 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the Directors continue to adopt Going Concern Basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to make the present requirement of its existing business. Neither the management nor any other authority of the company has the intension to cease or liquidate the company in near future. During the year the company has achieved a good of profit of Tk. 456,373,261/- net to which significantly indicates the company's ability to run as a going concern in the foreseeable future.

2.9 Accrual Basis of Accounting

An entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

2.10 Offsetting

An entity shall not offset assets and liabilities or income and expenses, unless required or permitted by a BFRS.

2.11 Events after reporting Period

According to BAS- 10: "Events after Reporting Period", events after the reporting period are those events, favorable or unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events: Those that provide evidence of conditions that existed at the end of the reporting period;





Non-adjusting Events: Those are indicative of conditions that arose after the reporting period.

There was no events after reporting period of such importance for which accounting or disclosure is required to be adjusted except stock dividend at 10% (2016-2017: 10%) as recommended in the meeting of Board of Directors held on October 08, 2018 (2016-2017: October 28, 2017).

2.12 Date of Authorization for Issue of The Financial Statements

On October 08, 2018 the Board of Directors reviewed the financial statements and authorized them for issue.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation used in preparation of financial statements for the year ended 30th June, 2018 are consistent with the policies and methods adopted in preparing the financial statements for the year ended 30th June, 2017.

3.1 PROPERTY, PLANT & EQUIPMENT

Recognition and measurement

Property, plant and equipment are recognized at cost amount less accumulated depreciation in compliance with Bangladesh Accounting Standard (BAS)-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price including import duties and non-refundable taxes and any direct attributable cost of bringing the assets to its working condition for its intended use.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial year in which they incurred.

Addition during the year

| Name of Property, plant and equipment | (Amount in Tk.) 2018 | (Amount in Tk.) 2017 |
|--|-------------------------|-------------------------|
| Land and Land Development | (4) | |
| Building | 377,819,685 | 755,425,168 |
| Plant and Machinery | 260,536,582 | 85,926,167 |
| Vehicles | (2) | 36,600,000 |
| Other Assets | 25,300,432 | 7,305,651 |
| Total | 663,656,699 | 885,256,986 |

There is no intangible asset during the period and the fixed assets do not include any assets held under lease. On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and net sales proceeds. However there is no disposal or retirement of fixed asset during the current period.

3.2 Depreciation

The Property, Plant & Equipment acquired during the year from different head of assets were available for use and were capable of operating in a manner intended by the management and generating revenue.

Depreciation has been charged on a Reducing Balance method starting from the dates when the asset were available for use and capable of generating revenue as intended by the management. However, no asset has been classified or was intended to classify as 'Held for sale' under BFRS 5 during the year.





3.3 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience. An impairment loss is recognized whenever the carrying amount of the asset exceeds recoverable amount. Impairment losses, if any, are recognized in the statements of profit and loss and other comprehensive income. It was confirmed that no such fixed asset has been impaired during the period and therefore no provision has been made for that for the asset.

3.4 Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Profit of Loss and Other Comprehensive Incomes.

3.5 Cash & Cash Equivalents

Cash and cash equivalents comprise cash in hand and cash at bank which are held and available for use by the company without any restriction. Cash at bank again comprises of —

On current/ Short notice Deposit Accounts with the following banks:-

EXIM Bank Ltd.
 Social Islami Bank Ltd.

National Bank Ltd.
 Prime Bank Ltd.
 Jamuna Bank Ltd.
 Jamuna Bank Ltd.
 Burth Rank Ltd.
 Burth Rank Ltd.
 Burth Rank Ltd.
 Burth Rank Ltd.

3.6 Receivables

Accounts receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values in which goods are exported. Bad debts are written off when it is established that they are irrecoverable.

3.7 Accrued Expense and Other Payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not inertest bearing and are stated at their nominal value.

3.8 Borrowing Costs

Interest bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs. Borrowing costs directly attributable to the acquisition and construction of plant and equipment are capitalized as part of the cost of those assets, until such time as the assets are ready for their intended use. Al other borrowing costs incurred during the period was recognized as revenue expenses in accordance with BAS-23: Borrowing Costs.

3.9 Responsibility for preparation and presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per the provision of the Framework for the Preparation and Presentation of Financial Statements issued by the International Accounting Standards Board (IASB). Accordingly the management has fulfilled the above provision.





3.10 Provisions and Accruals

Provisions

Provision are recognized when Generation Next Fashions Limited has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If a transfer of economic benefit is no longer probable the provision should be reversed. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure required to settle the obligation.

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but the financial impact of the event will only be confirmed by the outcome of some future event not wholly within the entity's control.

3.11 Effects of changes in Foreign Exchange Rates

Foreign currencies are translated into BDT at the rates ruling on the transaction dates. Monetary assets and liabilities are reconverted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities are reported using the exchange rate at the date of respective transactions. Differences arising on conversion are charged to statement of profit and loss and other comprehensive income which is shown under note 22.

3.12 Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit and loss except to the extent that it relates to a business combination or items recognized directly in equity.

Current tax

Current tax is, as per BAS- 12: Income Taxes, the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of the previous year. Provision for current income tax has been made on 12% on business income as per Finance Act 2018 and SRO for Garments industries and also made 25% on other income for public limited company as prescribed on the Income Tax Ordinance 1984. The calculation has been shown in the note 25.

Deferred Tax

The provision for deferred tax has also been made based on the temporary difference amount between Accounting depreciation and tax depreciation of property, plant and equipment calculated by the tax authority in the assessment year 2015-16. The rate of deferred tax has been applied as per Income Tax Ordinance, 1984. The calculation has been shown in note 26.

3.13 Revenue recognition

Revenue is recognized when goods are delivered from factory godown and delivery challans are issued as per BAS-18 "Revenue Recognition".

3.14 Finance expense

Finance expense comprises interest expenses on term loan, overdraft, and bank charges. All finance expenses are recognized in the statement of profit or loss and other comprehensive income except those are capitalized in accordance with BAS-23: Borrowing Costs.





3.15 Earnings per share

This has been calculated in compliance with the requirements of BAS 33: Earnings per Share by dividing the basics earnings by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings

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

Weighted Average Number of Shares

The basis of computation of number of shares is in line with the provisions of BAS-33: Earnings Per Share. Therefore the total number of shares outstanding at the end of the period multiplied by a time weighting factor which is the number of days the specific shares were outstanding as proportion of total number of days in the period. Generation Next fashions Limited has issued bonus shares of Tk. 409,069,880 during the year and has been accounted for in calculating the EPS in accordance with BAS-33.

3.16 Compliance with Financial Standards as applicable in Bangladesh

The following BAS is applicable to the financial statements for the period under review:

| BAS | TITLE | REMARKS |
|-----|---|----------|
| 1 | Presentation of Financial Statement | Complied |
| 2 | Inventories | Complied |
| 7 | Statement of Cash Flows | Complied |
| 8 | Accounting Policies, Changes in Accounting Estimates and Errors | Complied |
| 10 | Events after the Reporting Period | Complied |
| 12 | Income Taxes | Complied |
| 16 | Property, Plant & Equipment | Complied |
| 18 | Revenue | Complied |
| 19 | Employee Benefits | Complied |
| 21 | The Effects of Changes in Foreign Exchange Rates | Complied |
| 23 | Borrowing Costs | Complied |
| 24 | Related Party Disclosures | Complied |
| 33 | Earnings per Share (EPS) | Complied |
| 37 | Provisions, Contingent Liabilities and Contingent Assets | Complied |

3.17 Related party Disclosure

During the year ended 30th June, 2018 the company has purchased Office space at Pearl Trade Centre (PTC), Cha- 90/3, Progoti Saroni, Uttar Badda, Dhaka amounting Tk. 187,140,735/- from owner A.J Corporation Limited, a first class developer and a shareholder.





3.18. Long Term loan:

Long term loan consists of loans and financial obligations lasting over one year. The long term loan outstanding of Generation Next Fashions Limited, as on 30th June, 2018 are fully secured by first charge on the fixed assets of the company.

