Private & Confidential

Ahmed Zaker & Co.
CHARTERED ACCOUNTANTS

Independent Auditor's Report
and
Financial Statements

Shepherd Industries Limited

House # 24, Road # 04, Sector # 04,
Uttara Model Town, Dhaka-1230, Bangladesh

For the year ended June 30, 2020

Auditor:

GGi
INDEPENDENT MEMBER

Ahmed Zaker & Co.
Chartered Accountants
An Independent Member Firm of Geneva Group International (GGi)
Green City Edge (Level - 10), 89, Kakrail, Dhaka-1000, Bangladesh.
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Independent Auditors' Report
To the shareholders of Shepherd Industries Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Shepherd Industries Limited which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give true and fair view, in all material respects, of the financial position of Shepherd Industries Limited as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion:

1. While testing existence and subsequent realization of trade receivables of BDT 1,245,861,582 (Note#08.00) recognized in the statement of financial position, we received bank confirmation of BDT 1,029,717,955. We found BDT 216,143,627 remained unreconciled and not traceable with L/C documents.
2. The company reported BDT 196,710,065 (Note#19.00) as trade payables against imports. The above amount was not traceable with the supporting evidence from banks and L/C documents.
3. As disclosed in (Note#04.00) to the financial statements, property, plant and equipment of BDT 1,690,573,060 was reported in the statement of financial position. We could not verify the fixed assets in absence of fixed assets register, identification number, Purchase date, cost, accumulated depreciation, WDV etc. against individual assets. The company also did not carry out any fixed assets physical inventory at the year end.
4. As referred in Note# 07.00 in the financial statements, closing inventories were carried at BDT 1,755,307,408 in the statement of financial position at the reporting date. The valuation and existence of the said amount were not completely traceable as no physical inventory count was attended by the auditor due to pandemic "Covid-19". Besides, inventories comprised obsolete and damaged items held for long period of time against which management did not recognize required provision. As a result, this would have overstated both net profit and net assets in the financial statements. We could not test appropriateness of the valuation of closing inventories reported due to lack of adequate records.

Chittagong Office:
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We conducted our audit in accordance with International Standards on Auditing (IASs). Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the yare ended 30 June 2020. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.
In addition to the matter described in the basis for qualified opinion section each matter mentioned below our description of how our audit addressed the matter is provided in the context.

We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements, the results of our audit procedures, including the procedures performed to address the matters below:

Key Audit Matters	How our audit addressed the key audit matters
Revenue	
Revenue is the most financially significant item in the statement of profit and loss and other comprehensive income. The company has reported revenue of BDT 2,557,157,861 for the year ended 30 June 2020. Revenue (from export of goods) is recognized at fair value of the consideration received or receivable in the period during which the goods or services are provided. See Note- 23 to the financial statements.	Our procedures included obtaining an understanding of management's revenue recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue accounting policy as disclosed in Note- 23 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards. For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.

AHMED ZAKER & CO. ★ Chartered Accountants ★ Dhaka

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Our audit procedures on implementation of IFRS 15 - Revenue from contracts with Customers, we verified management's conclusion from assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures.
These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We performed enquiries with management to understand their risk assessments and inspected meeting minutes to identify relevant changes in their assessments and estimates.
Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

Obtained an understanding of the various revenue streams and nature of sales contracts entered into by the Company.
Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.
Tested of revenue recorded over the year using sampling techniques by examining the relevant supporting documents including proforma invoice and commercial invoices, LC documents relating bill of exchange, bank acceptance letter, bank statement and also, we confirmed selected customers' receivable balances at the statement of financial position date, selected on a sample basis by considering the amount outstanding with those customers.
Evaluated the design of internal controls relating to identification of performance obligations and determining timing of revenue recognition.

