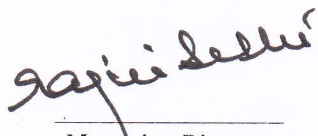


GENERATION NEXT FASHIONS LIMITED
Consolidated Statement of Financial Position (Un-Audited)
As at September 30, 2017

Particulars	Notes	Amount in Taka	
		30.09.2017	30.06.2017
A. NON-CURRENT ASSETS		4,300,227,448	3,997,985,157
Property, Plant & Equipment	16	3,965,539,207	3,694,771,174
Capital Works-in-Progress	17	334,688,241	303,213,983
B. CURRENT ASSETS		2,528,083,589	2,399,357,831
Inventories	18	1,099,985,498	1,041,071,140
Accounts Receivable	19	928,755,698	883,439,410
Advances, Deposits and Pre-Payments	20	122,382,782	100,919,902
Cash & Cash Equivalents	21	376,959,611	373,927,379
C. CURRENT LIABILITIES & PROVISIONS		998,738,637	835,821,950
Accounts & Other Payables	22	125,009,801	36,825,901
Accrued Expenses	23	310,841,164	307,055,126
Bank Overdraft	24	43,888,077	36,586,342
Short Term Bank Credits	25	270,050,548	304,497,247
Deferred L/C Liabilities	26	195,432,763	109,450,472
Share Money Refundable	27	2,444,854	2,370,862
Current Maturity of Long Term Loans	28	51,071,430	39,036,000
D. NET CURRENT ASSETS (B-C)		1,529,344,952	1,563,535,881
E. NET ASSETS (A+D)		5,829,572,400	5,561,521,038
F. SHAREHOLDERS' EQUITY		5,332,444,947	5,214,062,313
Share Capital	29	4,090,698,810	4,090,698,810
Share Premium		236,779,111	236,779,111
Revaluation Surplus	30	419,138,293	421,237,581
Retained Earnings	31	585,828,733	465,346,811
G. LONG TERM LOAN	32	497,127,453	347,458,724
H. LIABILITIES & SHAREHOLDERS' EQUITY (F+G)		5,829,572,400	5,561,521,038
Net Assets Value Per Share (NAVPS)		13.04	12.75


Chairman


Chief Financial Officer

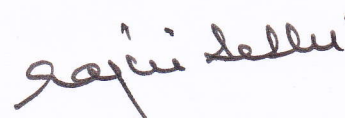

Managing Director

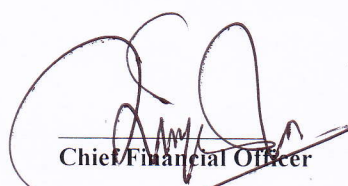

Company Secretary

GENERATION NEXT FASHIONS LIMITED
Consolidated Statement of Comprehensive Income (Un-Audited)
For the period from 01 July 2017 to 30 September, 2017

Particulars	Notes	Amount in Taka	
		01.07.2017 to 30.09.2017	01.07.2016 to 30.09.2016
Sales Revenue	33	837,932,827	690,069,857
Less: Cost of Goods Sold	34	622,926,498	561,184,112
Gross Profit		215,006,329	128,885,745
Less: Administrative & Selling Expenses	35	66,329,949	48,335,234
Operating Profit		148,676,380	80,550,511
Add: Other Income	36	26,032,847	21,839,134
		174,709,227	102,389,645
Less: Financial Expenses	37	31,731,915	47,230,538
Net Profit Before Tax and WPWFs		142,977,312	55,159,107
Less: Workers' Participation/Welfare Funds		7,148,866	2,626,624
		135,828,446	52,532,483
Less: Central Fund (RMG Sector)		242,379	-
Net Profit Before Tax		135,586,067	52,532,483
		17,203,433	5,991,674
Less: Current Year Tax Expenditure	38	6,797,173	5,991,674
Deferred Tax Expenditure	39	10,406,260	-
Net Profit After Tax		118,382,634	46,540,809
Earning Per Share (EPS)	40	0.29	0.11
EPS From Recurring Income	41	0.28	0.10
EPS From Non-Recurring Income	42	0.01	0.01


Chairman


Managing Director


Chief Financial Officer


Company Secretary

GENERATION NEXT FASHIONS LIMITED

Consolidated Statement of Changes in Equity (Un-Audited)

For the period from 01 July 2017 to 30 September, 2017

(Amount in Taka)

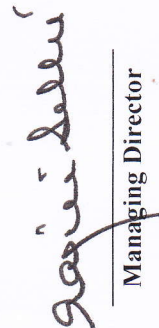
For (01 July 2017 to 30 September 2017):