Nature of Security of Loans:

| Bank Overdraft | Fully secured by 1 (one) undated cheque to cover the entire the limit along with a letter of authority to insert date on the cheque and personal guarantee of the Directors of the Company. |
|--------------------------------|---|
| Long Term Loan | Fully secured by first charge on the fixed assets of the Company. |
| Packing Credit & Bill Purchase | Lien on Master/Export L/C |
| Time Loan | Fully secured by first charge on the fixed assets of the Company. |

Interest on Bank Loan:

Bank interest on the above loan has been charged in the Income Statement as Financial Expenses.

| BANK OVERDRAFT | 12.50% p.a. with Quarterly rests subject to revision from time to time. | |
|--|--|--|
| LONG TERM LOAN | 12.50% p.a. with Quarterly rests subject to revision from time to time. | |
| TIME LOAN, PACKING CREDIT & BILL PURCHASE | Time Loan: 12.50 % p.a. with Quarterly rests subject to revision from time to time. Packing Credit: 7.00% p.a. with Quarterly rests subject to revision from time to time. Bill Purchase: 12.50 % p.a. with Quarterly rests subject to revision from time to time. | |

3.19 Short Term Loan:

Short term loan refers to a loan scheduled to be repaid in less than a year. The company obtains short term loan from various sources to finance the temporary working capital needs.

These are secured; falling due within one year. The security and other term are specified as follows:

Time Loans are fully secured by first charge on the fixed assets of the company.

Packing Credit, Bill Purchase and other Loans are against Lien on Master/Export L/Cs.

3.20 Capital Expenditure Availed:

There was no Capital expenditure contracted but not incurred or provided for as on 30.06.2018. There was no material capital expenditure authorized by the Board but not contracted for as on 30.06.2018.

3.21 Contingent Liabilities And Contingent Assets: Contingent liabilities

A contingent liability arises where a past event may lead to an entity having a liability in the future but the financial impact of the event will only be confirmed by the outcome of some future event will only be confirmed by the outcome of some future event not wholly within the entity's control. A contingent liability should be disclosed in the financial statements unless the possible outflow of resources is thought to be remote.

Contingent Asset

A contingent asset is a potential asset that arise from past events but whose existence can only be confirmed by the outcome of future events not wholly within an entity's control. A contingent asset should be disclosed in the financial statements only when the expected inflow of economic benefits is probable.

The company does not have any contingent liability or contingent assets as on 30.06.2018.





3.22 Claims not Acknowledged:

There was no claim against the Company not acknowledged as debt as on 30.06.2018.

3.23 Credit Facilities Availed:

Credit facilities available to the Company were from banks as on 30.06.2018 and Trade credit available in the ordinary course of business. No other credit facilities were available to the company as on 30.06.2018.

3.24 Commission, Brokerage or Discount Against Sales:

No other commission, brokerage or discount was incurred or paid by the company against sales during the year ended June 30, 2018.

3.25 Employees:

Number of employees whose salary was below Tk. 6,000 is 642 as on 30.06.2018 Number of employees whose salary was above Tk. 6,000 is 3,762 as on 30.06.2018.

3.26 Capacity utilization:

| Particulars | Capacity | Actual Production | Percentage |
|-------------|------------------|-------------------|------------|
| Garments* | 4,076,000 Dozens | 3,750,000 Dozens | 92% |
| Fabrics | 11,000 MT | 9,350 MT | 85% |
| Dyeing | 11,000 MT | 9,350 MT | 85% |

Reason: Actual production as per market demand

3.27 Managerial Remuneration

- 3.27.1 Total remuneration of managers aggregates during the year ended June 30, 2018 at Tk. 39,174,500 (2016-2017; Tk. 36,441,395).
- 3.27.2 Total remuneration of Managing Director for the year ended June 30, 2018 stood at Tk. 2,400,000 (2016-2017; Tk. 2,400,000).

3.28 Risk Factors and Management's Perceptions about the Risks

The Company is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on its business, result of its operations and financial condition, as follows:

(a) Interest rate risks:

Interest rate is concerned with borrowed funds of short term & long-term maturity. Interest rate risk is the risk that the company faces due to unfavorable movements in the interest rates. Volatility in money market & increased demand for loans/ investment funds raise the rate of interest. A change in the government's policy also tends to increase the interest rate. High rate of interest enhances the cost of fund of a company. Such rises in interest rates however mostly affect companies having floating rate loans.



^{*}Based on present product mix.



Management perception:

The Company maintains a reasonable debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation will not adversely affect the Company's performance as the Company emphasizes on equity base financing to reduce the dependency on borrowing. Therefore, management perceives that the fluctuation of interest rate on borrowing would have little impact upon the performance of the Company.

(b) Exchange rate risks:

If exchange rate increases against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand, if exchange rate goes down, margin is squeezed in local currency.

Management perception:

The products of the company are sold in foreign currency and payment for raw materials are made mostly in foreign currency. Therefore, volatility of exchange rate will have little impact on profitability of the Company.

(c) Industry risks:

Industry risks refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and result of operation.

Management perception:

The Company has established its brand name in the market with its quality products, range of products and customer services. Therefore, industry risks will be limited.

(d) Market and technology-related risks:

i) Market risks:

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. One the other hand, strong marketing and brand management would help the company to increase their customer base.

Management perception:

Market for the Company's products is growing at an exponential rate with growth of urbanization and incremental income level of consumers along with their preference to convenience. Therefore, market risks will be minimal.

ii) Technology-related Risks:

Technology always plays a vital role for the existence of any industrial concern, ensuring better service to the customers and minimizing the cost in various aspects. Any invention of new and more cost involving technology may cause technological obsolescence and negative operational efficiency. Any serious defects in the plant and machinery may affect production and profitability calling for additional investment for replacement.

Management perception:

The Company utilizes its Market Research Team that is continuously working for indepth understanding of the customer needs and preferences and accordingly, arranging its technology.





(e) Potential or existing government regulations risks:

The Company operates under Companies Act, 1994, Income Tax Rules, 1984; Value Added tax (VAT) Act, 1991 and Value Added Tax (VAT) Rules, 1991. Any abrupt changes of the polices made by the regulatory authorities may affect its activities.

Management perception:

Unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected significantly. It is highly unlikely that the Government will initiate any fiscal measure that may have adverse effect on the growth of the industry.

(f) Potential changes in global or national policies:

The performance of the Company may be affected by the political and economical instability, both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general.

Management perception:

The Company can prosper in a situation of political stability and a congenial business environment. Political turmoil and disturbance are bad for the economy and so also for this sector. The Company is always aware of all types of turmoils and if the smooth supply of material is hampered or faces any kind of disruptions, it will supply it in future and try to keep its operation smooth.

(g) Operational Risks:

Operational risks refer to the possibility of plant shut down due to disruption in supply of gas, technological failure, natural calamities, human errors and other unforeseen events. Such incidences may lead to non operation, large overhauling costs and financial losses.

Management perception:

Bangladesh Government is meeting this challenge by opening the energy generation to private sector; and also making massive investment, which is expected to ensure availability of energy for uninterrupted operation. The Company perceives that allocation of its resources properly with contingency approaches can reduce this risk factor to great extent.

(h) Input Cost Risks:

Input cost risk is the risk of a business when procuring materials or commodities in high global demand. Increasing demand and supply shortages create volatility in these commodity values; and therefore, the timing, quantity and price of purchase must be closely planned.

Management perception:

Management of the Company would hedge their exposure to input price volatility by adjusting its selling price.