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	• Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard. • We specifically put emphasis on those transactions occurring close before or after the statement of financial position date to obtain sufficient evidence over the accuracy of cut-off. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Valuation of Inventory	
The Company had inventory of BDT 1,755,307,408 at 30 June 2020 held in its warehouses and across multiple production lines. Inventories consisting of raw materials, work in progress, finished goods and stock in transit to be valued at lower of cost and net realizable value. Cost of inventories should consist expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The company determines cost of inventories using weighted average method. Where necessary, allowance should be provided for damaged, obsolete and slow-moving items to adjust the carrying amounts of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. See note no 7.00 to the financial statements	As part of our audit testing against closing inventories, we performed the following audit procedures in response to the assessed risk of material misstatements: • Evaluating the design and implementation of key inventory controls operated across the company, including those at a sample of, factory production house, warehouse; • Evaluating internal controls to monitor or keep track of inventory movement; • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; • Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year; • Reassessing reasonableness and adequacy of provision required to write down the cost of inventories recognized to net realizable value against slow moving, obsolete and damaged items to test both accuracy and valuation of reported amount.

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<table>
<tr><th colspan="2">Carrying value (CV) of Property, Plant and Equipment</th></tr>
<tr><td>Property, plant and equipment (PPE) was recognized at carrying value aggregating to BDT 1,690,573,060 representing over 35% of total assets of the company as on 30 June 2020.

Since PPE comprised a significant portion of the company's total assets, it also involves management judgment to determine estimated useful lives to charge depreciation. Besides, PPE is also subject to impairment when any possible indicators exist warranting their impairment review.

See note no 4.00 to the financial statements</td><td>Our audit procedures performed during the audit to address the risks identified consist of the following:

• Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation.

• Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment.

• Performing test of details against sampled population with supporting evidence as maintained by the company to test the accuracy, valuation of capitalized amount and ownership of the assets.

• Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.</td></tr>
<tr><th colspan="2">Bank Loan</th></tr>
<tr><td>In the financial statements the company reported short term bank loans of BDT 1,764,237,748 at the reporting date.

This element was considered as key audit matter because this external form of credit facilities availed by the company require fulfillment of several terms and conditions as mentioned in loan sanction letter issued by lending bank. Hence, there is potential risk that not all such terms and conditions are adequately disclosed in the financial statements.

See note no 20.00 to the financial statements.</td><td>Our substantive audit procedures adopted during the audit includes the following test or details.

➢ Inspecting relevant board minutes in support of bank loans sanctioned and reported during the year in the financial statements.
➢ Testing the existence of outstanding balances with confirmation letter issued against the said loans by the company.
➢ Recalculating and testing accuracy and completeness of finance costs recognized during the year with loan statements provided by banks.
➢ Assessing the adequacy and appropriateness of disclosures made by the company for the loans availed in accordance with relevant IFRS.</td></tr>
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Other Matter

Due to the outbreak of global pandemic "Covid-19" declared by the World Health Organization (WHO) and subsequent spread of the virus resulting in deteriorating situation in Bangladesh during the conduct of audit at the company, our audit procedures were mainly tailored to the material areas of the financial statements with more emphasis placed on obtaining documentary evidence from the company and testing their accuracy using the online platforms and limited physical verification to avoid the risk of getting contacted the virus and safety of audit team members.

Other Information:

Management is responsible for other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994 requires the management to ensure effective internal audit, internal control and risk management factions of the company.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements:

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

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

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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Report on other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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; and

(c) the statements financial position, statement of profit or loss and other comprehensive income, of the company dealt with by the report are in agreement with the books of account and returns;

(d) the expenditure incurred was for the purpose of company's business.