Particulars	Share Capital	Share Premium	Revaluation Surplus	Retained	Total
Balance at July 01, 2017	4,090,698,810	236,779,111	421,237,582	465,346,811	5,214,062,313
Depreciation on Revaluation Surplus	-	-	(2,099,288)	2,099,288	-
Net Profit during the Period	-	-	-	118,382,634	118,382,634
Balance at September 30, 2017	4,090,698,810	236,779,111	419,138,293	585,828,733	5,332,444,948

For (01 July 2016 to 30 September 2016):

Particulars	Share Capital	Share Premium	Revaluation Surplus	Retained	Total
Balance at July 01, 2016	3,718,817,100	236,779,111	429,951,498	569,989,089	4,955,536,798
Depreciation on Revaluation Surplus	-	-	(2,178,479)	2,178,479	-
Net Profit during the Period	-	-	-	46,540,809	46,540,809
Balance at September 30, 2016	3,718,817,100	236,779,111	427,773,019	618,708,377	5,002,077,607


Chairman


Managing Director


Chief Financial Officer


Company Secretary

GENERATION NEXT FASHIONS LIMITED
Consolidated Statement of Cash Flows (Un-Audited)
For the period from 01 July 2017 to 30 September, 2017

Particulars	Amount in Taka	
	01.07.2017 to 30.09.2017	01.07.2016 to 30.09.2016
A. CASH FLOWS FROM OPERATING ACTIVITIES:	196,699,547	3,923,084
Cash Received from Customers and Other Income	818,649,386	646,444,841
Cash Paid for Materials, Expenses and Services	(614,617,727)	(637,186,845)
Income Tax Paid/(Deducted)	(7,332,112)	(5,334,913)
B. CASH FLOWS FROM INVESTING ACTIVITIES:	(328,300,500)	(3,080,696)
Acquisition of Fixed Assets	(296,826,242)	(5,052,109)
Expenditures for Capital Work-in-Progress	(31,474,258)	1,971,413
C. CASH FLOWS FROM FINANCING ACTIVITIES:	134,633,186	(33,195,059)
Bank Overdraft Received/(Repaid)	7,301,735	24,077,765
Short Term Bank Credit Received/(Repaid)	(34,446,700)	(57,561,759)
Long Term Loan (Repaid)	161,704,159	289,160
Share Money Deposit (Refunded)/Adjusted	73,992	(225)
D. Net Increase/(Decrease) in cash & cash equivalents (A+B+C)	3,032,232	(32,352,671)
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)	376,959,611	372,813,224
Operating Cash Flow Per Share	0.48	0.01


Chairman


Managing Director


Chief Financial Officer


Company Secretary

GENERATION NEXT FASHIONS LIMITED
Accounting Policies and Explanatory Notes
For the 1st Quarter (Un-Audited) Report 2017

1. Corporate Business

Generation Next Fashions Limited was incorporated in Bangladesh under the Companies Act, 1994 vide Certificate of Incorporation No-C-53966(661)/2004 dated August 19, 2004, to carry out business of spinning, weaving, manufacturing of textile, various types of ready-made garments of international standard and design. The Company was converted from private company into public company on September 19, 2010 and registered office situated at Building # 348, Road # 05, DOHS Baridhara, Dhaka-1206.

2. Corporate Financial Statements and Reporting

This comprises Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, notes and explanatory materials covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994; Securities and Exchange Rules, 1987; and the International Accounting Standards (IASs)/ International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to this Company.

The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

The preparation of the financial statements in conformity with the Bangladesh Accounting Standards (BASs)/ Bangladesh Financial Reporting Standards (BFRSS) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period. Due to the inherent uncertainty involved in making estimates, actual results reported could differ from those estimates.

3. Fundamental Accounting Concepts/ Assumption

The 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.

4. Going Concern

The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the accounts and financial statements. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of its existing business.

5. Corporate Accounting Standards Practiced

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

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Cash Flow Statement
BAS 10	Events after the Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant And Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 21	The Effects of Changes in Foreign Exchange Rates
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 33	Earnings Per Share
BAS 34	Interim Financial Reporting
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BAS 38	Intangible Assets

6. Reporting Period

The period of these financial statements covers from July 01, 2017 to September 30, 2017.

7. Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

8. Segmental Reporting

No segmental reporting is applicable for the company as required by BAS 14: Segment Reporting as the Company operates in a single industry segment and within a single geographical segment.

9. Events after the Reporting Period.

In compliance with the requirements of BAS 10: Events After the Reporting Period that provide additional information about the Company's position at the Statement of Financial Position date are reflected in the financial statements and events after the reporting period date that are not adjusting events are disclosed in the notes when material.

10. Net profit Before Tax

Net profit before tax for the period were not materially affected by:

- (a) Transactions of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior periods; and
- (d) Changes in accounting policies.

11. Functional and Presentational (Reporting) Currency

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

Figures in brackets indicate deductions.