| | | | Amount | in Taka |
|------|---|--|--|--|
| 04 | Capital Works-in-Progress | | 30 June 2018 | 30 June 2017 |
| | Buildings | | 258,172,151 | 303,213,983 |
| | Total | | 258,172,151 | 303,213,983 |
| | Opening Works-in-Progres Add: Addition during the y | | 303,213,983 145,637,118 | 702,039,965 |
| | Less: Adjustment during t | | 448,851,101 190,678,950 | 702,039,965 398,825,982 |
| | Closing Balance during the | • | 258,172,151 | 303,213,983 |
| 05 | Inventories | | | |
| | Raw Materials (Note-5.1) Work-in-Process Finished Goods Materials in Transit Total | (658,361 Kgs; 2016-2017: 534773 Kgs) (2,631,195 Dozens; 2016-2017: 190,585 Dozens) | 400,650,846 329,180,543 458,617,306 39,329,967 1,227,778,662 | 359,063,402 264,712,500 375,452,708 41,842,530 1,041,071,140 |
| 05.1 | Raw Materials | | | |
| | Yarn Fabrics Chemicals Accessories Total | (869,630 Kgs; 2016-2017: 801,535 Kgs) (234,864 Kgs; 2016-2017: 211,891 Kgs) (284,333 Kgs; 2016-2017: 234,766 Kgs) | 224,364,474 68,110,644 44,071,593 64,104,135 400,650,846 | 203,910,507 61,024,508 35,906,340 58,222,046 359,063,402 |
| 06 | Accounts Receivables | | | |
| | Cromo Diffusion INC Distra Warenhandeksges. Fashion Link G. Enpfenning GMBH G. Pfenning | мвн | 808,296 62,964,561 - 100,919,854 150,464,658 | 4,317,713 83,084,709 9,570,131 122,133,399 |
| | Jeans Fritz KIK TEXTILIEN UND NON- Miles Fashions GMBH | FOOD GMBH | 47,821,003 25,189,652 | 928,287 18,932,042 26,503,009 |
| | Other Receivables (Note: Primark Stores Limited | 06.1) | 15,179,800 768,326,743 | 43,806,643 574,163,477 |
| | Total | | 1,171,674,567 | 883,439,410 |
| | These are unsecured, considere | d good. No amount is due from any directors or related parties. | | |
| | Dues upto 6 months | | 632,704,266 | 583,070,011 |
| | Dues above 6 months | | 538,970,301 | 300,369,399 |
| | Total | | 1,171,674,567 | 883,439,410 |





