

Annual Report 2014-2015

বার্ষিক প্রতিবেদন ২০১৪-২০১৫



Desh Garments Limited

ANNUAL REPORT

2014-2015



Desh Garments Limited

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Desh Garments Limited

LETTER OF TRANSMITTAL

To
All Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.

Sub : Annual Report for the year ended on 30th June, 2015.

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Accounts including Statement of Financial Position as at June 30, 2015, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year ended on 30 June, 2015, along with notes thereon and all related consolidated Financial Statements for your kind information, records and necessary advise.

Yours faithfully,

Sd/-
K. Moulic
Company Secretary

Dated : 30th November, 2015

Desh Garments Limited

Notice of the Thirtyeighth Annual General Meeting

Notice is hereby given that the Thirtyeighth Annual General Meeting of the Shareholders of Desh Garments Limited will be held on Sunday the 27th December, 2015 at 11.30 a.m. in the Auditorium of Muktijuddha Shmritee Milonayaton, Institution of Diploma Engineers Bangladesh, 160/A, Kakrail, V.I.P. Road, Dhaka-1000 to transact the following business :

01. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 30th June, 2015 together with Report of the Directors and Auditors thereon.
02. To declare dividend.
03. To approve the appointment of Mr. Subash Chandra Bose as Independent Director in place of Mr. Ranjit Chakraborty whose tenure as Independent Director expired on 20.09.15 in term of BSEC.
04. To elect Directors.
05. To appoint auditors for the year 2015-2016 and to fix their remuneration.

By order of the Board

Dated : Dhaka
28 October 2015

Sd/-
(K. Moulic)
Company Secretary

Notes:

The **Record Date** is 17 November, 2015.

Members of the company whose names appear in the register of members upto record date to be entitled to dividend for the year 2014-2015 to be approved by the Shareholders in the Annual General Meeting.

Any member of the company entitled to attend and vote at the above meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form duly affixing Revenue Stamp of Tk. 20.00 must be submitted at the Registered Office (Share Department) of the company not later than 48 hours before the time appointed for the meeting.

Admittance to the meeting venue will be on production of the attendance slip. Shareholders are requested not to be accompanied by child or guest.

The Shareholders are requested to notify change of address, if any.

Written queries, if any, expected to be replied at the Annual General Meeting on the Audited Accounts for the year ended 30th June 2015 should reach the Head Office (Share Department) of the company at least 7 (seven) days before the meeting for convenience and appropriate explanation.

Desh Garments Limited

CORPORATE GOVERNANCE

The Company follows the guidelines no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07/08/2012 issued by the Bangladesh Securities and Exchange Commission (BSEC). The company's internal control and reporting procedures are adequate and effective. Corporate Governance involves decision making process for any corporate body as a going concern for the benefit of all concerned, present and future. The involvement of the entrepreneur in all these areas invokes decision making governance on a continuous basis. These aspects of governance are shared by the Board of Directors, Executive Management, operational participants, workers and others in fulfillment of the common goals that converge in increasing the benefits of all stakeholders.

The organisms through which the corporate governance functions are carried out are as under:

a) **Constitution:**

Board of Directors, the top management echelon, consisting of the founding entrepreneurs/ successors and Independent Directors, provides the policy and strategic support and direction for the entire range of the corporate activities. The Board of Directors now consist of five members including the Independent Directors. However, the present Board of Directors consists persons with varied education and experience which provides a balancing character in decision making process. The Board is reconstituted every year at each Annual General Meeting with one-third of the members retiring by rotation.

b) **Role & Responsibilities:**

The main role of the Board of Directors, which is the highest level of authority, is to provide general superintendence, oversee the operations and control the affairs of the company through appropriate delegations of authority and accountability processes via the lines of command. The Board of Directors, in fulfillment of its responsibility hold periodic meetings, at least once a quarter and provide appropriate decisions / directions to the executive management. The Board of Directors also remains responsible for ensuring overall hazard free and friendly working environment in the factory and offices.

c) **Relationship with shareholders & public:**

The shareholders as owners, are to be provided with material information on the company's operation, half-yearly and annually, the latter at the Annual General Meeting. They are also provided with routine services by the Company Secretary. The Board is, however is responsible to the public for publication of any Price Sensitive Information as per Bangladesh Securities And Exchange Commission regulation. A Company Secretary is in-charge for all these responsibilities.

Desh Garments Limited

d) **Audit Committee of Board:**

The Board of Directors has constituted an Audit Committee of the Board consisting of three directors. The Audit Committee is headed by the Independent Director, Mr. Ranjit Chakraborty, MBA and a Senior Banker of the country and vastly experienced in company matter. Other members are Mrs. Rokeya Quader, Director and Miss Vidiya Amrit Khan, Director. The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee also co-ordinates with the internal and external auditors as and when required. The Audit Committee also ensures compliance of requirements of Bangladesh Securities And Exchange Commission and other agencies.

e) **Executive Management:**

The executive management is led by the Managing Director (CEO) who is appointed as per provisions of Companies Act by the Board of Directors for a term of five years (renewable) with the approval of shareholders in the Annual General Meeting. The Managing Director is supported by professional, well educated, trained and experienced team consisting of Executive Directors, General Managers and host of Senior Executives in the hierarchy of Management.

f) **Independent Directors:**

Tenure of Mr. Ranjit Chakraborty as Independent Director expired on 20/9/2015 in terms of BSEC Rules. In his place Mr. Subhash Chandra Bose was appointed as an Independent Director. Mr. Subhash Chandra Bose had his education in commerce and worked as lecturer in commerce in a college during 1960-1971. In early 1973 he gave up teaching job and joined business and worked in different business houses in Dhaka and Chittagong in different decision making levels. He has in his possession excellent practical business knowledge and deep understanding of business transactions and profit and loss calculations etc.

Desh Garments Limited

MANAGEMENT APPARATUS:

A. Board of Directors:

- Mrs. Rokeya Quader - Chairman
- Mr. Omar Quader Khan - Managing Director
- Miss Vidiya Amrit Khan - Director
- Mr. Beg Md. Nurul Azim, FCA - Independent Director
- Mr. Subash Chandra Bose - Independent Director
(Appointed on 28.11.15)
- Mr. Ranjit Chakraborty, MBA - Independent Director
(Expired on 20.09.15)

B. Audit Committee:

- Mr. Ranjit Chakraborty, MBA - Chairman
- Mrs. Rokeya Quader - Member
- Miss Vidiya Amrit Khan - Member

C. Management Committee:

- Mr. Omar Quader Khan - Chairman
- Miss Vidiya Amrit Khan - Member
- Mr. K. Moulic - Member

D. Senior Corporate Officials:

- Mr. K. Moulic - Company Secretary (CS)
- Mr. Nazmul Huda Mullick - Chief Financial Officer (CFO)
- Mr. A.Z.M. Ahsanullah - Head of Internal Audit (HIA)

Auditors:

MABS & J Partners
Chartered Accountants
Park Plaza (Suite N-9)
31, Banani, C/A., Road 17
Dhaka-1213

Banker:

National Bank Limited, Dhaka.

Legal Advisors:

Barrister Rafique Ul Huq
M/s. Huq & Company
47/1, Purana Paltan, Dhaka.

Insurance:

M/s. Desh General Insurance Co.Ltd.
Jiban Bima Bhaban (5th Floor),
10, Dilkusha C/A., Dhaka-1000.

Listing:

Dhaka Stock Exchange Ltd.
Dhaka.

REGISTERED OFFICE

Desh Garments Limited
Awal Centre (7th Floor)
34, Kemal Ataturk Avenue, Road No.17
Banani C/A., Dhaka-1213.
Tel : 9822019, 9822314
www.deshgroup.com

FACTORY

53/A, Kalurghat Industrial Area
Chittagong.

Desh Garments Limited

CORPORATE HISTORY

1. Date of Incorporation : 27th December, 1977
2. Year of Commencement of Business : 1977
3. Date of IPO : 19th June, 1989
4. Date of listing with DSE : 24th September, 1989
5. Authorised Capital : TK.100,000,000.00
6. Paid up Capital : TK.3,37,00,000.00
7. Number of Shareholders : 2,365
8. Number of total Employees : 1,748
9. Main product : Woven Shirts
10. Main Export Market (countries) : USA, Canada, EU

CORPORATE OPERATIONAL RESULTS

Figure in Taka

PARTICULARS	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Total Turnover	437,540,598	261,137,471	258,210,120	241,522,863	258,981,091
Gross Profit	34,631,338	20,843,845	18,162,373	15,096,359	16,161,478
Net Profit (AT)	8,370,786	3,553,128	2,962,873	2,414,396	1,048,039
Earning Per Share (EPS)	2.48	1.05	0.88	0.72	3.11
Dividend Rate (%)	20% Stock	10%	7%	7%	7%
Total Assets	260,106,253	214,121,533	177,322,104	155,197,304	122,307,243
Total Liabilities	210,477,368	(172,863,434)	(136,247,133)	(114,726,206)	(83,261,021)
Net Asset Value	34,223,830	41,258,099	41,074,971	40,471,098	39,046,222
N.A.V. Per share	14.24	12.24	12.19	12.00	11.59

Desh Garments Limited

Bismillahir Rahmanir Rahim **Directors' Report to Shareholders for the year ended on 30th June, 2015**

Dear Shareholders,

Assalamu Alaikum,

I am pleased to welcome you to the 38th Annual General Meeting of the company being held at this pleasant morning, at the Auditorium of Muktijuddha Shmritee Milonayaton, Institution of Diploma Engineers Bangladesh, Kakrail, Dhaka. In terms of section 184 of the Companies Act, 1994 and the Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange Rules 1987, I am pleased to present, on behalf of the Board of Directors, the Report of the Directors on the activities of the company together with the Auditors' Report thereon for the year ended on 30th June, 2015 for your kind consideration and approval.