Place: Dhaka,
Dated: November 08,2020

Ahmed Zaker & Co.
Chartered Accountants
(Zabed A Mridha,FCA)
Partner

SHEPHERD INDUSTRIES LIMITED

Statement of Financial Position
As on 30 June 2020

Particulars	Notes	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
ASSETS:			
Non-Current Assets		**1,693,228,137**	**1,605,264,241**
Property, Plant & Equipment	4.00	1,690,573,060	1,532,881,941
Capital Work-in-Progress	5.00	2,497,577	72,134,800
Intangible Asset	6.00	157,500	247,500
Current Assets		**3,118,653,444**	**3,241,521,443**
Inventories	7.00	1,755,307,408	1,605,369,223
Trade & other Receivables	8.00	1,245,861,582	1,503,641,370
Investment	9.00	9,720,250	-
Advance, Deposit & Prepayments	10.00	52,047,818	103,716,366
Cash and Cash Equivalents	11.00	55,716,386	28,794,484
		4,811,881,581	**4,846,785,684**
EQUITY AND LIABILITIES			
Shareholders' Equity		**2,373,556,970**	**2,395,578,568**
Share Capital	12.00	1,502,892,420	1,366,265,840
Revaluation Reserve	13.00	526,945,698	532,638,444
Retained Earnings	14.00	343,718,852	496,674,284
Non-Current Liabilities		**132,336,031**	**127,904,351**
Obligation under Finance Lease	15.00	-	284,435
Deferred Tax liabilities	16.00	132,336,031	127,619,916
Current Liabilities		**2,305,988,580**	**2,323,302,765**
Loan from Shareholders'	17.00	33,728,933	33,728,933
Current a/c with Related Entity	18.00	115,272,395	15,000,000
Trade & other Payables	19.00	233,328,888	593,503,360
Obligation under Finance Lease-Current Portion	15.00	291,979	2,160,461
Short Term Bank Loan	20.00	1,764,237,748	1,554,036,348
Outstanding IPO Subscription	21.00	64,750	64,750
Liabilities for Expenses & Provisions	22.00	159,063,887	124,808,913
		4,811,881,581	**4,846,785,684**
Net Asset Value (NAV) Per Share	32.00	**15.79**	**17.53**

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

Chief Financial Officer **Company Secretary** **Director** **Managing Director** **Chairman**

Ahmed Zaker & Co.
Chartered Accountants

Place: Dhaka
Date: November 08, 2020

SHEPHERD INDUSTRIES LIMITED

Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
Revenue	23.00	2,557,157,861	2,867,534,079
Less: Cost of Sales	24.00	(2,296,231,926)	(2,486,725,163)
Gross Profit		**260,925,935**	**380,808,916**
Less: Operating Expenses		**(71,109,047)**	**(72,296,256)**
Selling & Distribution Expenses	27.00	(10,818,596)	(11,032,470)
Administrative Expenses	28.00	(60,290,451)	(61,263,786)
Profit from Operation		**189,816,888**	**308,512,660**
Foreign Currency Gain/(Loss)	25.00	(8,039,261)	2,800,451
Add: Other income	26.00	15,748,166	14,082,967
Less: Financial Expenses	29.00	(199,393,840)	(178,936,067)
Net Profit/ (Loss) before tax		**(1,868,047)**	**146,460,011**
Income Tax Expense:		**(21,158,153)**	**(23,695,553)**
Current Tax	30.00	(15,437,436)	(24,070,715)
Deferred Tax Income/(Expenses)	Annex-B	(5,720,717)	375,162
Net Profit/ (Loss) after Tax for the period		**(23,026,200)**	**122,764,458**
Earning Per share (Adjustment)	31.00	**(0.15)**	**0.82**
Earning Per share (Basic)	31.00	**(0.15)**	**0.90**
Earnings Per Share (Diluted)	31.00	**(0.15)**	**0.82**

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

Chief Financial Officer	Company Secretary	Director	Managing Director	Chairman

Place: Dhaka
Date: November 08, 2020

Ahmed Zaker & Co.
Chartered Accountants

GGi INDEPENDENT MEMBER

SHEPHERD INDUSTRIES LIMITED
Statement of Changes in Equity
For the year ended June 30, 2020

Particulars	Paid up Capital	Revaluation Reserve	Retained Earnings	Total Equity
Opening balance as on 01-07-2019	1,366,265,840	532,638,444	496,674,284	2,395,578,568
Less: Stock Dividend	136,626,580	-	(136,626,580)	-
Less: Depreciation on revaluation transfer to retained earnings	-	(6,697,348)	6,697,348	-
Add/(Less): Deferred Tax Income/(Expenses) during the year	-	1,004,602	-	1,004,602
Add: Net profit/(loss) for the year	-	-	(23,026,200)	(23,026,200)
Closing balance on 30 June 2020	**1,502,892,420**	**526,945,698**	**343,718,852**	**2,373,556,970**