| Other Receivables | | | Amount in Taka | |
|--|----------|---|--|--|
| Section Composite Children | | | 30 June 2018 | 30 June 2017 |
| JMS Composite Knitware Ltd. Korront Knit Composite Ltd. Niagara Textile Ltd. Rahman Composite Redom Composite SA Sourching Ltd. Sadma Fashions Ltd. Sadma Fashions Ltd. Sadma Fashions Ltd. Sammit Dye-Chem Ltd. 2,043,049 2,043,0 | 06.1 | Other Receivables | | 111/1// |
| JMS Composite Knitware Ltd. Korooni Knit Composite Ltd. Niagara Textile Ltd. Rahman Composite Redom Composite SA Sourching Ltd. Sadma Fashions Ltd. Sadma Fashions Ltd. Scandex Textile Ltd. Sammit Dye-Chem Ltd. Sammit Dye-Chem Ltd. Cash Subsidy from the Government. Total 707 Advances, Deposit and Prepayments Advances (Note: 07.1) Deposits Total 708 709 709 709 701 702 703 704 705 706 706 707 708 708 708 708 708 | | Fashions FX Limited | 225 276 | 225 276 |
| Common Knit Composite Ltd. Niagara Textile Ltd. Rahman Composite Redom R | | | | |
| Niagara Textile Ltd. Rahman Composite Redom Composite Redo | | | | |
| Rahman Composite Redom Composite SA Sourching Ltd. Sadma Fashions Ltd. Scandex Fextile Ltd. Summit Ope-Chem Ltd. Cash Subsidy from the Government. Total 7, 260 Total 7, 260 1, 312 1, 312 99,682 99,682 99,682 99,682 99,682 99,682 99,682 99,682 99,682 99,682 99,682 1, 2462,600 15,179,800 43,806,643 7, 260 15,179,800 43,806,643 100,294,198 625,704 100,919,902 7, 260 11, 250,800 15,179,800 43,806,643 100,919,902 7, 260 11, 260,200 | | | 20,010 | |
| Redom Composite SA Sourching Ltd. Sadma Fashions Ltd. Sadma Fashions Ltd. Scandex Textile Ltd. Summit Dye-Chem Ltd. Cash Subsidy from the Government. Total 7,260 2,043,049 2,043,049 2,043,049 3,8320 3,862 3,9682 3,9682 3,9682 3,9682 3,9682 3,9682 3,9682 3,126,6500 41,053,600 43,806,643 7,260 2,043,049 3,260 41,053,600 43,806,643 7,260 43,806,643 7,260 43,806,643 7,260 43,806,643 7,260 43,806,643 7,260 43,806,643 7,260 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 41,053,600 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 43,806,643 7,260 41,053,600 41,053,600 43,806,643 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,403 100,919,902 131,724,03 100,919,902 100,919,902 131,724,03 100,919,902 100,919,902 131,724,03 100,919,902 100,919,902 131,724,03 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,919,902 100,9 | | | 11 951 | |
| SA Sourching Ltd. Sadma Fashions Ltd. Sadma Fashions Ltd. Scandex Textile Ltd. Summit Dye-Chem Ltd. Cash Subsidy from the Government. Total 7 Advances, Deposit and Prepayments Advances, (Note: 07.1) Deposits Total These are unsecured, considered good. No amount is due from any directors or related parties. Dues upto 6 months Dues above 6 months Total 7 Advances Advance against Salary Advance against Furchase / Expenses Note: 07.1(b) Advance against House Rent Advance against House Rent Advance against House Rent Advance against Alouse Rent Total 7 Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 7 Advance Income Tax Opening Balance Add: Addition During the Year Advance Income Tax Opening Balance Add: Addition During the Year Advance Income Tax Opening Balance Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Mr. Ainal Haque Mr. Basek Hossen Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Mr. Munir (Procurement) Mr. Basek Hossen Mr. Basek Ho | | | 11,001 | |
| Sadma Fashions Ltd. Scandex Textile Ltd. Summit Dye-Chem Ltd. 12,462,600 41,053,600 43,806,643 10,2462,600 41,053,600 43,806,643 10,2462,600 41,053,600 43,806,643 10,2462,600 41,053,600 43,806,643 100,294,198 625,704 100,919,902 1 | | | 2 043 040 | |
| Scandex Textile Ltd. Summit Dye-Chem Ltd. 2462,600 L2,462,600 | | | 2,040,043 | 100000000000000000000000000000000000000 |
| Summit Dye-Chem Ltd. 12,462,600 41,053,600 Total 12,462,600 41,053,600 43,806,643 100,294,198 12,500,800 131,724,403 100,294,198 12,500,800 131,724,403 100,919,902 100, | | | 00 682 | |
| Cash Subsidy from the Government. Total 12,462,600 41,053,600 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,806,643 43,807,842 43,807,842 43,807,842 625,704 43,807,842 625,704 43,807,842 43,807,842 67,616,334 67,616 | | | 33,002 | |
| Total Advances, Deposit and Prepayments Advances (Note: 07.1) Deposits Total These are unsecured, considered good. No amount is due from any directors or related parties. Dues upto 6 months Dues above 6 months Total Total 7.250,800 1,350,800 1,350,80 | | | 12462600 | The second secon |
| Advances Note: 07.1 130,473,603 1,250,800 131,724,403 100,919,902 | | | | |
| Advances (Note: 07.1) Deposits Total Total These are unsecured, considered good. No amount is due from any directors or related parties. Dues upto 6 months Dues above 6 months Total 70.11 Advances Advance against Salary Advance against Purchase / Expenses Note: 07.1(b) Advance against House Rent Advance against House Rent Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 70.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Add: Addition During the Year Deposit by payment order / Challan for Assessment year 2016-2017 70.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Technology Khan Enterprise Advance insecured, considered good. No amount is due from any directors or related parties. 130,473,603 100,919,902 131,724,403 100,919,902 44,5665,761 84,807,842 100,919,902 856,302,956 67,616,334 100,919,902 856,302,956 67,616,334 100,919,902 856,302,956 67,616,334 100,919,902 856,302,956 100,091,930 856,000 856,000 856,000 856,000 856,000 856,000 856,000 856,000 856,000 856,302,956 90,026,188 87,317,487 31,424,531 90,026,188 55,892,956 500,000 56,392,956 500,000 16,392,956 15,019 2,500,000 1,350,000 1,350,000 1,350,000 | | Total | 15,179,800 | 43,806,643 |
| Deposits 1,250,800 625,704 100,919,902 100,919,9 | 07 | Advances, Deposit and Prepayments | | |
| Total These are unsecured, considered good. No amount is due from any directors or related parties. Dues upto 6 months Dues above 6 months Total 707.1 Advances Advance against Salary Advance Income Tax Note: 07.1(a) Advance against Purchase / Expenses Advance against House Rent Total 707.1(a) Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 707.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 707.1(b) Advance against Purchase / Expenses Dihaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise 130,473,603 100,919,902 45,665,761 84,807,842 100,919,902 130,473,603 100,919,902 130,473,603 100,919,902 130,473,603 100,919,902 130,473,603 100,919,902 130,473,603 100,919,902 130,473,603 100,919,902 156,392,956 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,303,568 67,510,33,300,00 1,350,000 1,350,000 1,350,000 | | Advances (Note: 07.1) | 130,473,603 | 100,294,198 |
| These are unsecured, considered good. No amount is due from any directors or related parties. Dues upto 6 months Dues above 6 months Total 707.1 Advances Advance against Salary Advance lncome Tax Note: 07.1(a) Advance against House Rent Advance against House Rent Advance from Struction & Others Note: 07.1(c) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Dr. Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Ads (Add: Deposit of Techonology Khan Enterprise Ads (Add: Encone Tax Opening Balance Add: Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Ads (Additon During the Year Ads (Additon During the Year Advance against Purchase / Expenses Advance Income Tax Advance against Purchase / Expenses Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Adva | | | | |
| These are unsecured, considered good. No amount is due from any directors or related parties. Dues upto 6 months Dues above 6 months Total 707.1 Advances Advance against Salary Advance lncome Tax Note: 07.1(a) Advance against House Rent Advance against House Rent Advance from Struction & Others Note: 07.1(c) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Dr. Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Ads (Add: Deposit of Techonology Khan Enterprise Ads (Add: Encone Tax Opening Balance Add: Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Ads (Additon During the Year Ads (Additon During the Year Advance against Purchase / Expenses Advance Income Tax Advance against Purchase / Expenses Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Advance Income Tax Advance for the Assessment year 2016-2017 Adva | | Total | 131,724,403 | 100,919,902 |
| Dues above 6 months | | These are unsecured, considered good. No amount is due from any directors or related parties. | | |
| Dues above 6 months | | Dues unto 6 months | 45 665 761 | 33 303 568 |
| Total O7.1 Advances Advance against Salary Advance lncome Tax Note: 07.1(a) Advance against Purchase / Expenses Note: 07.1(b) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 O7.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Advance against Salary Advance against Purchase / Expenses Double Advance against Purchase / Expenses 100,919,902 856,000 856,000 90,026,188 56,392,956 59,341,309 33,633,232 90,026,188 87,317,487 - 31,424,531 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 56,392,956 500,000 90,026,188 55,892,956 500,000 90,026,188 56,392,956 500,000 90,026,188 55,892,956 | | | 70.000 \$500 Mg (\$000.000.000.000.000.000.000.000.000.00 | \$10 PASS OF THE RESERVE |
| 07.1 Advances Advance against Salary \$47,500 \$56,392,956 Advance against Purchase / Expenses Note: 07.1(b) 16,751,313 22,091,432 Advance against House Rent 3,875,122 3,875,122 Advance for Construction & Others Note: 07.1(c) 15,103,730 17,078,688 Gas Line and Other Installation 130,473,603 100,294,198 07.1(a) Advance Income Tax 0pening Balance 56,392,956 33,633,232 Add: Addition During the Year 33,633,232 27,976,178 Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value 90,026,188 55,892,956 Add: Deposit by payment order/ Challan for Assessment year 2016-2017 90,026,188 55,892,956 O7.1(b) Advance against Purchase / Expenses 56,392,956 50,00,000 O7.1(b) Advance against Purchase / Expenses 56,392,956 50,00,000 O7.1(b) Advance against Purchase / Expenses 56,392,956 50,00,000 O7.1(b) Advance against Purchase / Expenses 54,200 90,570 O7.1(b) Advance against Purchase / Expenses 54,200 90,57 | | | Contract to the Contract of th | The state of the s |
| Advance against Salary Advance Income Tax Note: 07.1(a) Advance against Purchase / Expenses Note: 07.1(b) Advance against Purchase / Expenses Note: 07.1(b) Advance against Purchase / Expenses Note: 07.1(c) Advance against House Rent Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 07.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Drake Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Advance against Purchase / Expenses Session Session Sess | | Total | 130,473,003 | 100,919,902 |
| Advance Income Tax Note: 07.1(a) Advance against Purchase / Expenses Note: 07.1(b) Advance against House Rent Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 07.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 07.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Advance against Purchase / Expenses Diagraphic Advance against Purchase / Expenses 156,392,956 157,018 22,091,432 3,875,122 17,078,688 4,169,750 17,078,688 4, | 07.1 | Advances | | |
| Advance against Purchase / Expenses Note: 07.1(b) Advance against House Rent Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 07.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Advance against Purchase / Expenses 16,751,313 3,875,122 3,875,122 17,078,688 4,169,750 100,294,198 100,294,198 33,633,232 27,976,178 90,026,188 79,026,188 79,026,188 79,026,188 79,026,188 70,000 70,57 | | | 547,500 | 856,000 |
| Advance against House Rent Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 07.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 D7.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloro Chem Tutun Agency Word of Techonology Khan Enterprise Add: Advance against Purchase / Expenses 3,875,122 15,103,730 4,169,750 130,473,603 100,294,198 56,392,956 33,633,232 27,976,178 90,026,188 87,317,487 31,424,531 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 14,130,935 3,024,131 2,512,500 14,130,935 3,950,708 15,019 2,500,000 1,350,000 1,350,000 1,350,000 | | Advance Income Tax Note: 07.1(a) | 90,026,188 | 56,392,956 |
| Advance against House Rent Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 07.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 D7.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloro Chem Tutun Agency Word of Techonology Khan Enterprise Add: Advance against Purchase / Expenses 3,875,122 15,103,730 4,169,750 130,473,603 100,294,198 56,392,956 33,633,232 27,976,178 90,026,188 87,317,487 31,424,531 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 14,130,935 3,024,131 2,512,500 14,130,935 3,950,708 15,019 2,500,000 1,350,000 1,350,000 1,350,000 | | | 16,751,313 | 22,091,432 |
| Advance for Construction & Others Note: 07.1(c) Gas Line and Other Installation Total 07.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise 15,103,730 4,169,750 100,294,198 56,392,956 59,341,309 27,976,178 90,026,188 87,317,487 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 56,392,956 500,000 90,570 14,130,935 3,950,708 15,019 2,500,000 1,350,000 1,350,000 | | Advance against House Rent | 3,875,122 | 3,875,122 |
| Gas Line and Other Installation Total O7.1(a) Advance Income Tax Opening Balance Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 O7.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Advance Income Tax 100,294,198 56,392,956 59,341,309 27,976,178 90,026,188 87,317,487 31,424,531 90,026,188 55,892,956 500,000 90,026,188 56,392,956 500,000 1,350,000 1,350,000 1,350,000 1,350,000 | | Advance for Construction & Others Note: 07.1(c) | 15,103,730 | 17,078,688 |
| Total 130,473,603 100,294,198 | | | | - |
| 07.1(a) Advance Income Tax | | Total | 130,473,603 | 100,294,198 |
| Opening Balance Add: Addition During the Year 56,392,956 33,633,232 59,341,309 27,976,178 Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value 90,026,188 31,424,531 87,317,487 31,424,531 Add: Deposit by payment order/ Challan for Assessment year 2016-2017 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 56,392,956 O7.1(b) Advance against Purchase / Expenses 54,200 90,570 41,130,935 3,024,131 2,512,500 7,364,682 11,130,935 3,950,708 14,130,935 3,950,708 15,019 2,500,000 1,350,000 Word of Techonology Khan Enterprise 2,500,000 1,350,000 2,500,000 1,350,000 | | | | |
| Add: Addition During the Year Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Add: Deposit by payment order/ Challan for Assessment year 2016-2017 33,633,232 90,026,188 87,317,487 31,424,531 90,026,188 55,892,956 500,000 90,026,188 90,026,188 90,026,188 90,026,188 90,026,188 90,026,188 90,026,188 90,026,188 90,026,188 90,026,188 90,026, | 07.1(a) | | 50,000,050 | 50.041.000 |
| Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise Tutun Free Coloon Kenner | | Opening Balance | | |
| Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value Add: Deposit by payment order/ Challan for Assessment year 2016-2017 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 56,392,956 70,1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Word of Techonology Khan Enterprise 31,424,531 31,424,531 55,892,956 500,000 90,026,188 56,392,956 54,200 90,570 14,130,935 3,957,708 15,019 2,500,000 1,350,000 1,350,000 | | Add: Addition During the Year | | |
| 2015-2016 which adjusted by the assessment value 31,424,531 Add: Deposit by payment order/ Challan for Assessment year 2016-2017 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 56,392,956 70,1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Word of Techonology Khan Enterprise 31,424,531 90,026,188 55,892,956 500,000 90,570 14,130,935 3,950,708 15,019 2,500,000 1,350,000 1,350,000 | | Land Danielia Advance Gratha Assessment uses usta | 90,026,188 | 87,317,487 |
| Add: Deposit by payment order/ Challan for Assessment year 2016-2017 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 56,392,956 707.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 500,000 90,026,188 55,892,956 | | \$18 (20) 20 (30) 1 (30) | * | 31,424,531 |
| Add: Deposit by payment order/ Challan for Assessment year 2016-2017 90,026,188 56,392,956 07.1(b) Advance against Purchase / Expenses Dhaka Traders Mr. Munir (Procurement) Mr. Ainal Haque Mr. Basek Hossen Hi Tech Coloor Chem Tutun Agency Word of Techonology Khan Enterprise 30,024,131 2,512,500 7,364,682 - 15,019 2,500,000 1,350,000 1,350,000 | | 2013-2010 Which adjusted by the assessment value | 90 026 188 | 55 892 956 |
| 90,026,188 56,392,956 07.1(b) Advance against Purchase / Expenses 54,200 Dhaka Traders - 90,570 Mr. Munir (Procurement) 3,024,131 14,130,935 Mr. Basek Hossen 2,512,500 3,950,708 Hi Tech Coloor Chem 7,364,682 - Tutun Agency - 15,019 Word of Techonology 2,500,000 2,500,000 Khan Enterprise 1,350,000 1,350,000 | | Add: Denosit by payment order/ Challan for Assessment year 2016-2017 | 30,020,100 | C112C120X020X10X1 |
| Dhaka Traders 54,200 Mr. Munir (Procurement) 3,024,131 Mr. Ainal Haque 2,512,500 Mr. Basek Hossen 2,512,500 Hi Tech Coloor Chem 7,364,682 Tutun Agency - Word of Techonology 2,500,000 Khan Enterprise 1,350,000 | | riod. Deposit of polyment of our first of the control of the contr | 90,026,188 | |
| Dhaka Traders 54,200 Mr. Munir (Procurement) 90,570 Mr. Ainal Haque 3,024,131 14,130,935 Mr. Basek Hossen 2,512,500 3,950,708 Hi Tech Coloor Chem 7,364,682 - Tutun Agency - 15,019 Word of Techonology 2,500,000 2,500,000 Khan Enterprise 1,350,000 1,350,000 | 07.1(b) | Advance against Purchase / Expenses | | |
| Mr. Munir (Procurement) 90,570 Mr. Ainal Haque 3,024,131 Mr. Basek Hossen 2,512,500 Hi Tech Coloor Chem 7,364,682 Tutun Agency - Word of Techonology 2,500,000 Khan Enterprise 1,350,000 | 01.11(0) | Section (Control of the Control of t | | |
| Mr. Ainal Haque 3,024,131 14,130,935 Mr. Basek Hossen 2,512,500 3,950,708 Hi Tech Coloor Chem 7,364,682 - Tutun Agency - 15,019 Word of Techonology 2,500,000 2,500,000 Khan Enterprise 1,350,000 1,350,000 | | | ** | |
| Mr. Basek Hossen 2,512,500 3,950,708 Hi Tech Coloor Chem 7,364,682 - Tutun Agency - 15,019 Word of Techonology 2,500,000 2,500,000 Khan Enterprise 1,350,000 1,350,000 | | | | |
| Hi Tech Coloor Chem 7,364,682 Tutun Agency - 15,019 Word of Techonology 2,500,000 Khan Enterprise 1,350,000 | | 13 Th F 124 - 174 F 13 Th 14 Th 15 Th | | 12/12/21/21/02/21/21 |
| Tutun Agency - 15,019 Word of Techonology 2,500,000 Khan Enterprise 1,350,000 | | | | 3,950,708 |
| Word of Techonology Khan Enterprise 2,500,000 1,350,000 1,350,000 | | | 7,364,682 | |
| Khan Enterprise 1,350,000 1,350,000 | | | 2010/01/01/01 | |
| | | | | |
| Total 16,751,313 22,091,432 | | | | |
| | | Total | 16,751,313 | 22,091,432 |