INDUSTRY OUTLOOK:

The Ready Made Garments Industry (RMGI) is the mainstay of Bangladesh economy accounting for 80% of foreign exchange earnings and providing employment to 4(four) million people. Export earnings from RMGI have been showing a steady growth since 2009-10. During the last 5 years, the export earnings from RMGI sector rose from US\$ 12.50 billion (2009-10) to US\$ 24.492 billion (2014-15), registering a growth of 96% during the period. The government has set an export target of US\$ 50.00 billion from RMGI sector to be achieved by 2020-2021 indicating 104% growth in 7 years' time i.e. 15% growth per year. It implies that this sector has ample scope to expand further in the coming days. Considering the same, we have decided to expand our production capacities from 10 lines to 20 lines in future.

CURRENCY RISK:

The Company is exposed to foreign currency exchange rate fluctuation for its upcoming export of RMG products. Any major depreciation in foreign currency exchange rate will affect the company adversely; however, no exchange rate fluctuation risk is assumed by the company considering the past trend and current foreign exchange market condition.

INTEREST RATE RISK:

The company has no foreign currency loan in its balance sheet and hence, it's not exposed to any foreign currency interest rate risk. The company has taken local working capital loan at a reasonable interest rate which is also in declining trend at this point in time

OPERATIONS:

We have successfully completed another year of operations. You will be glad to know that this year our export earning registered a growth of 68% to Tk. 43.75 crore from export of 15.65 lac pcs of shirts as against Tk. 26.11 crore from 11.16 lac pcs of shirts in 2013-2014. Growth in physical quantity was 40% while the growth in earning was 68%. This implies that the average price received in the current year was 20% higher than the average price of the previous year. The current year's average price was Tk. 280.00 per pieces of shirt whereas the previous year's average price was Tk. 234.00 per pieces of shirt. Gross profit to turnover ratio was almost at the same level of 7.91% as it was in the previous year. Earnings per share increased to Tk. 2.48 as against Tk. 1.05 of the previous year.

FINANCIAL RESULTS :

Summarized comparative results for the years 2014-2015 and 2013-2014 are given below:

	<u>2014-15(Taka)</u>	<u>2013-14(Taka)</u>
Turnover (Exports)	437,540,598	261,137,471
Gross Profit/(Loss)	34,631,338	20,843,845
Operating Profit	18,445,554	7,605,781
Other income	1,993,703	1,427,953
Net Profit before tax	11,065,852	4,106,581
Net Profit after tax	8,370,786	3,553,128
Earning Per Share (EPS)	2.48	1.05
Net Assets Value (NAV)	14.73	12.24
Face Value of share (Tk.)	10.00	10.00
Operating Cash Flow Per Share	19.31	(1.28)

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Board Meeting and Attendance:

Eleven (11) board meetings were held during the year under review (2014-2015). The attendance record of the directors is as follows:

Name of Directors	Position	Meetings held	Attended
Mrs. Rokeya Quader	Chairman	11	11
Mr. Omar Quader Khan	Managing Director	11	11
Miss Vidiya Amrit Khan	Director	11	11
Mr. B.M. Nurul Azim	Independent Director	10	07
Mr. Ranjit Chakraborty	Independent Director	11	11

The directors who could not attend the meetings were granted leave of absence.

Shareholding

The Pattern of shareholding as on 30.06.2015 is as follows:

Sl. No.	Name-wise details	No. of Shareholding	Percentage %	Remarks
	Parent/Subsidiary/Associate Company			
i)	Directors, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:			
	Directors:			
	Mrs. Rokeya Quader	274,120	8.13	
	Mr. Omar Quader Khan	1,172,900	34.80	
	Miss Vidiya Amrit Khan	506,830	15.03	
	Mr. B.M. Nurul Azim, FCA			Independent Director
	Mr. Ranjit Chakraborty			Independent Director
	Company Secretary (CS)	100	-	
	Chief Financial Officer (CFO)	-	-	
	Head of Internal Audit (HIA)	-	-	
ii)	Executives (Top five salaried persons other than CEO, CS, CFO, HIA)			
	Mrs. Jolly Hassan	-	-	
	Mr. Alauddin Ahamed	-	-	
	Mr. Imam Hossain	-	-	
	Mr. Modasser Ahmed	-	-	
	Mr. Nurul Islam	-	-	

Shareholders holding 10% or more voting right

1.	Mr. Omar Quader Khan	1,172,900	34.80	
2.	Miss Vidiya Amrit Khan	506,830	15.03	

The Directors also report that:

The financial statement of the company presented here reflects true and fair view of the company's state of affairs, result of its operations, cash flows, and changes in equity.

Desh Garments Limited

Proper Books of Accounts as required by the law have been maintained. Appropriate accounting policies have been followed in formulating the financial statements and the accounting estimates were reasonable and prudent. The financial statements were prepared in accordance with International Accounting Standard (IAS) as applicable in Bangladesh. The internal control system is sound in design and it's effectively implemented and monitored. There are no significant doubts upon the company's ability to continue as a going concern.

ACCUMULATED LOSS

As it was reported earlier several times, the devastating cyclone and tidal bore that lashed the south-east coast of Bangladesh on the night of 29-30 April 1991 badly damaged our factory. The salty water from the tidal bore rushed into the factory with the tremendous force and inundated up to an average height of 5 ft inside the factory. Entire machinery, fabrics, accessories, export ready goods stored in the godown and lying on the floor, and the fabrics awaiting clearance from the customs at Chittagong port were damaged beyond recovery. As a result of such unusual damages, we had suffered a net loss of Tk. 6.56 crore in 1991-92. However, after restarting of the factory in 1994-95 with the new machineries, we have been earning profit in most of the years; however, the accumulated profit is still inadequate to offset the loss of 1991 cyclones. Our accumulated profit net of losses and the dividends paid till 2014-15 have been shown under the "Retained Earnings" section of the Balance Sheet.

REVALUATION OF ASSETS

The cost valuation of the assets of the company was calculated on the basis of actual costs incurred during 1978 to 1980. Since then the average price levels of the company assets had increased substantially. In order to find the asset value of the company, the lands, factory building, electrical installation, and road, bridges, and fencing were revalued during 1994-95 and the balance sheet was reconstructed on that basis of the asset revaluation resulting in appreciation of the lands, factory building, and electrical installation and depreciation of road, bridges, and fencing. However, depreciation on the incremental value of the factory building and the electrical installation were not charged considering the shareholders interest.

FIXED ASSET REGISTER

Fixed asset ledger was maintained properly throughout the year. Beside this, a fixed asset register is being prepared currently mentioning the code, location, and quantity of the company property, plant, and equipment.

DIVIDEND

The Profit after Tax earned during the financial year under the report is Tk. 8,370,786.00 which is meager to set off the aforesaid cyclone loss considering the previous years' accumulated profits. The directors, however, recommend 20% stock dividend to all shareholders of the company from the current year's profit.

MANAGING DIRECTOR'S REMUNERATION

The Managing Director didn't draw any remuneration during the year under the report. Independent Directors are given allowance of Tk. 5,000.00 per meeting.

RETIREMENT OF DIRECTOR BY ROTATION

Mrs. Rokeya Quader is due to retire by rotation as per Article 122 of the Articles of Association of the Company and being eligible, she seeks re-election as per Article 124.

APPOINTMENT OF AUDITORS

M/s. MABS & J Partners, Chartered Accountants, retire at this Annual General Meeting and M/s. MABS & J Partners have expressed their willingness for reappointment as auditor as per their offer letter No. D-03/MABSJ/2014-15 dated 27.10.2014. Auditors are required to be appointed at this Annual General Meeting and their remuneration to be fixed too.

MANAGEMENT APPRECIATION

The Management takes this opportunity to thank all the shareholders, well wishers, banks, and business associates for their sincere co-operation and understanding.