12. Comparative Information and Rearrangement 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.

13. Historical Cost Profit and Losses

There was no revaluation of Fixed Assets during the period under review. However, 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 506,889,888.00

14. Principal Accounting Policies

The specific accounting policies selected and applied by the Company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier period.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

14.1 Recognition of Tangible Fixed Assets

These are capitalized at cost of acquisition or valuation and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

There is no intangible asset 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 the net sales proceeds.

14.2 Depreciation of Tangible Fixed Assets

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which are considered reasonable by the management.

Category of Assets	Rate of Depreciation
Building	2%
Plant & Machinery	5%
Vehicles	10%
Other Assets	10%

14.3 Impairment of Assets

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the period and for this reason, no provision has been made for impairment of assets.

14.4 Revenue Recognition

Revenue are recognised when goods are delivered from the factory godown and delivery challans are issued as per BAS-18.

14.5 Accrued Expenses and Other Payables

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

14.6 Inventories

Inventories comprises of raw materials, Work-in-Process, Finished goods. Raw materials has been valued at cost. Work-in-Process have been valued at prime cost basis as required by BAS-2 with proportionate addition of Factory Overheads. Finished goods have been valued at the lower of cost and net realizable value basis. Cost is determined by weighted average method.

14.7 Cash and Cash Equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was insignificant risk of changes in value of the same.

14.8 Cash Flow Statement

Cash Flow Statement is prepared principally in accordance with BAS-7 "Cash Flow Statement" and the cash flows from the operating activities have been presented under direct method.

14.9 Borrowing Costs

Financial Expenses (Borrowing Costs) incurred during the period was recognized as revenue expenses in accordance with BAS-23 "Borrowing Cost".

14.10 Income Taxes

Current Taxes are provided for in accordance with BAS 12: "Income Taxes"; and Income Tax Ordinance, 1984. No deferred taxes are incorporated as the Company accounts for its income tax on the basis of "turnover", not "net profit before tax".

14.11 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share by dividing the basic 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.

15. 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.

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. On 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 in-depth 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 policies 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.

16. Property, Plant & Equipment: Tk. 3,965,709,975

Particulars	Cost or Valuation			Rate of Dep. (%)	Depreciation			Written down value as on 30.09.2017
	Balance as on 01.07.17	Addition or valuation during the period	Balance as on 30.09.17		Balance as on 01.07.17	Charged during the period	Balance as on 30.09.2017	
Land & Land Development	249,687,532	-	249,687,532	-	-	-	-	249,687,532
Building	2,808,257,089	186,960,735	2,995,217,824	2%	170,171,690	13,733,381	183,905,072	2,811,312,752
Plant & Machinery	1,022,446,684	108,762,563	1,131,209,247	5%	310,534,457	9,933,892	320,468,349	810,740,898
Vehicles	80,203,266	-	80,203,266	10%	17,150,133	1,576,328	18,726,462	61,476,804
Other Assets	53,323,332	1,102,944	54,426,276	10%	21,290,449	814,607	22,105,056	32,321,220
Total	4,213,917,903	296,826,242	4,510,744,145	-	519,146,729	26,058,209	545,204,938	3,965,539,207
Total as on June 30, 2017	3,328,660,917	885,256,986	4,213,917,903	-	437,003,597	82,143,132	519,146,729	3,694,771,174

Particulars	Amount in Taka
Depreciation charge during the period ended July 01, 2017 to September 30, 2017	30,09,2017
	26,058,209

Head of Accounts:

Factory Overhead (Note: 35.02)	24,755,299
Administrative & Selling Expenses (Note: 36)	1,302,910
Total	26,058,209

17 Capital Works-in-Progress

	Amount in Taka	
	30 Sep 2017	30 June 2017
Buildings	334,688,241	303,213,983
Total	334,688,241	303,213,983
Opening	303,213,983	702,039,965
Add: Addition During The Period	31,474,258	169,467,186
	334,688,241	871,507,151
Less: Adjustment During The Period	-	568,293,168
Closing	334,688,241	303,213,983

18 Inventories

Raw Materials (Note-18.1)		376,389,309	359,063,402
Work-in-Process	(610,595 Kgs; 2016-2017: 534,773 Kgs)	302,244,289	264,712,500
Finished Goods	(202,332 Dozens; 2016-2017: 190,585 Dozens)	398,595,012	375,452,708
Materials in Transit		22,756,888	41,842,530
Total		1,099,985,498	1,041,071,140

18.1 Raw Materials

Yarn	(838,235 Kgs; 2016-2017: 801,535 Kgs)	213,749,813	203,910,507
Fabrics	(222,115 Kgs; 2016-2017: 211,891 Kgs)	63,969,127	61,024,508
Chemicals	(246,800 Kgs; 2016-2017: 234,766 Kgs)	37,760,474	35,906,340
Accessories		60,909,895	58,222,046
Total		376,389,309	359,063,402