Amount in Taka

| | | | | 30 June 2018 | 30 June 2017 |
|---------|---|---|---|---|--|
| 07.1(c) | Advance for Construction | & Others | | 300 | |
| | Azim Engineering Workshi Brothers Builders Hasib Thai M/S. Happy Enterprise Prepaid Insurance Millenium Enterprise Boiler Soltions Point Genesis Technologies Ltd. Source International Ltd. Bangladesh Power Develoy Total | | | 3,045,300 912,460 2,506,090 641,150 5,265,780 517,200 1,050,000 766,750 399,000 | 5,784,603 1,768,049 690,026 641,150 - 517,200 - - - 7,677,660 17,078,688 |
| 08 | Cash & Cash Equivalents | | | | |
| | Cash in Hand (Note-08.1 Cash at Banks (Note-08. Total | | | 245,408 57,563,388 57,808,796 | 270,686 373,656,693 373,927,379 |
| 08.1 | Cash in Hand | | | | |
| | Balance in Central Cash Balance in Factory Cash Total | | | 197,845 47,563 245,408 | 247,124 23,562 270,686 |
| 08.2 | Cash at Banks On Current/Short Notice D On Fixed Deposit Receipt Total | Deposit Accounts Note: 0 (FDR) Accounts Note: 0 | 08.2(a) 08.2(b) | 16,393,388 41,170,000 57,563,388 | 57,314,815 316,341,878 373,656,693 |
| 08.2(a) | On Current/Short Notice | Deposit Accounts | | | |
| | Bank Name EXIM Bank Ltd. National Bank Ltd. Prime Bank Ltd. Southeast Bank Ltd. Social Islami Bank Ltd. IFIC Bank Ltd. Jamuna Bank Ltd. BRAC Bank Ltd. | A/c Number 711100038467 00036000534 11831020024366 101110011987 1015600000040 1015500000256 1015200000041 15400000003 0181360001416 1002390905001 00060210017279 1501201918541001 1501201918541002 1501201918541004 1501201918541006 1501201918541007 | Branch Name Gulshan Br. | 76,028 20,953 7,524 4,361,927 5,302,389 - 3,461,100 104,756 252,444 51,343 93,478 2,304,544 236,137 4,370 4,645 69,112 42,638 | 77,408 21,427 8,674 1,111,147 372,677 806,902 2,749,321 149,889 49,327,726 93,478 2,266,667 221,912 4,308 4,712 70,262 28,305 57,314,815 |

The above balances are reconciled with Bank Statements and ledger balances.