The Management also thanks the workers, staff, and officers of the company for their hard work and sincere efforts rendered which enabled the company to achieve a substantial growth during the reporting year.

The status of compliance as required in pursuance of notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 from Bangladesh Securities And Exchange Commission is given in Annex-02 and the audit committee report for the year 2013-2014 is also enclosed vide Annex-03

Thanking you,

Sd/-

Rokeya Quader
Chairman

Dated: 28/10/2015



Rahman Mostafa Alam & Co.
Chartered Accountants



**Certificate on compliance of conditions of corporate governance guidelines to
the shareholders of**

Desh Garments Limited

We have examined the compliance of conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by Desh Garments Limited for the year ended on June 30, 2015 as stipulated in clause 7(i) of the BSEC notification no. SEC/CMRRECD/2006-158/134/Admin/44 dated August 07, 2012.

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of Desh Garments Limited. Our examination for issuing this certification was limited to the checking of procedure and implementation thereof, adopted by Desh Garments Limited for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, as reported on the attached status of compliance statement, Desh Garments Limited has complied with conditions of corporate governance stipulated in the above mentioned BSEC notification dated August 07, 2012.

Dated: Dhaka
October 28, 2015


Rahman Mostafa Alam & Co.
Chartered Accountants

CORPORATE GOVERNANCE COMPLIANCE REPORT

Status of compliance with the conditions imposed by the Securities and Exchange Commission's notification No.SEC/CMRRC/2006-158/134/Admin/44: dated August 07, 2012.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.1	Board's Size : The number of the Board members shall not be less than 5 (five) and more than 20 (Twenty)	√		
1.2	Independent Director:			
1.2 (i)	One fifth (1/5) of the total number of directors.	√		
1.2 (ii) a)	Does not hold any share or holds less than 1% shares of the total paid-up shares	√		
1.2 (ii) b)	Not connected with any sponsor/director/ shareholder who holds 1% or more shares of the total paid-up shares on the basis of family relationship.	√		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	√		
1.2 (ii) d)	Not a member, director or officer of any stock exchange	√		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2 (ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm.	√		
1.2 (ii) g)	Not be an independent director in more than 3 (three) listed companies;	√		
1.2 (ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBF	√		
1.2 (ii) i)	Not been convicted for a criminal offence involving moral turpitude	√		
1.2 (iii)	Nominated by the Board of Directors and approved by the shareholders in the AGM	√		
1.2 (iv)	Not remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	√		
1.2 (vi)	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 (i)	Knowledge of Independent Directors	√		
1.3 (ii)	Background of Independent Directors	√		
1.3 (iii)	Special cases for qualifications			No such incident
1.4	Individual Chairman of the Board and CEO			
		√		
1.5	The Directors' Report to Shareholders:			
1.5 (i)	Industry outlook and possible future developments in the industry	√		

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1.5 (ii)	Segment-wise or product-wise performance	√		
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		
1.5 (vi)	Basis for related party transactions	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and / or through any others	√		
1.5 (viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer and Direct Listing.			No such incident happened
1.5 (ix)	Explanation about significant variance occurs between Quarterly Financial Performance and Annual Financial Statements			No such incident happened
1.5 (x)	Remuneration to Directors including Independent Directors	√		
1.5 (xi)	Fairness of Financial Statement	√		
1.5 (xii)	Maintenance of proper books of accounts	√		
1.5 (xiii)	Adoption of appropriate accounting policies and estimates	√		
1.5 (xiv)	Followed IAS, BAS, IFRS and BFRS in preparation of financial statements	√		
1.5 (xv)	Soundness of internal control system	√		
1.5 (xvi)	Ability to continue as a going concern	√		
1.5 (xvii)	Significant deviations from the last year's	√		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years	√		
1.5 (xix)	Reasons for not declared dividend			Not applicable
1.5 (xx)	Number of board meetings held during the year and attendance	√		
1.5 (xxi)	Pattern of Shareholding:			
1.5(xxii) a)	Parent/Subsidiary/Associated Companies and other related parties	√		
1.5(xxii) b)	Directors, CEO, CS, CFO, HIA and their spouses and minor children	√		
1.5(xxii) c)	Executives	√		
1.5(xxii) d)	10% or more voting interest	√		
1.5(xxiii)	Appointment/re-appointment of director:			
1.5(xxiii) a)	Resume of the director	√		
1.5(xxiii) b)	Expertise in specific functional areas	√		
1.5(xxiii) c)	Holding of directorship and membership of committees of the board other than this company.	√		
2.1	Appointment of CFO, HIA and CS:	√		
2.2	Attendance of CFO and the CS at the meeting of the Board of Directors	√		
3.	Audit Committee :			
3 (i)	Constitutions of Audit Committee	√		
3 (ii)	Assistance of the Audit Committee to Board of Directors	√		
3 (iii)	Responsibility of the Audit Committee	√		
3.1	Constitution of the Audit Committee:			
3.1 (i)	As least 3 (three) members	√		
3.1 (ii)	Appointment of members of the Audit Committee	√		
3.1 (iii)	Qualification of Audit Committee members	√		
3.1 (iv)	Term of Service of Audit Committee members	√		
3.1 (v)	Secretary of the Audit Committee	√		

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3.1 (vi)	Quorum of the Audit Committee	√		
3.2	Chairman of the Audit Committee:			
3.2 (i)	Board of Directors shall select the Chairman.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the AGM.	√		
3.3	Role of Audit Committee:			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and Principles	√		
3.3 (iii)	Monitor Internal Control Risk management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review the annual financial statements before submission to the board for approval	√		
3.3 (vi)	Review the quarterly and half yearly financial statements before submission to the board for approval	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	√		
3.3 (x)	Disclosure about the uses/ applications of funds raised by IPO/RPO/Right issue	√		
3.4	Reporting of the Audit Committee:			
3.4.1	Reporting to the Board of Directors:			
3.4.1 (i)	Activities of Audit Committee	√		
3.4.1(ii) a)	Conflicts of interests			No such incident
3.4.1(ii) b)	Material defect in the internal control system			No such incident
3.4.1(ii) c)	Infringement of laws, rules and regulations			No such incident
3.4.1(ii) d)	Any other matter			No such incident
3.4.2	Reporting to the Authorities	√		
3.5	Reporting to the Shareholders and General Investors	√		
4.	Engagement of External/Statutory Auditors:			
4 (i)	Appraisal or valuation services or fairness opinions	√		
4 (ii)	Financial information systems design and implementation	√		
4 (iii)	Book-keeping	√		
4 (iv)	Broker-dealer services	√		
4 (v)	Actuarial services	√		
4 (vi)	Internal Audit Services	√		
4 (vii)	Services that the Audit Committee Determines	√		
4 (viii)	Audit firms shall not hold any share of the company they audit	√		
5.	Subsidiary Company:			
5 (i)	Composition of the Board of Directors			Not applicable
5 (ii)	At least 1 (one) Independent Director to the subsidiary company			Not applicable
5 (iii)	Submission of Minutes to the holding company			Not applicable
5 (iv)	Review of Minutes by the holding company			Not applicable
5 (v)	Review of Financial Statement by the holding company			Not applicable
6.	Duties of Chief Executive Officer and Chief Financial Officer:			
6 (i) a)	Reviewed the materially untrue of the financial statement	√		
6 (i) b)	Reviewed about compliance of the accounting standard	√		
6 (ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct	√		
7.	Reporting and Compliance of Corporate Governance:			
7 (i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines	√		
7 (ii)	Annexure attached in the Directors' Report	√		

AUDIT COMMITTEE REPORT

For the year 2014-2015

The Audit Committee consists of the following members:

Mr. Ranjit Chakraborty, MBA	Chairman
Mrs. Rokeya Quader	Member
Miss Vidiya Amrit Khan	Member

The scope of Audit Committee was defined as under:

- a. Review and recommend to the Board to approve the financial statements prepared for statutory purpose;
- b. Report to the Board of Directors on internal audit findings from time to time considering the significance of the issues;
- c. Carry on a supervision role to safeguard the system of governance and independence of statutory auditors; and
- d. Review and consider the internal report and statutory auditors' observations on internal control.

Activities carried out during the year:

Four meetings of the Audit Committee were held during the year 2014-2015, first one in November 2014, second one in January 2015, third one in April 2015 and last one in September 2015. In the first three meetings, un-audited quarterly statement of financial position and statement of comprehensive income were discussed and examined in details. In the last meeting held on 19 September 2015, the audited Accounts for the year 2014-2015 was discussed and examined in details.