19 Accounts Receivables

Cromo Diffusion INC	14,443,073	4,317,713
Distra Warenhandeksges. MBH	31,376,483	83,084,709
Deltex Hanelsgesellschaft	2,674,316	-
Fashion Link	14,814,816	9,570,131
G. Enpfenning GMBH	87,077,823	122,133,399
Jeans Fritz	-	928,287
KIK TEXTILIEN UND NON-FOOD GMBH	76,734,516	18,932,042
Miles Fashions GMBH	69,953,727	26,503,009
Other Receivables (Note: 19.01)	24,157,043	43,806,643
Primark Stores Limited	607,523,901	574,163,477
Total	928,755,698	883,439,409

These are unsecured, considered good. No amount is due from any directors or related parties.

Dues upto 6 months	566,540,976	583,070,011
Dues above 6 months	362,214,722	300,369,399
Total	928,755,698	883,439,410

19.01 Other Receivables

Fashions FX Limited
JMS Composite Knitware Ltd.
Korooni Knit Composite Ltd.
Niagara Textile Ltd.
Rahman Composite
Redom Composite
SA Sourcing Ltd.
Sadma Fashions Ltd.
Scandex Textile Ltd.
Summit Dye-Chem Ltd.
Cash Subsidy from the Government.
Total

Amount in Taka	
30 Sep 2017	30 June 2017
225,276	225,276
317,226	317,226
20,016	20,016
4,951	4,951
11,951	11,951
7,260	7,260
2,043,049	2,043,049
15,312	15,312
99,682	99,682
8,320	8,320
21,404,000	41,053,600
24,157,043	43,806,643

20 Advances, Deposit and Prepayments

Advances (Note: 20.1)
Deposits
Total

120,876,278	100,294,198
1,506,504	625,704
122,382,782	100,919,902

These are unsecured, considered good. No amount is due from any directors or related parties.

Dues upto 6 months
Dues above 6 months
Total

51,400,768	33,303,568
70,982,014	67,616,334
122,382,782	100,919,902

20.1 Advances

Advance against Salary
Advance Income Tax Note: 20.1(a)
Advance against Purchase / Expenses Note: 20.1(b)
Advance against House Rent
Advance for Construction & Others Note: 20.1(c)
Total

486,000	856,000
63,725,068	56,392,956
13,317,660	22,091,432
7,662,249	3,875,122
35,685,301	17,078,688
120,876,278	100,294,198

20.1(a) Advance Income Tax

Opening Balance
Add: Addition During the Year

56,392,956	59,341,309
7,332,112	27,976,178
63,725,068	87,317,487

Less: Partly Adjustment for Assessment

-	-
63,725,068	87,317,487

Less: Remaining Advance for the Assessment year upto 2015-2016 which adjusted by the assessment value

-	31,424,531
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Add: Deposit by payment order/ Challan for Assessment year 2016-2017

63,725,068	55,892,956
-	500,000
63,725,068	56,392,956

20.1(b) Advance against Purchase / Expenses

Dhaka Traders
 Mr. Munir (Procurement)
 Mr. Ainal Haque
 Mr. Basek Hossen
 Tutun Agency
 Word of Techonology
 Khan Enterprise
Total

-	54,200
-	90,570
9,222,769	14,130,935
200,000	3,950,708
44,891	15,019
2,500,000	2,500,000
1,350,000	1,350,000
13,317,660	22,091,432

20.1(c) Advance for Construction & Others

Azim Engineering Workshop & Thai Aluminum
 Brothers Builders
 Hasib Thai
 M/S. Happy Enterprise
 Dr Abul Kalam Azad
 Millenium Enterprise
 Mr. Ratan
 Mr. Zafor
 Bangladesh Power Development Board (BPDB)
Total

Amount in Taka	
30 Sep 2017	30 June 2017
5,754,603	5,784,603
1,758,049	1,768,049
9,690,026	690,026
9,887,763	641,150
150,000	-
417,200	517,200
100,000	-
250,000	-
7,677,660	7,677,660
35,685,301	17,078,688

21 Cash & Cash Equivalents

Cash in Hand (Note-21.1)
 Cash at Banks (Note-21.2)
Total

192,463	270,686
376,767,148	373,656,693
376,959,611	373,927,379

21.1 Cash in Hand

Balance in Central Cash
 Balance in Factory Cash
Total

150,903	247,124
41,560	23,562
192,463	270,686

21.2 Cash at Banks

On Current/Short Notice Deposit Accounts Note: 21.2(a)
 On Fixed Deposit Receipt (FDR) Accounts Note: 21.2(b)