| ited ited ited ited ited ited ited ited | DR) Accounts A/c Number 1526303797247001 1526303797247002 1526303797247003 1526303797247004 24300052000 0185310048597 0185310048586 | Branch Name Gulshan Br. Gulshan Br. Gulshan Br. Gulshan Br. Gulshan Br. Foreign Ex. Br Foreign Ex. Br | 10,292,500 10,292,500 10,292,500 10,292,500 | 30 June 2017 - - - - 111,361,250 102,490,314 |
|--|---|---|---|--|
| ited ited ited ited ik Ltd. Bank Ltd. Bank Ltd. ther Payables | A/c Number 1526303797247001 1526303797247002 1526303797247003 1526303797247004 24300052000 0185310048597 | Gulshan Br. Gulshan Br. Gulshan Br. Gulshan Br. Gulshan Br. Foreign Ex. Br | 10,292,500 10,292,500 10,292,500 10,292,500 | - - - - 111,361,250 |
| ited ited ited ik Ltd. 3ank Ltd. 3ank Ltd. ther Payables | 1526303797247001 1526303797247002 1526303797247003 1526303797247004 24300052000 0185310048597 | Gulshan Br. Gulshan Br. Gulshan Br. Gulshan Br. Gulshan Br. Foreign Ex. Br | 10,292,500 10,292,500 10,292,500 - - - | |
| Bank Ltd. ther Payables | | | | 102,490,314 |
| ther Payables | 0103310040300 | TOTEIGHT EX. BI | | 102,490,314 |
| | | | 41,170,000 | 316,341,878 |
| torories | | | | |
| torneico | | | 3,759,244 | 2,421,760 |
| terprise | | | 58,336 | 58,336 |
| ading | | | 3,585,440 3,540,650 | 2,398,956 9,416,180 |
| Juling | | | 2,859,230 | 2,369,727 |
| xtile | | | -/ | 643,500 |
| le (BD) Ltd. | | | 1920 | 589,481 |
| g Mils Ltd. | | | 3,046,364 | 3,062,709 |
| Mills Ltd. g Mils Ltd. | | | | 44,460 2,594,670 |
| Mills Ltd. | | | 10741 81 = 4 | 5,863,092 |
| lills Ltd. | | | 5. | 5,656,264 |
| xtile Mills Ltd. | | | 7,661,636 | |
| s(Note: 9.1) | | | 7,781,930 | 1,706,766 |
| scured payable | e within one year. | | 32,292,830 | 36,825,901 |
| scureu, payable | : within one year. | | | |
| Center | | | 965,260 | 918,520 |
| bahan | | | 6,474,957 | 461,157 |
| Age | | | 159,840 | 111,700 |
| okal | | | 7,781,930 | 215,389 1,706,766 |
| nses | | | 1,101,930 | 1,700,700 |
| | | | 550,000 | 500,000 |
| /ages Payable | | | 49,874,828 | 58,861,416 |
| | | | 9,971,577 | 9,095,000 |
| lutions Rangla | odesh (Put) Ltd | | 639,121 | 174,937 313,059 |
| | | | | 99,973 |
| cipation/Welfa | re Funds(Note: 10.1) | | 70,800,287 | 87,805,891 |
| |): | | 146,806,735 | 117,735,743 |
| eterred tax | | | | 32,469,107 307,055,126 |
| cipation/Welfa | ire Funds | | 200/01/1/20 | 23.,000,120 |
| nce | | | 87,805,891 | 84,271,709 |
| ie year Worker: | s' Participation/Welfare I | Funds | - | 16,016,597 |
| ent during the | vear | | | 100,288,306 12,482,415 |
| CHIC GOLLING THE | year | | | 87,805,891 |
| | | | | |
| - | and Others Ut cipation/Welfa ax (Note: 10.2) eferred tax cipation/Welfa nce ne year Workers | cipation/Welfare Funds | and Others Utilities cipation/Welfare Funds(Note: 10.1) ax (Note: 10.2) eferred tax cipation/Welfare Funds nce nce ne year Workers' Participation/Welfare Funds | and Others Utilities cipation/Welfare Funds |

Amount in Taka





10.2 Provision for tax

Accounting Year Assessment Year Amount Status July 2017 to June 2018 2018-2019 36,070,992 Return not yet due. July 2016 to June 2017 2017-2018 29,106,971 Return submitted. Jan 2016 to June 2016 2016-2017 16,131,959 Under appeal 2015 2016-2017 26,033,710 Under appeal Amount after Adjustment up to assessment year upto Assessment Compliteted/ Agreed. 46,463,103 2015-2016 153,806,735 Less: Tax Paid 7,000,000 146,806,735

11 Bank Overdraft

| | Amount in Taka | | |
|---|----------------|--------------|--------------|
| Bank Name | Br Name | 30 June 2018 | 30 June 2017 |
| Southeast Bank Ltd. CC A/c 01073300000167 | Gulshan Br. | 41,968,033 | 36,586,342 |
| Total | | 41,968,033 | 36,586,342 |

Fully secured by 1 (one) undated cheque to cover the entire the limit along with a letter of authority to insert date on the cheque and personal guarantee of the Directors of the Company.

12 Short Term Bank Credits :

| Southeast Bank Ltd.: | | |
|----------------------|-------------|-------------|
| Time Loan | 71,517,658 | 2 |
| Packing Credit | 66,703,909 | 105,532,209 |
| Bill Purchase | 80,502,024 | 104,095,875 |
| Other Loans | 78,690,710 | 94,869,163 |
| Total | 297,414,301 | 304,497,247 |

These are secured, falling due within one year. The security and other term are specified as follows: Time Loans are fully secured by first charge on the fixed assets of the Company. Packing Credit, Bill Purchase and other Loans are against Lien on Master/Export L/C.





Deferred L/C Liabilities

AIR Apperals Ltd.

Alim Printing

Basic Thread Industries Ltd.

Chemitex

Corus Knit Composite Ltd.

Dalas Fashion

I. M. CHEMICAL

Moral Fashions Ltd.

Nassa Taipei Spinners Ltd.

Other Deferred L/C Liabilities

Pakiza Cotton Mills Ltd

Taipei Knit and Composite Ltd.

Tamijuddin Textile Mills Ltd.

BIANCO SPA

Allam Marine Ltd.

EHWHA GIOTECH. CO. LTD.

These are unsecured except by letters of credit, falling due within one year.

14 Share Money Refundable

These have been deposited against public issue of capital approved by SEC vide SEC letter no.SEC/CI/IPO-138/2010 -1488 dated August 08, 2012 and BSEC/CI/RI-90/2013/93 dated Febuary 04, 2014.

| Bank Name | A/C No. | Branch | | |
|---------------|------------------|-------------|-----------|-----------|
| BRAC Bank Ltd | 1501201918541001 | Gulshan Br. | 2,304,544 | 2,114,706 |
| BRAC Bank Ltd | 1501201918541002 | Gulshan Br. | 236,137 | 219,067 |
| BRAC Bank Ltd | 1501201918541003 | Gulshan Br. | 4,370 | 4,560 |
| BRAC Bank Ltd | 1501201918541004 | Gulshan Br. | 4,645 | 4,224 |
| BRAC Bank Ltd | 1501201918541007 | Gulshan Br. | 42,638 | 28,305 |
| Total | | | 2,592,334 | 2,370,862 |

15 Long Term Bank Loans (Current Portion)

Current portion of Long Term Bank Loans Tk.17,136,000 (2016-2017; Tk.3,906,000) has been shown under the head Current Liabilities which is payable within June -2019.