Through holding of meetings as above, the Committee reviewed and discussed the internal control and audit systems, justifications and correctness of the expenditures incurred and income earned. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the Company and didn't find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

Sd/-

Ranjit Chakraborty, MBA
Chairman
Audit Committee

Dated : September 19, 2015

Desh Garments Limited

AUDITOR'S REPORT TO THE SHAREHOLDERS

We have audited the accompanying financial statements of **DESH GARMENTS LIMITED** which comprise the Statement of Financial Position as at 30 June 2015, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. The responsibility includes designing, implementing and maintaining internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 about 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 auditors' 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, we consider 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.

Other Matter

The financial statements of Desh Garments Limited as at and for the year ended 30 June 2014 were audited by another auditor who expressed an unmodified opinion on those statements on 28 October 2014.

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

1. No depreciation has been charged on the revalued amount of the property, plant and equipment as per consistent practice since the date of recognizing revalued assets which amounts to non compliance of BAS-16.
2. In absence of updated fixed asset registers with required details therein made available to us, we could not verify the property, plant and equipment with reference to their specification, code, location & quantity with the relevant registers.

Opinion

In our opinion, **except for the possible effects of the matters described in the preceding paragraphs**, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June 2015 and the results of its operations and cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purposes of the Company's business.

Dated: Dhaka, 28 October 2015

Desh Garments Limited

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

Figure in Taka

PARTICULARS	NOTES	30-Jun-15	30-Jun-14
Assets:			
Non-Current Assets			
Property Plant & Equipment	20	99,606,373	97,401,153
Current Assets			
Inventories	21	58,538,013	56,454,377
Investment in Shares	22	5,711,810	5,711,810
Investment in FDR	23	13,465,750	-
Loans, Advances and Deposits	24	299,757	1,533,632
Income Tax Deduction at Source	25	14,112,464	12,440,821
Cash and Bank Balances	26	68,372,086	40,579,740
Total Assets		260,106,253	214,121,533
Shareholders' Equity			
Share capital	27.02	33,700,000	33,700,000
Tax Holiday Reserve	28	7,272,808	7,272,808
General Reserve	29	1,477,579	1,477,579
Capital Reserve	30	36,215,166	51,620,221
Retained Earnings	31	(44,441,723)	(52,812,509)
Non-Current Liabilities			
Deferred Tax on Revaluation		15,405,055	-
Current Liabilities			
Loans and Overdraft	32	35,001,283	49,857,812
Liabilities for Goods	33	132,152,081	88,198,413
Accrued Expenses	34	26,360,325	19,576,374
Creditors	35	3,344,751	2,893,373
Unclaimed Dividend	36	237,960	237,960
Dividend Payable	37	8,261,765	6,305,365
Employees' Provident Fund	38	208,367	208,367
Provision for Income Tax	39	4,910,836	2,215,770
Proposed Dividend	40	-	3,370,000
Total Equity and Liabilities		260,106,253	214,121,533
Net Assets Value Per Share		14.73	12.24

The accounting policies and other notes form an integral part of the Financial Statements.

Sd/-

Rokeya Quader

Chairman

Sd/-

Omar Quader Khan

Managing Director

Sd/-

K Moulic

Company Secretary

AUDITOR'S REPORT TO THE SHAREHOLDERS :

This is the Statement of Financial Position referred to in our report of even date :

Sd/-

MABS & J Partners

Chartered Accountants

Dated : Dhaka, 28 October 2015

Desh Garments Limited

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

Particulars :	NOTES	Figure in Taka	
		30 JUNE '15	30 JUNE '14
TURNOVER	41	437,540,598	261,137,471
COST OF GOODS SOLD	42	(402,909,260)	240,293,626
GROSS PROFIT		34,631,338	20,843,845
OPERATING EXPENSES :			
Administrative and Selling Expenses	45	(16,185,784)	(13,238,064)
OPERATING PROFIT		18,445,554	7,605,781
Financial Expenses		(8,919,798)	(4,793,222)
Contribution to W. P. & Welfare Fund		(453,607)	(133,931)
		9,072,149	2,678,628
Other Income	46	1,993,703	1,427,953
NET PROFIT BEFORE TAX		11,065,852	4,106,581
Income Tax Provision		(2,695,066)	(553,453)
NET PROFIT AFTER TAX		8,370,786	3,553,128
Earnings Per Share (EPS) – Basic	47	2.48	1.05

The accounting policies and other notes form an integral part of the Financial Statements.

Sd/-
Rokeya Quader
Chairman

Sd/-
Omar Quader Khan
Managing Director

Sd/-
K Moulic
Company Secretary

AUDITOR'S REPORT TO THE SHAREHOLDERS :

This is the Statement of Comprehensive Income referred to in our report of even date :

Dated : Dhaka, 28 October 2015

Sd/-
MABS & J Partners
Chartered Accountants

Desh Garments Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

Particulars	Figure in Taka	
	30 JUNE '15	30 JUNE '14
Cash Flows from Operating Activities		
Collections from Turnover & Others	438,968,551	262,565,424
Payment for Cost & Expenses	(372,238,895)	(264,656,223)
Income Tax paid	(1,671,643)	(2,218,752)
Net Cash Flow From Operating Activities	65,058,013	(4,309,551)
Cash Flows from Investing Activities		
Acquisition of Property Plant and Equipment	(6,139,138)	(1,044,880)
Investment in FDR	(12,900,000)	-
Net Cash used in Investing Activities	(19,039,138)	(1,044,880)
Cash Flows from Financing Activities		
Received From Bank Loan and Others	-	15,622,287
Bank and Other Loan Repaid	(14,856,529)	(2,900,000)
Dividend paid	(3,370,000)	(989,520)
Net Cash Flow From Financing Activities	(18,226,529)	11,732,767
Increase in Cash and Cash Equivalents	27,792,346	4,872,469
Cash and Cash Equivalents at beginning of the year	40,579,740	35,707,271
Cash and Cash Equivalents at end of the year	Taka: 68,372,086	40,579,740
Net Operating Cash Flow Per Share	19.31	(1.28)

The accounting policies and other notes form an integral part of the Financial Statements.

Sd/-
Rokeya Quader
Chairman

Sd/-
Omar Quader Khan
Managing Director

Sd/-
K Moulic
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :

This is the Statement of Cash Flows referred to in our report of even date :

Dated : 28 October, 2015

Sd/-
MABS & J Partners
Chartered Accountants

Desh Garments Limited

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

Particulars	Share Capital	Tax Holiday Reserve	General Reserve	Capital Reserve	Retained Earnings	Total Amount (TK.)
Balance as on July 1 2014	33,700,000	7,272,808	1,477,579	51,620,221	(52,812,509)	41,258,099
Deferred Tax on Revaluation				(15,405,055)		(15,405,055)
Net Profit for 2014-15	-	-	-	-	8,370,786	8,370,786
As on June 30 2015	33,700,000	7,272,808	1,477,579	36,215,166	(44,441,723)	34,223,830

FOR THE YEAR ENDED 30 JUNE 2014

Particulars	Share Capital	Tax Holiday Reserve	General Reserve	Capital Reserve	Retained Earnings	Total Amount (TK.)
Balance as on July 1 2013	33,700,000	7,272,808	1,477,579	51,620,221	(52,995,637)	41,074,971
Net Profit for 2013-14	-	-	-	-	3,553,128	3,553,128
Proposed Dividend 2013-14	-	-	-	-	(3,370,000)	(3,370,000)
At 30 June 2014	33,700,000	7,272,808	1,477,579	51,620,221	(52,812,509)	41,258,099

The accounting policies and other notes form an integral part of the Financial Statements.

Sd/-
Rokeya Quader
Chairman

Sd/-
Omar Quader Khan
Managing Director

Sd/-
K Moulic
Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :

This is the Statement of Changes in Equity referred to in our report of even date :

Dated : 28 October, 2015

Sd/-
MABS & J Partners
Chartered Accountants

Desh Garments Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1st JULY 2014 TO 30 JUNE 2015

A. A. Compliance with the requirements of notification of the Securities and Exchange Commission dated 04.06.2008 under reference# SEC/CMMRPC/2008-181/53/Adm/03/28.

1. Notes to the financial statements marked from C- 1 to C-18 outline the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.
2. The accounting policies on all material are as have been stated clearly in the notes marked from C- 1 to C-18.
3. The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:

SL. No.	Applicable Accounting	Note reference
01.	IAS/BAS – 1	04.00
02.	IAS/BAS – 2	06.00
03.	IAS/BAS – 7	07.00 & 08.00
04.	IAS/BAS – 12	10.01
05.	IAS/BAS – 16	05.00
06.	IAS/BAS – 18	11.00
07.	IAS/BAS – 21	12.00
08.	IAS/BAS – 33	13.00 & 46.00
09.	IAS/BAS – 36	14.00

4. The financial statements are in compliance with the Bangladesh Financial Reporting Standards (BFRS) which are adapted from the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

AND

5. The Standards and reporting framework used in the financial statements do not differ from IFRS (BFRS) issued by IAS.

Desh Garments Limited

B. Legal status and nature of the company–Disclosure under IAS 1 as adopted by The Institute of Chartered Accountants of Bangladesh as BAS 1 “Presentation of Financial Statements”

Domicile, Legal Form and Country of Incorporation:

Desh Garments Limited (here in after referred to as “The Company”) was incorporated in Bangladesh as a public company limited by shares on 27.12.1977. The Company owns two 100% export oriented industrial Units. Unit No. 01 has an installed capacity of 216,000 dozs in single shift. During the year under review the production in Unit No. 01 could not be restored after extensive damage of machinery and equipment in April 1991 by the devastating cyclone, hence no export was made from Unit No. 01 production. Unit No. 02 has a production capacity of 128,000 dozs is double shift against which it has, during the year, utilized in full.