16,279,935	57,314,815
360,487,213	316,341,878

Total

376,767,148

373,656,693

21.2(a) On Current/Short Notice Deposit Accounts

<u>Bank Name</u>	<u>A/c Number</u>	<u>Branch Name</u>
EXIM Bank Ltd.	711100038467	Gulshan Br.
National Bank Ltd.	00036000534	Gulshan Br.
Prime Bank Ltd.	11831020024366	Gulshan Br.
Southeast Bank Ltd.	101110011987	Gulshan Br.
Southeast Bank Ltd.	1015600000040	Gulshan Br.
Southeast Bank Ltd.	1015500000256	Gulshan Br.
Southeast Bank Ltd.	1015200000041	Gulshan Br.
Southeast Bank Ltd.	15400000003	Gulshan Br.
Social Islami Bank I	0181360001416	Foreign Ex. Br
IFIC Bank Ltd.	1002390905001	Gulshan Br.
Jamuna Bank Ltd.	00060210017279	Dilkusha Br.
BRAC Bank Ltd.	1501201918541001	Gulshan Br.
BRAC Bank Ltd.	1501201918541002	Gulshan Br.
BRAC Bank Ltd.	1501201918541003	Gulshan Br.
BRAC Bank Ltd.	1501201918541004	Gulshan Br.
BRAC Bank Ltd.	1501201918541006	Gulshan Br.
BRAC Bank Ltd.	1501201918541007	Gulshan Br.
Total		

77,408	77,408
21,427	21,427
8,674	8,674
132,790	1,111,147
9,351,496	372,677
-	806,902
2,827,188	2,749,321
560,536	-
149,889	149,889
541,933	49,327,726
93,478	93,478
2,114,706	2,266,667
227,602	221,912
4,560	4,308
4,224	4,712
70,262	70,262
93,762	28,305
16,279,935	57,314,815

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

21.2(b) On Fixed Deposit Receipt (FDR) Accounts

<u>Bank Name</u>	<u>A/c Number</u>	<u>Branch Name</u>
Southeast Bank Ltd.	24300052000	Gulshan Br.
Social Islami Bank Ltd.	0185310048597	Foreign Ex. Br
Social Islami Bank Ltd.	0185310048586	Foreign Ex. Br
Brac Bank Limited	1526303797247001	Gulshan Br.
Brac Bank Limited	1526303797247002	Gulshan Br.
Brac Bank Limited	1526303797247003	Gulshan Br.
Brac Bank Limited	1526303797247004	Gulshan Br.
Total		

Amount in Taka	
30 Sep 2017	30 June 2017
112,739,345	111,361,250
103,873,934	102,490,314
103,873,934	102,490,314
10,000,000	-
10,000,000	-
10,000,000	-
10,000,000	-
360,487,213	316,341,878

22 Accounts & Other Payables

Global Way	3,396,500	2,421,760
M/s Hasina Enterprise	58,336	58,336
Chemitex	4,443,120	2,398,956
Chowdhury Trading	6,554,859	9,416,180
City Chemical	3,500,436	2,369,727
Impressive Textile	643,500	643,500
Shepherd Textile (BD) Ltd.	-	589,481
The Delta Spinning Mills Ltd.	5,082,709	3,062,709
Akbar Cotton Mills Ltd.	-	44,460
Metro Spinning Mills Ltd.	5,699,040	2,594,670
BSB Spinning Mills Ltd.	-	5,863,092
Jaba Textile Mills Ltd.	10,584,974	5,656,264
Other Payables (Note: 22.1)	85,046,327	1,706,766
Total	125,009,801	36,825,901

These are unsecured, payable within one year.

22.1 Other Payables

KM Serviceing Center	1,664,880	918,520
Shimanta Paribahan	1,583,958	461,157
AJ Corporation Limited	81,556,000	-
The Daily New Age	96,100	111,700
The Daily Somokal	145,389	215,389
Total	85,046,327	1,706,766

23 Accrued Expenses

Audit fee	300,000	500,000
Salaries and Wages Payable	42,483,003	58,861,416
Gas Bill	5,100,453	9,095,000
Electracity Bill	182,984	174,937
G4S Secure Solutions Bangladesh (Pvt.) Ltd.	316,042	313,059
Telephone Bill and Others Utilities	95,643	99,973
Workers' Participation/Welfare Funds (Note: 23.1)	94,954,756	87,805,891
Provision for tax (Note: 23.2)	124,532,916	117,735,743
Provision for deferred tax	42,875,367	32,469,107
Total	310,841,164	307,055,126

23.1 Workers' Participation/Welfare Funds

Opening Balance	87,805,891	84,271,709
Add: During the year Workers' Participation/Welfare Funds	7,148,866	16,016,597
	94,954,756	100,288,306
Less: Adjustment during the year	-	12,482,415
	94,954,756	87,805,891

These are unsecured, falling due within one year.