| 17,136,000 | 3,906,000 |
|------------|-----------|
| 17,136,000 | 3,906,000 |

Amount in Taka 30 June 2018 30 June 2017

1,632,000

4,808,506

3,372,679

6,042,240

3,254,000

5,528,328

1,439,400

1,626,000

7,657,431

5,334,615

27,510,959

11,009,039

30,235,275

109,450,472

1,252,500

5,635,184

1,291,211

4,861,800

5,016,000

4,616,165

3,452,500

1,675,000

3,661,225

4.752.632

3,598,015

598,455

4,775,574

45,186,260





| | | | | Amount | in Taka |
|------|--|--|--|---|--|
| | | | | 30 June 2018 | 30 June 2017 |
| 16 | Share Capital | | | | |
| 16.1 | Authorised Capital | | | | |
| 10.1 | 500,000,000 Ordinary share | of Tk 107 o | | 5,000,000,000 | 5.000,000,000 |
| 16.2 | Issued, Subscribed, Called-up | 17:07 | | 0,000,000,000 | |
| 16.2 | issued, Subscribed, Called-up | a Paid-up Capital | | | |
| | 224,363,400 Ordinary Shares | | or cash | 2,243,634,000 | 2,243,634,000 |
| | 225,613,469 Bonus Shares of 1 | k.10/- each | | 2.256,134,690 | 1,847,064,810 |
| | | | | 4,499,768,690 | 4,090,698,810 |
| | The Shareholding position of t | he Company are as unde | r: | 6 | |
| | Name of Shareholders | | No. of Shares | Percentages (%) | Amount (Tk.) |
| | Tauhidul Islam Chaudhury | | 23,099,110 | 5.13 | 230,991,100 |
| | Alavee Azfar Chaudhury | | 9,528,580 | 2.12 | 95,285,800 |
| | Shaheen Akhter Chaudhury | | 173,575 | 0.04 | 1,735,750 |
| | AJ Corporation Limited Rajiv Sethi | | 20,375,062 8,999,536 | 4.53 | 203,750,620 |
| | Others | | 387,801,006 | 2.00 | 89,995,360 |
| | Total | | 449,976,869 | 86.18 | 3,878,010,060 |
| | | | | 100 | 4,499,768,690 |
| | | | | <u> </u> | Assessment to Tales |
| | <u>Particulars</u> | No. of Shareholders | No. Of Shares | Percentage | Amount in Taka |
| | Particulars Less than 500 Shares | No. of Shareholders | No. Of Shares | Percentage 0.27 | 12,248,300 |
| | Less than 500 Shares 501 to 5,000 Shares | | | | |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares | 6,111 | 1,224,830 | 0.27 | 12,248,300 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares | 6,111 13,728 | 1,224,830 27,662,373 | 0.27 6.15 | 12,248,300 276,623,730 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares | 6,111 13,728 3,517 | 1,224,830 27,662,373 25,584,296 | 0.27 6.15 5.68 8.70 6.07 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares | 6,111 13,728 3,517 2,781 | 1,224,830 27,662,373 25,584,296 39,135,327 | 0.27 6.15 5.68 8.70 6.07 4.32 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares | 6,111 13,728 3,517 2,781 1,117 557 374 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares | 6,111 13,728 3,517 2,781 1,117 557 374 675 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares 50,001 to 1,000,000 Shares Above 1,000,000 Shares | 6,111 13,728 3,517 2,781 1,117 557 374 675 420 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 92,821,076 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 10.46 20.63 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 928,210,760 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares 50,001 to 100,000 Shares 100,001 to 1,000,000 Shares | 6,111 13,728 3,517 2,781 1,117 557 374 675 420 24 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 92,821,076 152,569,301 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 10.46 20.63 33.90 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 928,210,760 1,525,693,010 |
| | Less than 500 Shares 501 to 5,000 Shares 5,001 to10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares 50,001 to 1,000,000 Shares Above 1,000,000 Shares | 6,111 13,728 3,517 2,781 1,117 557 374 675 420 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 92,821,076 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 10.46 20.63 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 928,210,760 |
| 17 | Less than 500 Shares 501 to 5,000 Shares 5,001 to 10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares 50,001 to 100,000 Shares 100,001 to 1,000,000 Shares Above 1,000,000 Shares Total | 6,111 13,728 3,517 2,781 1,117 557 374 675 420 24 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 92,821,076 152,569,301 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 10.46 20.63 33.90 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 928,210,760 1,525,693,010 4,499,768,690 |
| 17 | Less than 500 Shares 501 to 5,000 Shares 5,001 to 10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares 50,001 to 100,000 Shares 100,001 to 1,000,000 Shares Above 1,000,000 Shares Total Revaluation Surplus Land & Land Development | 6,111 13,728 3,517 2,781 1,117 557 374 675 420 24 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 92,821,076 152,569,301 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 10.46 20.63 33.90 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 928,210,760 1,525,693,010 4,499,768,690 |
| 17 | Less than 500 Shares 501 to 5,000 Shares 5,001 to 10,000 Shares 10,001 to 20,000 Shares 20,001 to 30,000 Shares 30,001 to 40,000 Shares 40,001 to 50,000 Shares 50,001 to 100,000 Shares 100,001 to 1,000,000 Shares Above 1,000,000 Shares Total | 6,111 13,728 3,517 2,781 1,117 557 374 675 420 24 | 1,224,830 27,662,373 25,584,296 39,135,327 27,329,174 19,423,157 17,176,443 47,050,892 92,821,076 152,569,301 | 0.27 6.15 5.68 8.70 6.07 4.32 3.82 10.46 20.63 33.90 | 12,248,300 276,623,730 255,842,960 391,353,270 273,291,740 194,231,570 171,764,430 470,508,920 928,210,760 1,525,693,010 4,499,768,690 |

S.F. Ahmed & Co, Chartered Accountants revalued the fixed assets of the Company as of 31 December 2008, following "depreciated current cost method", resulting in a revaluation surplus at Tk.506,889,888.



Less: Depreciation on Revaluation Surplus

Total

429,951,498

421,237,581

8,713,916

421,237,581

8,397,154

412,840,428



18 Retained Earnings

Opening Balance Add: Current Period Profit

Add: Depreciation on Revaluation Surplus

Less: Bonus Share Issue

Add: Excess provision for Income Tax

Add: Deffirence AIT between CAIT & DCT Assessment

19 Long Term Loans

Term Loan Southeast Bank Ltd.

Office Space LankaBangla Finance Ltd.

Office Space IPDC Bangladesh Ltd.

Car Loan IPDC Bangladesh Ltd.

Total

20 Sales Revenue

Export Sales Revenue is recognised for 1,923,783 Dozens at USD 48,479,324.16 @ average Tk.83.00 equivalent to Tk.4,023,783,905 (2016-2017: 1,660,564 Dozens at USD 40,995,183.1 @ average Tk.80 equivalent to Tk. 3,279,614,648) when delivery challan is isued.

4,023,783,905

3,279,614,648

Amount in Taka 30 June 2018 30 June 2017

569,989,089

241,713,994

811,703,083

820,417,000

371,881,710

448,535,290

12,080,217 **460,615,507**

4,731,304 **465,346,811**

175,562,331

21,896,393

347,458,724

150,000,000

8,713,916

465,346,811

456,373,261

921,720,072

930,117,225

409,069,880

521,047,345

521,047,345

521,047,345

330,134,694

142,193,571

142,335,315

18,871,945

633,535,525

8,397,154

4,023,783,905

3,279,614,648





| 21 Cost of Goods Sold Opening Stock of Raw Materials 30 June 20 359,063,4 | ount in Taka 018 30 June 2017 |
|---|----------------------------------|
| Opening Stock of Raw Materials 359,063,4 | |
| | 02 374,317,443 |
| Add: Purchases (Note : 21.1) 2,547,849,2 | 1,934,798,571 |
| Less: Closing Stock of Raw Materials (Note : 05.1) 400,650,8 | 359,063,402 |
| Material Consumed 2,506,261,7 | |
| Add: Direct Labour 545,139,8 | 08 499,729,625 |
| Prime Cost 3,051,401,5 | 2,449,782,237 |
| Add: Factory Overhead (Note: 21.2) 229,074,6 | 189,703,756 |
| Cost of Manufacturing 3,280,476,1 | 90 2,639,485,993 |
| Add: Opening Work-In-Process (Note: 05.00) 264,712,5 | 00 278,909,647 |
| Lossy Closing Work in Process (Note: 05.00) | 42 264712600 |
| Less: Closing Work-In-Process (Note: 05.00) 329,180,5 Cost of Goods Manufactured 3.216,008.1 | |
| | |
| Add: Opening Stock of Finished Goods (Note: 05.00) 375,452,7 | 08 358,911,125 |
| Less: Closing Stock of Finished Goods (Note: 05.00) 458,617,3 | |
| Cost of Goods Sold | 49 2,637,141,557 |
| 21.1 Purchases of Raw Materials | |
| Yarn (4,540,944 Kgs; 2016-2017: 4,605,202 Kgs) 1,529,077,8 | 25 1,171,563,428 |
| Fabrics (799,822 Kgs; 2016-2017: 805,376 Kgs) 305,543,6 | 83 231,948,276 |
| Chemicals (1,490,552: Kgs; 2016-2017: 931,595 Kgs) 311,742,0 | 90 231,035,536 |
| Accessories 401,485,6 | 300,251,331 |
| Total 2,547,849,2 | 1,934,798,571 |
| 21.2 Factory Overhead | |
| Rent 7,245,3 | |
| Security Service 7,521,1 | |
| Depreciation 105,881,4 | |
| Utility Charges 59,177,6 | |
| Transport 9,015,7 Repair and Maintenance 11,519,6 | |
| Repair and Maintenance 11,519,6 Fuel & Lubricant 8,163,2 | |
| Carriage Inward 10,567,6 | |
| Labour Bill | 884,247 |
| Entertainment 2,754,5 | |
| Inspection Charge 3,589,5 | |
| Insurance Premium 3,026,2 | |
| Other Expenses 612,3 | |
| Total 229,074,6 | |
| 21.3 CIF costs of imported items from abroad aggregated 356,698,8 | 90 384,250,996 |





| 22 | Administrative | & Selling | Expenses |
|----|----------------|-----------|----------|
|----|----------------|-----------|----------|