Address of Registered Office and Principal Place of Business:

The principal place of business is the registered office at 34, Kemal Ataturk Avenue, Banani C/A, Dhaka-1213, Bangladesh and the factories are located at Kalurghat, Chittagong.

Principal Activities And Nature of Operations:

The company owns and operates industrial plants for manufacturing of readymade garments and sales thereof.

Number of Employees:

On the payroll of the Company, there were 47 officers 53 Staff and 1,648 permanent/badly/contractual workers.

		<u>Taka</u>
i)	1,748 Staff/Officers/Employees drew yearly salary & allowances Of Tk. 36,000 or more	94,448,070
ii)	- Staff/ Officers/Technicians and many other casual workers drew yearly salary/wages & allowances less than Tk. 36,000	-
	1,748	94,448,070

Desh Garments Limited

C. Significant Accounting Policies- Disclosures.

1.00 Compliance with International Accounting Standards (IASs):

The financial Statements have been prepared in compliance with requirements of IASs as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

2.00 Compliance with Local Laws:

The financial statements have been prepared in compliance with requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other relevant local laws and rules.

3.00 Measurement Bases used in preparing the Financial Statements:

The elements of financial statements have been measured on “Historical Cost” basis, which is one of the most commonly adopted base as provided in “the frame-work for the preparation and presentation of financial statements” issued by the International Accounting Standards Committee (IASC).

4.00 Components of the Financial Statements:

According to the International Accounting Standard (IAS) 1 as adopted by ICAB as BAS 1 “Presentation of Financial Statements”, the complete set of Financial Statements includes the following components.

- (i) Statement of Financial Position as at 30 June 2015.
- (ii) Statement of Comprehensive Income for the year ended 30 June 2015.
- (iii) Statement of Changes in Equity for the year ended 30 June 2015.
- (iv) Statement of Cash Flows for the year ended 30 June 2015.
- (v) Accounting policies and explanatory notes.

5.00 Specific accounting policies selected and applied for significant transactions and events:

Recognition of Property, Plant and Equipment and Depreciation

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance with IAS 16 as adopted by ICAB as BAS 16 "Property, Plant and Equipment". Cost represents cost of acquisition or construction and capitalization of pre-production expenditure including interest during construction periods. No depreciation is charged on land and land development. Depreciation has been charged on additions from the date of when the related assets are ready for use. Depreciation on all other fixed assets is computed using the diminishing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. Expenditure of maintenance and repairs are expensed; major replacements, renewals and betterments are capitalized.

Desh Garments Limited

The depreciation rates applicable to the principal categories are: Rates

Factory Building and other Construction.....	20%
Plant and Machinery.....	15%
Office Equipment.....	15%
Furniture and Fixtures.....	10%
Transport and Vehicles.....	20%
Other Assets.....	5% to 20%

6.00 Inventories:

Inventories comprise raw materials; work in process and finished goods. They are stated at the lower of cost and net realizable value on consistent basis in accordance with IAS 2 as adopted by ICAB as BAS 2 “Inventories”. Net realizable value is based on estimated selling price less any further costs expected to be incurred for completion and disposal.

7.00 Cash and Cash Equivalents:

According to IAS 7 as adopted by ICAB as BAS 7 “Statement of Cash Flows”, cash comprises cash in hand and demand deposit and, cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. IAS 1 “Presentation of Financial Statements” also provides that cash and cash equivalents are those which have no restriction in use considering the provision of IAS 7 and IAS 1. Cash in hand and bank balances have been considered as cash and cash equivalents.

8.00 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with IAS 7 as adopted by ICAB as BAS 7 “Statement of Cash Flows” and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987 and considering the provision of paragraph 19 of IAS 7 which provides that “enterprises are encouraged to report cash flow from operating activities using the direct method”

9.00 Accounting Convention and Basis:

These accounts are prepared under historical cost convention, except for re-valuation of fixed assets taken into account in 1995-96, on an accrual basis as summing that the Company will continue as a going concern for the foreseeable future.

10.00 Taxation:

Taxation is provided in accordance with fiscal regulations applicable. The company is publicly traded company as per the Income Tax Ordinance 1984. The company qualifies for being treated as a "Publicly Traded Company". The company is 100% export oriented garments industry for which the rate of tax at 25% has been applied for profit on Garments business and 20% for Dividend Income while making provision for income tax.

Desh Garments Limited

10.01 Discloser under BAS -12:

Deferred Tax Liability has not been considered on carrying amount of cost of property, plant and equipment because the amount of tax deducted/collected at source from export bills is treated as the final tax liability under the Income Tax Ordinance from the financial year 2005-06, irrespective of the operational results. During the financial year 2014-15 the total amount of tax deducted/collected at source is Tk. 1,671,643.

11.00 Revenue Recognition:

The revenue during the year represents revenue arising from C.M. received and sales of readymade garments items which are recognized when deliveries are made, against the sales order received from the respective customer and after satisfying all the conditions for revenue recognition as provided in IAS 18 "Revenue Recognition".

12.00 Foreign Currency Translation:

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of transaction in accordance with IAS 21 as adopted by ICAB as BAS 21 "The Effects of Changes in Foreign Currency Rates".

13.00 Earning Per Share (EPS):

The company calculates Earnings Per Share (EPS) in accordance with IAS 33 as adopted by ICAB as BAS 33 "Earnings Per Share" which has been shown on the face of Statement of Comprehensive Income and the computation of EPS is stated in Note-47.

Basic Earnings

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

Basic Earnings Per Share

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

Diluted Earnings Per Share

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

14.00 Assets of the Company:

As all assets of the company shown in the financial statement that are within the scope of BAS-36 are in physical existence and valued at no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to "Impairment of Assets" as per BAS-36 have not been considered necessary.

15.00 Tax Holiday:

Tax holiday period of "Unit No. 01" and "Unit No. 02" have expired. Consolidated Statement of Comprehensive Income and Statement of Financial Position have been prepared in conformity with the Securities & Exchange Rule 1987.

Desh Garments Limited

16.00 Risk and uncertainties for use of estimates in preparation of financial statements:

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affects the report, amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees' benefit plans, taxes reserves and contingencies.

17.00 Sundry Debtors:

There are no Debtors at the end of the year.

18.00 Additional Information:

18.01 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 frame work for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

18.02 Reporting Period:

Financial Statements of the company cover one financial year from 01 July 2014 to 30 June 2015.

18.03 Comparative Information:

Comparative information have been disclosed in respect of the financial year 2013-2014 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Figures of the financial year 2013-2014 have been rearranged when ever considered necessary to ensure comparability with the current year

18.04 Turnover:

Turnover comprises export sales of the company.

18.05 Commission:

No commission has been paid to sales agents during the year under audit.

18.06 Brokerage or Discount:

The company did not pay any brokerage or discount other than the conventional trade discount against sales.

Desh Garments Limited

18.07 Due by the Directors:

Nothing was due by Directors (including Managing Director), Managers, and other officers of the Company or by associated undertakings and any of them severally or jointly with any other persons rather, interest free loan of Tk. 8,946,778 has been taken from Managing Director to meet up day today expenses of the company.

18.08 Miscellaneous Expenses:

Miscellaneous Expenses does not exceeding 1% of total revenue.

18.09 Audit Fee:

As per decision taken in the 37th Annual General Meeting of the company held on 28-12-2014 the auditors' remuneration of Tk. 100,000 has been provided in the accounts which is the sum to be paid to auditors as their fixed remuneration for 2014-2015. During the year nothing has been paid to the auditors for any other services rendered.

18.10 Board Meeting & Members:

There were 5 members in the Board of Directors of the Company and 11 Board Meetings were held in the year under review.

18.11 Acknowledgement of Claims:

There was no claim against the company not acknowledged as debt as on 30 June 2015.

18.12 Credit Facility not availed of:

There was no general credit facilities other than those are stated in "Note-32" were available to the company under any contract to be availed of at the Statement of Financial Position date.

18.13 Transactions with Related Parties / Associated Undertakings:

There were no transactions with related parties during the year ended 30 June 2015.

18.14 Going Concern:

There is no significant doubt upon the company's ability to continue as going concern.