No interest has been provided on, and payments made from, Workers' Participation/Welfare Funds.

23.2 Provision for tax

<u>Accounting Year/ Period</u>	<u>Assessment Year</u>	<u>Amount</u>	<u>Status</u>
July 17 to September 17	2018-2019	6,797,173	Return not yet due.
July 2016 to June 2017	2017-2018	29,106,971	Return not yet due.
Jan 2016 to June 2016	2016-2017	16,131,959	Return submitted.
2015	2016-2017	26,033,710	Return submitted.
Amount after Adjustment up to assessment year upto 2015-2016		46,463,103	Assessment Completed/ Agreed.
		<u>124,532,916</u>	

24 Bank Overdraft

<u>Bank Name</u>	<u>Br Name</u>	<u>Amount</u>	<u>Amount</u>
Southeast Bank Ltd. CC A/c 01073300000167	Gulshan Br.	43,888,077	36,586,342
Total		<u>43,888,077</u>	<u>36,586,342</u>

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.

25 Short Term Bank Credits :

Short Term Bank Credits :		
Amount in Taka		
30 Sep 2017	30 June 2017	
Southeast Bank Ltd.:		
Time Loan	80,765,347	-
Packing Credit	51,144,879	105,532,209
Bill Purchase	57,760,233	104,095,875
Other Loans	80,380,089	94,869,163
Total	270,050,548	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.

26 Deferred L/C Liabilities

AIR Apperals Ltd.	1,226,000	1,632,000
Alim Printing	5,053,000	4,808,506
Basic Thread Industries Ltd.	2,568,000	3,372,679
Chemitex	-	6,042,240
Corus Knit Composite Ltd.	1,638,000	3,254,000
Dalas Fashion	1,229,000	5,528,328
I. M. CHEMICAL	-	1,439,400
Moral Fashions Ltd.	-	1,626,000
Nassa Taipei Spinners Ltd.	9,137,000	7,657,431
Tamijuddin Textile Mills Ltd.	8,547,370	5,334,615
BIANCO SPA	36,545,965	27,510,959
Allam Marine Ltd.	11,009,039	11,009,039
EHWA GIOTECH. CO. LTD.	30,235,275	30,235,275
Fukahama Machinery Company Ltd	73,004,330	-
Dilmenler Makine Pazarlama	15,239,785	-
Total	195,432,763	109,450,472

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

27 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.

<u>Bank Name</u>	<u>A/C No.</u>	<u>Branch</u>		
BRAC Bank Ltd	1501201918541001	Gulshan Br.	2,114,706	2,114,706
BRAC Bank Ltd	1501201918541002	Gulshan Br.	227,602	219,067
BRAC Bank Ltd	1501201918541003	Gulshan Br.	4,560	4,560
BRAC Bank Ltd	1501201918541004	Gulshan Br.	4,224	4,224
BRAC Bank Ltd	1501201918541007	Gulshan Br.	93,762	28,305
Total			2,444,854	2,370,862

28 Long Term Bank Loans (Current Portion)

Current portion of Long Term Bank Loans Tk.51,071,430 (2016-2017; Tk.39,036,000) has been shown under the head Current Liabilities which is payable within September -2018.

29 Share Capital

29.1 Authorised Capital

500,000,000 Ordinary shares of Tk.10/- each

29.2 Issued, Subscribed, Called-up & Paid-up Capital

224,363,400 Ordinary Shares of Tk. 10/- each issued for cash

184,706,481 Bonus Shares of Tk.10/- each

Amount in Taka	
30 Sep 2017	30 June 2017
<u>5,000,000,000</u>	<u>5,000,000,000</u>
2,243,634,000	2,243,634,000
1,847,064,810	1,847,064,810
<u>4,090,698,810</u>	<u>4,090,698,810</u>

The Shareholding position of the Company are as under :

Name of Shareholders	No. of Shares	Percentages (%)	Amount (Tk.)
TAUHIDUL I CHOWDHURY	20,999,191	5.13	209,991,910
ALAVEE AZFAR CHAUDHURY	8,662,346	2.12	86,623,460
SHAHEEN AKHTER CHAUDHURY	157,796	0.04	1,577,960
A.J CORPORATION LIMITED	18,522,784	4.53	185,227,840
RAJIV SETHI	8,181,397	2.00	81,813,970
WAHID SALAM	8,195,000	2.00	81,950,000
NEW ENGLAND EQUITY LTD	5,700,000	1.39	57,000,000
Others	338,651,367	82.79	3,386,513,670
Total	409,069,881	100	4,090,698,810