Staff Salaries Directors' Remuneration Bonus Freight Charge

Buying House Expenses

Utility Charge

Entertainment

C & F Charges

Courier & Postage

Telephone and Other

Office Rent

Service Charges

Car Rent and Other Expenses

Car Repair and Maintenance

Depreciation

Insurance Premium

Annual Audit Fee

Professional, Consultancy and Other Audit fee

Traveling & Conveyance

Stationeries

Fuel & Lubricant

Carriage Outward

Sample Expenses

Advertisement

License & Renewals

Commercial Expenses

Business Development Expenses

AGM and EGM Expenses

Bond Expenses

Compliance Expenses

Fire Extinguisher & Fire Fighting

Exchange Loss/Gain

Donation

Other Expenses

Total

3 Other Income

Income from Cash Incentive

Other Revenues

Interest on Bank Deposits

Total

| Amount in Taka | | | | |
|----------------|--|--|--|--|
| 30 June 2017 | | | | |
| | | | | |

| 149,140,179 | 115,440,182 |
|--|-------------|
| 9,600,000 | 9,600,000 |
| 36,626,670 | 29,059,942 |
| 33,335,607 | 18,083,549 |
| 1,723,800 | 9,285,323 |
| 1,014,682 | 976,066 |
| 2,131,117 | 1,618,930 |
| 17,192,527 | 10,723,552 |
| 3,318,978 | 4,085,975 |
| 2,550,723 | 2,089,174 |
| 2,188,800 | 2,257,000 |
| 22,570 | 69,000 |
| \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\ | 699,400 |
| 8,283,949 | 39 |
| 5,572,709 | 4,107,157 |
| 33,660 | 550,101 |
| 750,000 | 700,000 |
| 2,125,500 | 1,915,000 |
| 2,301,717 | 6,147,005 |
| 1,149,627 | 754,343 |
| 522,365 | 975,287 |
| 24,559,203 | 17,445,528 |
| 1,247,506 | |
| 2,081,360 | 2,817,720 |
| 216,985 | 543,220 |
| 7,442,548 | 6,279,003 |
| 100 | 2,529,374 |
| 1,592,757 | 1,765,998 |
| 1,010,000 | 12 |
| 2,023,192 | 1,696,019 |
| 753 | 64,960 |
| 4,512,684 | 2,947,853 |
| 105,000 | 1,579,000 |
| 2,055,613 | 1,570,109 |
| 326,432,028 | 258,375,770 |

115,186,200 67,855,702 2,181,535 3,231,127 16,384,291 19,402,078 133,752,026 90,488,907





| 24 | Fin | anc | 10 | vn | one | ne |
|----|-----|-------|---------|-------|------|-----|
| 64 | | OH IL | I CHI L | - ^ U | C113 | 563 |

Bank Charges & Commission Interest on Time Loan Interest on Packing Credit Interest on Term Loan Interest on Bill Purchase Interest on Other Loans

| Amount in Taka | | |
|----------------|--------------|--|
| 30 June 2018 | 30 June 2017 | |
| 20,762,199 | 17,386,672 | |
| 8,943,782 | 304,745 | |
| 8,210,843 | 9,529,981 | |
| 51,577,112 | 16,358,451 | |
| 39,427,933 | 66,047,203 | |
| 34,146,306 | 44,627,239 | |
| 163,068,174 | 154,254,291 | |

25 Provision for Current Tax

| | Particulars | Amount | Rate | Amount |
|----|--|-------------|--------|---------------|
| | Tax on Non-operating Income | | | |
| | Other Revenues | 2,181,535 | 25.00% | 545,384 |
| | Income from Cash Incentives | 115,186,200 | 3.00% | 3,455,586 |
| | Interest on Investment and Deposits | 16,384,291 | 25.00% | 4,096,073 |
| | | 133,752,026 | | 8,097,043 |
| | Tax on Operating Income: | | | |
| | Business Income Tax | | | 27,973,949 |
| | The Provision for business income has been on estimation basis as per Income Tax Ord | | | |
| | Total Provision for Current Income Tax | | | 36,070,992 |
| 26 | Provision for Deferred Tax: | | | Amount |
| | Carrying amount as Accounting Base: Property, Plant & Equipment Carrying amount as Tax Base: | | | 4,246,973,701 |
| | Property, Plant & Equipment | | | 3,630,119,824 |
| | Difference | | | 616,853,877 |
| | Applicable Tax rate | | | 12% |
| | Deferred tax liabilities at year end | | | 74,022,465 |
| | Opening balance | | | 32,469,107 |
| | Deferred Tax Expenses/ (Income) | | | 41,553,358 |

27 Earning Per Share (EPS)

EPS for the year ended 30 th June, 2018

Earning Per Share (EPS) =

Earnings attributable to shareholders No. of Shares

456,373,261 449,976,869

EPS (Restated) for the year ended 30th June, 2017

Earning Per Share (EPS) =

Earnings attributable to shareholders No. of Shares

241,713,994 449,976,869

Dayeri dellu Managing Director

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| Shareholders' Note: |
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Generation Next Fashions Limited

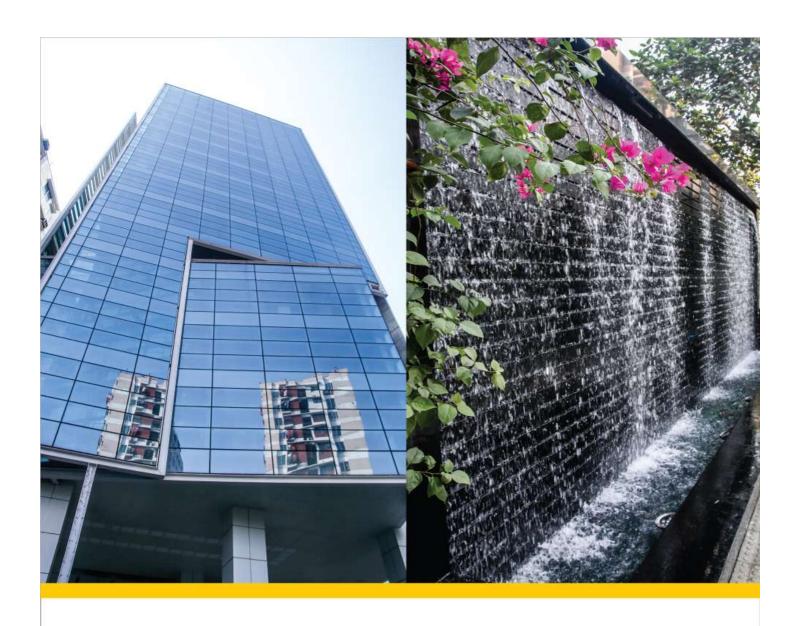
Building#348, Road#5, DOHS Baridhara, Dhaka- 1206, Bangladesh

PROXY FORM

| I/We | | of | Generation Next Fashions |
|--|---|--|---|
| Limited hereby appoint | t Mr./MS | | |
| of | as my proxy to attend and vote for me on my behalf at the | | |
| 14 th Annual General Me | eting of the compan | y to be held on Thursday, the 22th | day of November 2018 at Factory premises |
| Dhonaid, Earpur, Ashuli | ia, Dhaka at 11.00 A | .M. and at any adjournment there | eof. |
| As witness my hand thi | is | day of | 2018 signed by the said in presence of |
| | | | |
| | Revenue | | |
| Signature of Proxy | Stamp of | | Signature of the Shareholder(s) |
| Date: | Tk. 20/= | (Signature of witness) Reg | gister BO ID |
| | | Dated | |
| his/her stead. The Pro: | xy Form, duly stamp | | y appoint at Proxy to attend and vote in Registered Office/Corporate Office of the |
| GENERATION | NEXT | Generation Next Fa | |
| | | | ATTENDANCE SLIP |
| | | h Annual General Meeting being h , Ashulia, Dhaka at 11.00 A.M. | held on Thursday, the 22 th day of Novembe |
| Name of Member/Proxy | <i>I</i> | | |
| Register BO ID Shares of Generation N | lext Fashions Limited | holdi d. | ing of Ordinary |
| N D | | | Signature of Shareholder(s) / Proxy |
| N. B. 1 Please note that AGN | 4 can only be attend | led by the honorable shareholder | or properly constituted proxy. Therefore. |

- any friend or children accompanying with honorable shareholder or proxy cannot be allowed into the meeting.

 2. Please present this slip at the reception desk.





SHARE & REGISTERED OFFICE
Building# 348, Road# 05, DOHS Baridhara
Dhaka- 1206, Bangladesh.
Tel: 880-2-8412625, 8411623, 8419210
Fax: 880-2-8416491
web: www.gnf-bd.com

CORPORATE OFFICE

The Pearl Trade Centre (PTC) Cha- 90/3, Progoti Shoroni Uttar Badda, Dhaka-1212 Tel: 880-2-9895725, 9895752

OPERATIONAL OFFICE & FACTORY

Dhonaid, Earpur, Ashulia, Dhaka