18.15 Trade Creditors and other Current Liabilities:

Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the supplier.

18.16 Reporting Currency and level of precision:

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest Taka.

18.17 Calculation of Net Asset Value (NAV):

Deferred tax Liability has been calculated on the revalued amount of Property Plant and equipment and when calculating the NAV it has not been considered as outside liability.

19.00 Gross Profit:

The gross profit earned during the year is 7.91% as against the gross profit earning of 7.98% with Export Proceeds during the preceding year.

Desh Garments Limited

20.00 PROPERTY PLANT & EQUIPMENT : TK. 99,606,373

The figures have been arrived at as under:

	<u>30 June 2015</u>	<u>30 June 2014</u>
At Cost 01 July 2014		
Unit No. 01	80,846,002	80,846,002
Unit No. 02	69,558,938	67,008,191
	150,404,940	147,854,193
Addition during the year		
Unit No. 01	-	-
Unit No. 02	6,139,138	2,550,747
	<u>6,139,138</u>	<u>150,404,940</u>
Less : Accumulated depreciation		
Unit No. 01	7,391,438	7,371,512
Unit No. 02	49,546,267	45,632,275
	56,937,705	53,003,787
Written down value	<u><u>99,606,373</u></u>	<u><u>97,401,153</u></u>

Details have been shown in Annexure 'A-1 & A-2'

21.00 INVENTORIES : TK. 58,538,013

The detailed break up of the amount is as follows:

a) FABRICS

Sl.	Name	Unit	Quantity	Value in Taka	Value in Taka
1	M/s. Kohl's Tony Hawk	Yards	-	-	40,554,678
2	N.Y. Sourcing	Yards	-	-	2,438,522
3	N.T.S. Fashion	Yards	371,386	45,769,611	4,550,036
	Total		-	45,769,611	47,543,236

b)	ACCESSORIES ASSORTED	1,325,825	1,094,904
c)	FINISHED GOODS	11,442,577	7,816,237
	Total (a + b)	<u><u>58,538,013</u></u>	<u><u>56,454,377</u></u>

Desh Garments Limited

22.00 INVESTMENT IN SHARE: TK. 5,711,810

	<u>30 June 2015</u>	<u>30 June 2014</u>
Balance As Per Last Account	5,711,810	5,711,810
	<u>5,711,810</u>	<u>5,711,810</u>

23.00 INVESTMENT IN FDR: TK. 13,465,750

The break up of the amount is as follows:

	<u>30 June 2015</u>	<u>30 June 2014</u>
National Bank Limited	13,465,750	-
	<u>13,465,750</u>	<u>-</u>

24.00 LOANS, ADVANCES AND DEPOSIT (CONSIDERED GOOD): TK. 299,757

These represent as follows :

		<u>30 June 2015</u>	<u>30 June 2014</u>
Advance against purchase		-	1,233,875
Security Deposits	24.01	299,757	299,757
		<u>299,757</u>	<u>1,533,632</u>

These do not include any advance paid either to subsidiary companies or to associated companies /sister concern.

24.01 Security Deposits: Tk. 299,757

The amount of security deposits is comprised of the following:

	<u>30 June 2015</u>	<u>30 June 2014</u>
Deposit with T & T Board	51,152	51,152
Deposit with GPO Franking Machine	1,755	1,755
Deposit with BGSL (For gas)	126,850	126,850
Deposit with PDB (For electricity)	120,000	120,000
	<u>299,757</u>	<u>299,757</u>

25.00 INCOME TAX DEDUCTED AT SOURCE : TK. 14,112,464

The break up of the amount is as under :

	<u>30 June 2015</u>	<u>30 June 2014</u>
Balance as per last account	12,440,821	10,222,069
Add : During the year	1,671,643	2,218,752
	<u>14,112,464</u>	<u>12,440,821</u>

This balance represents income tax deducted at source by bank as per section - 53(BB) of the Income Tax Ordinance 1984. Income Tax liability might to be adjusted against that advance but no adjustment has not yet been made.

Desh Garments Limited

26.00 CASH AND BANK BALANCES : TK. 68,372,086

The break up of the amount is as under :

		<u>30 June 2015</u>	<u>30 June 2014</u>
Cash in hand	26.01	1,644,077	670,485
Cash at Banks	26.02	66,728,009	39,909,255
		<u>68,372,086</u>	<u>40,579,740</u>

26.01 Cash in Hand : Tk. 1,644,077

The amount comprises of the following :

		<u>30 June 2015</u>	<u>30 June 2014</u>
At Head Office		1,644,077	669,570
At Factory		-	915
		<u>1,644,077</u>	<u>670,485</u>

26.02 Cash at Bank : Tk. 66,728,009

The break up of the amount is as under :

		<u>30 June 2015</u>	<u>30 June 2014</u>
Agrani Bank Ltd., Dhaka		45,205	49,135
Eastern Bank Ltd., Dhaka		8,180	8,180
National Bank Ltd., Dhaka		3,028	2,102
National Bank Ltd., Chittagong		83,599	8,331
Sonali Bank Ltd., Dhaka		1,799	1,799
Sonali Bank Ltd, Kalurghat, Chittagong		7,922	8,652
Sonali Bank Ltd, Kalurghat, Chittagong		-	1,000
National Bank Ltd., MOB A/C		65,275,345	38,872,073
Standard Chartered Bank, Chittagong		33,838	33,838
Mercantile Bank Ltd., Dhaka		422,486	177,887
Bank Asia Ltd		8,677	-
United Commercial Bank Ltd		40,995	-
National Bank Ltd. (Sundry Deposit)		71,747	-
FC Account		725,188	746,258
		<u>66,728,009</u>	<u>39,909,255</u>

27.00 AUTHORISED CAPITAL: TK. 100,000,000

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

Desh Garments Limited

27.01 SHAREHOLDERS' EQUITY TK.33,700,000

It represents the share capital, tax holiday reserve, general reserve, capital reserve and retains earnings.

27.02 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL : TK. 33,700,000

a) It represents the paid up capital of the company consisting of 3,370,000 ordinary shares of Tk. 10 each issued for cash and fully paid up.

b) **Composition of Shareholders**

	Particulars	2015			2014		
		No. of Shares	Value of shares	%	No. of Shares	Value of shares	%
1.	Directors & Sponsors	1,956,400	19,564,000	58.05	1,956,400	19,564,000	58.05
2.	Other companies /institutions	256,128	2,561,280	7.6	256,128	2,561,280	7.6
3.	General shareholders	1,157,472	11,574,720	34.35	1,157,472	11,574,720	34.35
	Total	3,370,000	33,700,000	100	3,370,000	33,700,000	100

27.03 The Percentage of Shareholding by Different Categories of Shareholders are as Follows:

NO. OF HOLDERS	HOLDINGS	TOTAL HOLDING %
2026	Less than 500 shares	8.31
287	501 - 5,000 "	12.81
20	5,001 - 10,000 "	4.29
23	10,001 - 20,000 "	9.77
5	20,001 - 30,000 "	3.87
0	30,001 - 40,000 "	0
0	40,001 - 50,000 "	0
1	50,001 - 1,00,000 "	2.97
3	Over 1,00,000 "	57.98
2365		100.00

28.00 TAX HOLIDAY RESERVE : TK. 7,272,808

The break up of the amount is as follows :

	<u>30 June, 2015</u>	<u>30 June, 2014</u>
Unit No. 01	2,248,331	2,248,331
Unit No. 02	5,024,477	5,024,477
Tk.	<u>7,272,808</u>	<u>7,272,808</u>

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

Desh Garments Limited

29.00 GENERAL RESERVE : TK. 1,477,579

This is as per last account.

30.00 CAPITAL RESERVE : TK. 36,215,166

The break up of the amount is as follows :

	<u>30 June 2015</u>	<u>30 June 2014</u>
Balance as per last account	51,620,221	51,620,221
Provision for Deferred Tax	(15,405,055)	-
	<u>36,215,166</u>	<u>51,620,221</u>

31.00 RETAINED EARNINGS : TK. (44,441,723)

The break up of the amount is as under :

	<u>30 June 2015</u>	<u>30 June 2014</u>
Accumulated loss up to 30 June 1991 due to cyclone	(65,559,371)	(65,559,371)
Accumulated profit for the period from 1992 to 2015	21,117,648	12,746,862
	<u>(44,441,723)</u>	<u>(52,812,509)</u>

32.00 LOANS AND OVERDRAFT: TK. 35,001,283

This is the carry forward balance emanating through revaluation of fixed assets taken into account in 1996-97.