Particulars	No. of Shareholders	No. Of Shares	Percentage	Amount in Taka
Less than 500 Shares	6,191	1,322,551	0.32	13,225,510
501 to 5,000 Shares	13,357	28,248,177	6.91	282,481,770
5,001 to 10,000 Shares	3,341	26,051,849	6.37	260,518,490
10,001 to 20,000 Shares	2,432	36,555,420	8.94	365,554,200
20,001 to 30,000 Shares	924	23,365,431	5.71	233,654,310
30,001 to 40,000 Shares	441	15,692,715	3.84	156,927,150
40,001 to 50,000 Shares	382	17,862,177	4.37	178,621,770
50,001 to 100,000 Shares	564	41,805,427	10.22	418,054,270
100,001 to 1,000,000 Shares	342	73,881,133	18.06	738,811,330
Above 1,000,000 Shares	22	144,285,001	35.27	1,442,850,010
Total	27,996	409,069,881	100.00	4,090,698,810

30 Revaluation Surplus

Land & Land Development

Building

Plant & Machinery

Less: Depreciation on Revaluation Surplus

Total

136,740,234	136,740,234
194,257,128	198,221,559
90,240,220	94,989,705
421,237,581	429,951,498
2,099,288	8,713,916
419,138,293	421,237,581

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.

31 Retained Earnings

Opening Balance	465,346,811	569,989,089
Add: Current Period Profit	118,382,634	241,713,994
	583,729,445	811,703,083
Add: Depreciation on Revaluation Surplus	2,099,288	8,713,916
	585,828,733	820,417,000
Less: Bonus Share Issue	-	371,881,710
	585,828,733	448,535,290
Add: Excess provision for Income Tax	-	12,080,217
	585,828,733	460,615,507
Add: Deffirence AIT between CAIT & DCT Assessment	-	4,731,304
	585,828,733	465,346,811

32 Long Term Loans

		Amount in Taka	
		30 Sep 2017	30 June 2017
Particulars	Bank Name		
Term Loan	Southeast Bank Ltd.	264,191,580	175,562,331
Office Space	LankaBangla Finance Ltd.	143,673,204	150,000,000
Office Space	IPDC Bangladesh Ltd.	68,261,103	-
Car Loan	IPDC Bangladesh Ltd.	21,001,566	21,896,393
Total		497,127,453	347,458,724

These 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	09.75% p.a. with Quarterly rests subject to revision from time to time.
Long Term Loan	09.75% p.a. with Quarterly rests subject to revision from time to time.
Time Loan , Packing Credit & Bill Purchase	Time Loan : 09.75 % 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 : 09.75 % p.a. with Quarterly rests subject to revision from time to time.

33 Sales Revenue

Export Sales Revenue is recognised for 424,270 Dozens at USD 10,474,160.34 @ average Tk.80.00 equivalent to Tk.837,932,827 (July to Sep 2016: 349,402 Dozens at USD 8,625,873.21 @ average Tk.80 equivalent to Tk.690,069,857) when delivery challan is issued

34 Cost of Goods Sold

Amount in Taka		
	01.07.2017 to 30.09.2017	01.07.2016 to 30.09.2016
Opening Stock of Raw Materials	359,063,402	374,317,442
Add: Purchases (Note : 34.01)	519,518,353	452,858,780
Less: Closing Stock of Raw Materials (Note : 18.01)	376,389,309	364,366,980
Material Consumed	502,192,446	462,809,242
Add: Direct Labour	126,549,545	103,202,637
Prime Cost	628,741,991	566,011,879
Add: Factory Overhead (Note : 34.02)	54,858,600	38,659,483
Cost of Manufacturing	683,600,591	604,671,361
Add: Opening Work-In-Process (Note: 18.00)	264,712,500	278,909,647
Less: Closing Work-In-Process (Note: 18.00)	302,244,289	299,655,957
Cost of Goods Manufactured	646,068,802	583,925,051
Add: Opening Stock of Finished Goods (Note: 18.00)	375,452,708	358,911,125
Less: Closing Stock of Finished Goods (Note: 18.00)	398,595,012	381,652,065
Cost of Goods Sold	622,926,498	561,184,112

34.01 Purchases of Raw Materials

Yarn	(1,181,650 Kgs; Jul to Sep 2016: 1,207,623 Kgs)	301,320,645	307,943,970
Fabrics	(270,582 Kgs)	77,927,753	-
Chemicals	(251,380 Kgs; Jul to Sep 2016: 200,865 Kgs)	62,342,202	49,814,466
Accessories		77,927,753	95,100,344
Total		519,518,353	452,858,780

34.02 Factory Overhead

Rent
Security Service
Depreciation
Utility Charges
Transport
Repair and Maintenance
Fuel & Lubricant
Carriage Inward
Overtime and Similar Allowance
Labour Bill
Entertainment
Inspection Charge
Insurance Premium
Other Expenses
Total