SHEPHERD INDUSTRIES LIMITED
Statement of Changes in Equity
For the year ended June 30, 2019

Particulars	Paid up Capital	Revaluation Reserve	Retained Earnings	Total Equity
Opening balance as on 01-07-2018	1,366,265,840	538,651,924	530,787,045	2,435,704,809
Less: Cash Dividend	-	-	(163,951,901)	(163,951,901)
Less: Depreciation on revaluation transfer to retained earnings	-	(7,074,682)	7,074,682	-
Add/(Less): Deferred Tax Income/(Expenses) during the year	-	1,061,202	-	1,061,202
Add: Net profit/(loss) for the year	-	-	122,764,458	122,764,458
Closing balance on 30 June 2019	**1,366,265,840**	**532,638,444**	**496,674,284**	**2,395,578,568**

Chief Financial Officer **Company Secretary** **Director** **Managing Director** **Chairman**

Place: Dhaka
Date: November 08, 2020

Ahmed Zaker & Co. Dhaka Chartered Accountants

SHEPHERD INDUSTRIES LIMITED
Statement of Cash Flows
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
A. Cash Flows from Operating Activities			
Received from customers and others	33.00	2,819,728,714	3,026,840,205
Payment to Creditors, Suppliers, Employees and Others	34.00	(2,761,633,706)	(3,083,399,214)
Cash inflow/(outflow) from operation		**58,095,008**	**(56,559,009)**
Income Tax Paid	35.00	(20,140,708)	(20,107,889)
Financial Expenses		(199,393,840)	(178,936,067)
Net cash used in Operating Activities	37.00	**(161,439,540)**	**(255,602,965)**
B. Cash Flows from Investing Activities			
Acquisition of Property, Plant & Equipments		(80,062,559)	(61,591,189)
Advance against building and civil construction		-	(64,100,000)
Payment for Capital Work-in-Progress		(30,111,597)	(50,009,646)
Investment on FDR		(9,720,250)	-
Net cash used in Investing Activities		**(119,894,406)**	**(175,700,835)**
C. Cash Flow from Financing Activities			
Current a/c with Related Entity		100,272,395	15,000,000
Outstanding IPO Subscription		-	(10,000)
Obligation under Finance Lease Received/(Paid)-Net		(2,152,917)	(4,530,357)
Short Term Loan Received/(Paid)-Net		210,301,501	483,084,284
Dividend Paid		(116,435)	(163,468,922)
Net cash used in by Financing Activities		**308,304,544**	**330,075,005**
D. Net Increase/(Decrease) in cash and Cash Equivalent		**26,970,598**	**(101,228,795)**
E. Cash & Cash Equivalent at beginning at the year		**28,794,484**	**129,972,850**
F. Unrealized Foreign Exchange Gain/(Loss)		**(48,696)**	**50,429**
G. Cash & Cash Equivalent at the end of the Year		**55,716,386**	**28,794,484**
Net Operating Cash Flows Per Share (NOCFPS)	36.00	**(1.07)**	**(1.87)**

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

Chief Financial Officer	**Company Secretary**	**Director**	**Managing Director**	**Chairman**

Place: Dhaka
Date: November 08, 2020

AHMED ZAKER & CO. Chartered Accountants Dhaka

GGi INDEPENDENT MEMBER

SHEPHERD INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE PERIOD ENDED 30 JUNE 2020

1 About the Company

1.01 SHEPHERD INDUSTRIES LIMITED, a private limited company limited by shares incorporated with the Registrar of Joint Stock Companies & Firms under the Companies Act 1994 on 21 August 2000 vide registration No. C-41066(425)/2000. The registered office of the company is located at House # 24, Road # 04, Sector # 04, Uttara Model Town, Dhaka-1230, Bangladesh. The Industrial unit is located at Kathalia, Bhaluka, Mymensingh. The company converted into public limited company with effect from June 08, 2015. The company is a publicly traded company and listed with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd from 23 February 2017 and 25 February 2017 respectively.