The break up of the amount is as under :

		<u>30 June 2015</u>	<u>30 June 2014</u>
Bank Loans and Overdraft	32.01	26,054,505	39,511,034
Directors Loan (Unsecured)	32.02	8,946,778	10,346,778
		<u>35,001,283</u>	<u>49,857,812</u>

32.01 BANK LOANS AND OVERDRAFT:TK.26,054,505

The Figure consists of as follows:

P/C (Packing credit) (NBL a/c # 2881/888)	7,273,986	10,688,817
Loan General (NBL a/c # 35046486)	6,500,069	10,127,408
Loan General (NBL a/c # 35046494)	12,280,450	18,694,808
	<u>26,054,505</u>	<u>39,511,034</u>

Packing Credit from National Bank Limited (NBL) is secured by hypothecation of stocks and export bill.

There were no general nature or credit facilities available to the company under any contract which was not availed of at the date of Statement of Financial Position.

Desh Garments Limited

32.02 DIRECTORS LOAN (UNSECURED): TK.8,946,778

The Figure consists of as follows:

	<u>30 June 2015</u>	<u>30 June 2014</u>
Director's Loan Unsecured	8,946,778	10,346,778
	<u>8,946,778</u>	<u>10,346,778</u>

This loan has been taken from Managing Director of the company, which is non-interest bearing. For meet up day to day expenses.

33.00 LIABILITIES FOR GOODS : TK. 132,152,081

This represents import bills payable to foreign / local suppliers against different letter of credits at the close of the business on 30 June 2015. The details are as follows :

	<u>30 June 2015</u>	<u>30 June 2014</u>
M/S Samwon Trading	127,497,367	88,198,413
M/s Hongkong Sea International	4,654,714	-
	<u>132,152,081</u>	<u>88,198,413</u>

34.00 ACCRUED EXPENSES : TK. 26,360,325

This is made up as follows:

	<u>30 June 2015</u>	<u>30 June 2014</u>
Audit fee	115,000	80,000
Salary, wages and others	25,776,989	19,028,038
Income Tax payable	468,336	468,336
	<u>26,360,325</u>	<u>19,576,374</u>

35.00 CREDITORS : TK. 3,344,751

This is made up as follows:

	<u>30 June 2015</u>	<u>30 June 2014</u>
Workers profit participation & W. F. F 35.01	3,179,395	2,762,038
Sundry Creditors	165,356	131,335
	<u>3,344,751</u>	<u>2,893,373</u>

35.01 WORKER'S PROFIT PARTICIPATION & WELFARE FUND : TK.3,179,395

The break up of the amount is as follows :

	<u>30 June 2015</u>	<u>30 June 2014</u>
Balance as per last year	2,762,038	2,628,107
Contribution during the year	453,607	133,931
	<u>3,215,645</u>	<u>2,762,038</u>
Payment during the year	(36,250)	-
	<u>3,179,395</u>	<u>2,762,038</u>

Desh Garments Limited

36.00 UNCLAIMED DIVIDEND TK. 237,960

The break up of the amount is as follows :	<u>30 June 2015</u>	<u>30 June 2014</u>
For June 30, 1996	118,660	118,660
For June 30, 1997	119,300	119,300
	<u>237,960</u>	<u>237,960</u>

37.00 DIVIDEND PAYABLE : TK. 8,261,765

This consists of the following :	<u>30 June 2015</u>	<u>30 June 2014</u>
Dividend declared long before and payable to	2,837,980	2,837,980
Dividend declared in 1997	1,980,400	1,980,400
Dividend Payable for 2004 & 2005	117,505	117,505
Dividend Payable for 2013	1,369,480	1,369,480
Dividend Payable for 2014	1,956,400	-
	<u>8,261,765</u>	<u>6,305,365</u>

Directors decided not to withdraw the dividend due to them till improvement of financial position of the company, so that normal business activities remain un-disturbed with required cash flow.

38.00 EMPLOYEES PROVIDENT FUND : TK. 208,367

This has been brought forward from previous account.

39.00 PROVISION FOR INCOME TAX: TK. 4,910,836

The break up of the amount is as under :	<u>30 June 2015</u>	<u>30 June 2014</u>
2000-2001	85,502	85,502
2003-2004	127,002	127,002
2005-2006	84,427	84,427
2006-2007	204,346	204,346
2007-2008	86,585	86,585
2008-2009	95,358	95,358
2009-2010	66,202	66,202
2010-2011	84,735	84,735
2011-2012	116,449	116,449
2012-2013	192,109	192,109
2013-2014	519,602	519,602
2014-2015	553,453	553,453
2015-2016	2,695,066	-
	<u>4,910,836</u>	<u>2,215,770</u>

Desh Garments Limited

40.00 PROPOSED DIVIDEND

The Board of Directors recommended @ 20% stock Dividend to all Shareholders for the financial year 2014-15.

41.00 TURNOVER/EXPORT PROCEEDS : TK. 437,540,598

Turnover comprises of export sales for the year ended 30 June 2015.

42.00 COST OF GOODS SOLD: TK.402,909,260

The break up of the amount is as follows :

<u>Particulars</u>	<u>Note</u>	<u>30 June, 2015</u>	<u>30 June, 2014</u>
Materials consumed	43	300,836,748	161,748,420
Factory overheads	44	103,092,759	81,037,551
Depreciation		2,606,093	2,820,237
		<u>406,535,600</u>	<u>245,606,208</u>
Add : Opening Stock of Finished Goods		7,816,237	2,503,655
		<u>414,351,837</u>	<u>248,109,863</u>
Less : Closing Stock of Finished Goods		(11,442,577)	(7,816,237)
Total Tk.		<u><u>402,909,260</u></u>	<u><u>240,293,626</u></u>

43.00 RAW MATERIALS CONSUMED : TK. 300,836,748

The break up of the amount is as follows :

<u>Particulars</u>	<u>30 June, 2015</u>	<u>30 June, 2014</u>
Opening Stock	48,638,140	13,475,891
Add : Purchases	299,294,044	196,910,669
	<u>347,932,184</u>	<u>210,386,560</u>
Less: Closing Stock	(47,095,436)	(48,638,140)
Total Tk.	<u><u>300,836,748</u></u>	<u><u>161,748,420</u></u>

Desh Garments Limited

44.00 FACTORY OVERHEADS : TK.103,092,759

The break-up of the amount is as follows:

SI No	Particulars	30 June 2015	30 June 2014
1	Salary & Allowances	11,705,176	9,857,600
2	Wages	75,385,606	57,705,453
3	Carriage Inward	40,380	63,850
4	Labor Charge	137,306	225,558
5	Conveyance	107,516	100,956
6	Entertainment	6,643	2,580
7	C & F Expenses	5,898,830	3,622,440
8	Repairs and Maintenance	905,102	1,379,810
9	Electricity, Gas & Generator Fuel	7,521,851	5,766,263
10	Photocopy, Printing & Stationery	538,004	330,416
11	Telephone Bill, Mobile & Internet	73,302	78,832
12	Miscellaneous Expenses	7,000	19,725
13	Postage, Stamp & Courier	62,719	155,970
14	Medical & Workers Welfare	25,599	1,343,490
15	WASA Bill	414,129	118,898
16	Newspapers & Journals	2,850	2,810
17	Rest House Expenses	19,746	99,692
18	Fees & Forms	58,000	113,902
19	New Year Expenses	183,000	49,306
	Total Tk.	<u>103,092,759</u>	<u>81,037,551</u>

Desh Garments Limited

45.00 ADMINISTRATIVE AND SELLING EXPENSES : TK. 16,185,784

The break-up of the amount is as follows:

SI No	Particulars	30 June 2015	30 June 2014
1	Salary of Management & Non-management	7,357,288	6,957,744
2	Electricity & WASA	541,495	395,395
3	Printing, Stationery & Photocopy	84,026	33,088
4	Repairs & Maintenance Vehicles and Others	530,736	247,492
5	Postage, Stamps and Courier	65,365	98,495
6	Audit Fees	115,000	80,000
7	Travelling & Conveyance	240,417	268,705
8	Advertisement	1,929	2,500
9	AGM Expenses	497,184	540,635
10	Export Expenses	2,361,584	1,245,302
11	Legal Consultancy & Professional Fee	8,000	5,000
12	Entertainment	5,287	4,465
13	Forwarding Expenses	830,204	597,996
14	Fees & Forms	134,570	105,035
15	Insurance Premium	1,081,617	520,507
16	Donation & Subscription	9,862	1,495
17	Miscellaneous Expenses	1,802	3,505
18	CAD Tax	329,212	-
19	BGMEA Fee	12,000	12,000
20	Telephone, Telex, Fax, Mobile & Internet	174,622	152,302
21	Rest House Rent	228,000	212,198
22	Land Development Tax	247,760	390,329
23	Depreciation	1,327,824	1,256,201
24	Preliminary Expenses Written off	-	107,675
	Total Tk.	16,185,784	13,238,064

Desh Garments Limited

46.00 OTHER INCOME : TK. 1,993,703

The break up of the amount is as follows :