Amount in Taka	
01.07.2017 to 30.09.2017	01.07.2016 to 30.09.2016
1,929,400	471,000
1,928,580	1,382,994
24,755,299	18,404,406
11,176,791	10,109,365
2,528,725	1,253,900
2,424,835	1,189,725
3,759,064	1,361,736
3,653,193	1,945,885
-	266,591
826,455	452,390
646,193	296,582
375,079	719,188
533,484	-
321,502	805,723
54,858,600	38,659,483

34.03 CIF costs of imported items from aboard aggregated

35 Administrative & Selling Expenses

Staff Salaries
Directors' Remuneration
Bonus
Air/ Sea 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
Repair & Maintenance
Depreciation
Annual Audit Fee
Professional, Consultancy and Other Audit fee
Traveling & Conveyance
Stationeries
Fuel & Lubricant
Carriage Outward
Advertisement
License & Renewals
Commercial Expenses
Business Development Expenses
AGM and EGM Expenses
Compliance Expenses
Fire Extinguisher & Fire Fighting
Exchange Loss/Gain
Donation
Other Expenses

Amount in Taka	
01.07.2017 to 30.09.2017	01.07.2016 to 30.09.2016
26,272,691	20,144,415
2,400,000	2,400,000
6,600,000	6,600,000
7,578,967	342,315
876,016	900,135
306,748	236,528
422,972	277,945
3,504,488	2,985,315
901,146	339,457
708,830	498,800
547,200	406,000
-	94,150
-	391,334
29,150	-
1,302,910	968,653
350,000	50,000
2,455,000	270,000
895,950	985,035
118,945	133,121
1,203,415	228,124
5,643,715	3,506,001
350,090	157,630
25,000	222,500
1,056,699	1,404,839
-	786,350
75,000	-
203,854	1,347,732
-	109,875
931,054	1,606,589
-	37,500
1,570,109	904,895
66,329,949	48,335,233

36 Other Income

Income from Cash Incentive	21,404,000	16,402,404
Other Revenues	22,920	42,500
Interest on Investment and Deposits	4,605,927	5,394,230
Total	26,032,847	21,839,134

37 Financial Expenses

	Amount in Taka	
	01.07.2017 to 30.09.2017	01.07.2016 to 30.09.2016
Bank Charges & Commission	683,872	3,807,253
Interest on Time Loan	755,347	20,255,110
Interest on Packing Credit	2,048,866	2,231,044
Interest on Term Loan	14,240,430	3,766,479
Interest on Bill Purchase	9,607,617	10,269,899
Interest on Other Loans	4,395,783	6,900,754
Total	31,731,915	47,230,538

38 Provision for Income Tax

Particulars	Amount	Rate	Amount
Other Than Business Income:			
Other Revenues	22,920	25.00%	5,730
Interest on Investment and Deposits	4,605,927	25.00%	1,151,482
	4,628,847		1,157,212
Tax on Business Income:			
Business Income Tax			5,639,961
Total Provision for Income Tax			6,797,173

39 Provision for Deferred Tax:

Deferred Tax for Property Plant & Equipment Note: 39.1

Particulars	Rate	Amount	Tax Provision
Deferred Tax	12%	86,718,834	10,406,260

39.1 Deferred Tax for Property Plant & Equipment

Depreciation as per third schedule	3,965,539,207
Less: Depreciation as per Accounton Policy	3,878,820,373
	86,718,834

40 Earning Per Share (EPS)

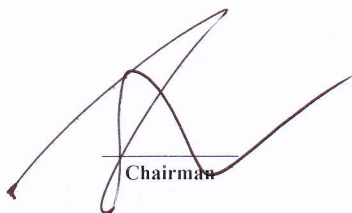
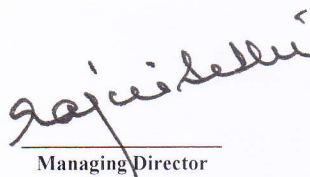

$$\text{Earning Per Share (EPS)} = \frac{\text{Earning from recurring income}}{\text{No. of Shares}} = \frac{118,382,634}{409,069,881} = 0.29$$

41 EPS From Recurring Income

$$\text{Earning Per Share (EPS)} = \frac{\text{Earning from recurring income}}{\text{No. of Shares}} = \frac{113,776,707}{409,069,881} = 0.28$$

42 EPS From Non-Recurring Income

$$\text{Earning Per Share (EPS)} = \frac{\text{Earning from non-recurring income}}{\text{No. of Shares}} = \frac{26,032,847}{409,069,881} = 0.01$$


Chairman
Managing Director
Chief Financial Officer
Company Secretary