	<u>30 June 2015</u>	<u>30 June 2014</u>
Cash Dividend	1,427,953	1,427,953
Interest of FDR	565,750	-
	<u>1,993,703</u>	<u>1,427,953</u>

47.00 BASIC EARNINGS PER SHARE (EPS) :

The computation of EPS is given below :

	<u>30 June 2015</u>	<u>30 June 2014</u>
a) Earnings attributable to the Ordinary Shareholders	8,370,786	3,553,128
b) Weighted average of number of Ordinary Shares Outstanding during the year	3,370,000	3,370,000
EPS Basic	2.48	1.05

48.00 THERE WAS NO CONTINGENT LIABILITY AS ON 30-06-2015.

Sd/-
Rokeya Quader
Chairman

Sd/-
Omar Quader Khan
Managing Director

Sd/-
K Moulic
Company Secretary

Dhaka-1000.
Dated : 28 October, 2015

Desh Garments Limited
SCHEDULE OF PROPERTY PLANT & EQUIPMENT
AS ON JUNE 30, 2015
Unit - 01

Annexure - "A-1"

Particulars	Cost			Depreciation			Written down value as on 30 June 2015		
	Balance as at 01 July 2014	Addition during the year	Total as on 30 June 2015	Value for Depreciation Charge	Rate	Balance as on 01 July 2014		Charged during the Year	Total as on 30 June 2015
Land and Land Development	30,484,000	-	30,484,000	-	-	-	-	-	30,484,000
Factory Building	40,226,400	-	40,226,400	13,111	20%	568,306	2,622	570,928	39,655,472
Plant & Machinery	3,022,500	-	3,022,500	24,621	15%	2,997,083	3,693	3,000,776	21,724
Electrical Installation	2,997,436	-	2,997,436	26,177	15%	387,787	3,927	391,714	2,605,722
Office Equipment	1,077,499	-	1,077,499	14,068	15%	1,062,992	2,110	1,065,102	12,397
Furniture & Fixture	1,001,858	-	1,001,858	40,575	10%	960,783	4,058	964,841	37,018
Motor vehicle	622,176	-	622,176	1,880	20%	620,178	376	620,554	1,622
Road, Bridge and Fencing	1,273,700	-	1,273,700	14,658	20%	635,333	2,932	638,265	635,435
Electrical Appliances	125,487	-	125,487	1,198	15%	124,251	180	124,431	1,056
Crockeries and Cutleries	14,946	-	14,946	138	20%	14,800	28	14,828	118
Total Taka	80,846,002	-	80,846,002	136,426		7,371,513	19,925	7,391,438	73,454,565

Depreciation has been charged to :

Production
Administration

Tk.

Taka
13,947
5,977
19,925

Sd/-
MABS & J Partners
Chartered Accountants

Desh Garments Limited
SCHEDULE OF PROPERTY PLANT & EQUIPMENT

AS ON JUNE 30, 2015
Unit - 02

Annexure - "A-2"

Particulars	Cost			Depreciation			Written down value as on 30 June 2015	
	Balance as on 01 July 2014	Addition during the year	Total as on 30 June 2015	Rate	Balance as on 01 July 2014	Charged During the Year		Total as on 30 June 2015
Factory Building	987,127	-	987,127	20%	971,391	3,147	974,538	12,589
Plant & Machinery	50,832,138	605,390	51,437,528	15%	34,371,799	2,495,648	36,867,447	14,570,081
Electrical Installation	694,316	954,000	1,648,316	15%	622,191	54,336	676,527	971,789
Office Equipment	761,455	559,650	1,321,105	15%	551,960	58,021	609,981	711,124
Furniture & Fixture	2,184,397	616,038	2,800,435	10%	1,061,240	131,012	1,192,252	1,608,183
Motor Vehicle	2,590,000	2,953,300	5,543,300	20%	2,078,018	285,071	2,363,089	3,180,211
Crockeries and Cutleries	1,666	-	1,666	20%	1,639	5	1,644	22
Boiler and Water Softener	443,297	-	443,297	15%	420,319	3,447	423,766	19,531
Generator	7,458,928	-	7,458,928	15%	2,942,331	677,490	3,619,821	3,839,107
Tools and Equipment	34,561	7,500	42,061	10%	27,609	1,186	28,795	13,266
Fire Extinguisher	437,123	62,060	499,183	15%	142,075	46,314	188,389	310,794
Computer & Computer Software	2,073,930	381,200	2,455,130	20%	1,559,541	122,748	1,682,289	772,841
Power Substation	1,060,000	-	1,060,000	20%	882,162	35,568	917,730	142,270
Total Taka:	69,558,938	6,139,138	75,698,076		45,632,275	3,913,992	49,546,267	26,151,809

Depreciation has been charged to :

Production
Administration

Taka

2,592,146
1,321,847

Tk. 3,913,992

Sd/-

MABS & J Partners
Chartered Accountants

Desh Garments Limited

**The Directors
Desh Garments Limited**

PROXY FORM

I/We,
of
being a member of Desh Garments Limited hereby appoint
Mr./Mrs.
of
as my/our proxy to attend and vote for me/us on my/our behalf at the 38th Annual General Meeting of the Company to be held on the 27th December, 2015 at 11.30 a.m. or at any adjournment thereof. As witness my/our hand this day of December, 2015 signed by the said in presence of Mr./Mrs.
of

(Signature of the Proxy)
Dated

(Signature of the Shareholder)
Folio/B.O. No.
Dated

Revenue Stamp of Tk. 20.00

(Signature of witness & date)

- Note :
1. A member entitled to attend and vote at the 38th Annual General Meeting may appoint a proxy to attend and vote in his/her stead.
 2. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature verified

Desh Garments Limited ATTENDANCE SLIP

(Please complete this slip and hand over at the entrance of the Hall)

I hereby record my attendance at the 38th Annual General Meeting held on the 27th December, 2015 at 11.30 a.m. in Dhaka.

Name of the Member/Proxy

Folio/B.O. No.

Signature
(Shareholder/Proxy)

Desh Garments Limited

পরিচালকবৃন্দ
দেশ গার্মেন্টস লিমিটেড

প্রক্সি ফর্ম

আমি/আমরা, ঠিকানা
..... দেশ গার্মেন্টস লিমিটেড-এর শেয়ারহোল্ডার হিসাবে এতদ্বারা
জনাব/জনাবা ঠিকানা
.....কে
আগামী ২৭ই ডিসেম্বর, ২০১৫ইং তারিখে সকাল ১১.৩০ মিনিটে অনুষ্ঠিতব্য কোম্পানীর ৩৮তম বার্ষিক সাধারণ সভায় এবং পরবর্তী মূলতবী
সভায় আমার/আমাদের পক্ষে ভোট প্রদানের জন্য নিযুক্ত করিলাম। ২০১৫ইং সনেরডিসেম্বর তারিখে আমার/আমাদের সম্মুখে
স্বাক্ষরী হিসেবে জনাব/জনাবা ঠিকানা
.....এর উপস্থিতিতে স্বাক্ষর করিলেন।

প্রতিনিধির স্বাক্ষর
তাং

শেয়ারহোল্ডার স্বাক্ষর
ফলিও/বিও নং--
তাং

২০.০০ টাকার
রেভিনিউ স্ট্যাম্প

(স্বাক্ষরী স্বাক্ষর ও তারিখ)

- বিঃ দ্রঃ ১। একজন সদস্য যিনি ৩৮তম বার্ষিক সাধারণ সভায় উপস্থিত হইবার এবং ভোট দিবার যোগ্য, তিনি তাঁহার পক্ষে উপস্থিত থাকিবার জন্য এবং ভোট দেওয়ার জন্য একজন প্রক্সি নিযুক্ত করিতে পারিবেন।
- ২। প্রক্সি ফর্ম যথাযথ রেভিনিউ স্ট্যাম্পসহ কোম্পানীর রেজিষ্ট্রার অফিসে সাধারণ সভার নির্ধারিত সময়ের অন্তত পক্ষে ৪৮ ঘন্টা পূর্বে জমা দিতে হইবে।

স্বাক্ষর পরীক্ষিত

দেশ গার্মেন্টস লিমিটেড উপস্থিতির রশিদ

(এ রশিদটি পূরণ করে সভা কক্ষে জমা দিতে হইবে)

২৭ই ডিসেম্বর, ২০১৫ তারিখে সকাল ১১.৩০ মিনিটে ঢাকায় অনুষ্ঠিত কোম্পানীর ৩৮তম বার্ষিক সাধারণ সভায় আমার উপস্থিতি এতদ্বারা
তালিকাভুক্ত করা হইল।

সদস্যের নাম/প্রতিনিধির নাম.....

ফলিও/বিও নং.....

স্বাক্ষর
(শেয়ার হোল্ডার/প্রতিনিধি)



Desh Garments Limited

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