The commercial production of the company was commenced on 18 October 2001.

1.02 Nature of Business Activities

Shepherd Industries limited is a 100% export oriented company engaged in dyeing of different counts of cotton, acrylic, viscose and nylon yarn and washing of different type of garments & fabrics which are marketed to the direct exporters.

2 Significant Accounting Policy for the presentation of the financial Statements

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

2.01 Corporate Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994 and the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) as applicable to this Company. The Board of Directors is responsible for preparing and presenting the financial statements including adequate disclosures, which approved and authorized for issue of these financial statements.

2.02 The financial statements are presented in accordance with guidelines provided by IAS 1 : Presentation of Financial Statements

The financial statements comprises the following;

- Statement of Financial Position as on June 30, 2020;
- Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2020;
- Statement of Change in Equity for the year ended June 30, 2020;
- Statement of Cash Flows for the year ended June 30, 2020;
- Accounting Policies and explanatory notes to the Financial Statements for the year ended June 30, 2020.

2.03 Functional and presentation currency

The Financial Statements are prepared and presented in Bangladeshi Currency (Taka), which is the functional currency of the company. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

2.04 Comparative Information

Comparative information has been disclosed in respect of the previous year 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.

2.05 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reasons the directors continue to adopt going concern assumption in preparing the Financial Statement.

2.06 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting year, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

(a) Foreign currency monetary items are translated using the closing rate.
(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the year in which they arise.

2.07 Reporting Period

The financial statements covers twelve months from July 01, 2019 to June 30, 2020.

2.08 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by IFRS for fair presentation of financial statements.

2.09 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported value of assets, liabilities, income and expenses . The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are revised when there is material impact on the financial results of the company.

Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

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2.10 Regulatory Compliance

The financial Statements have been prepared in compliance with the following laws and regulations;

The Companies Act, 1994
The Bangladesh Securities and Exchange Rule 1987
The Bangladesh Securities and Exchange Commission Act 1993.
The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax (VAT) Act, 1991
The Custom Act 1969
Dhaka Stock Exchange Listing Regulation 2015

2.11 Compliance with IAS & IFRS

The following IAS have been applied in preparation of the financial statements for the year :

Name of the accounting Standerds	Ref. No	Status of Application
Presentation of Financial Statements	IAS 1	Applied
Inventories	IAS 2	Applied
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors.	IAS 8	Applied
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	Applied
Employee Benefits	IAS 19	Applied
The Effects of Changes in Foreign Exchange Rates	IAS 21	Applied
Borrowing Cost	IAS 23	Applied
Related Party Disclosures	IAS 24	Applied
Financial Instruments : Presentation	IAS 32	Applied
Earnings Per Share	IAS 33	Applied
Impairment of Assets	IAS 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	Applied
Financial Instruments : Recognition and Measurement	IAS 39	Applied
Investment Property	IAS 40	Applied
Financial Instruments : Disclosures	IFRS 7	Applied
Financial Instruments	IFRS 9	Applied
Revenue from contracts with customers	IFRS 15	Applied
Leases	IFRS 16	Not Applied

2.12 Events after the Reporting Period

In compliance with the requirements of IAS 10: Events after the reporting period, "Post Balance Events" that provide additional information about the company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material.

The Board of Directors of the company in its Board Meeting held at its corporate office on November 08, 2020 at 4.00 p.m. has recommended 1% Cash dividend for the year ended June 30, 2020.

2.13 Recognition and Measurement of Tangible Fixed Assets

Tangible assets have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. 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 state of 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 addition to cost of the assets.

2.14 Revaluation of Property, Plant & Equipment (PPE)

PPE have been stated at revalued amounts in accordance with IAS : 16 Property , Plant & Equipment.

i) Effective date of revaluation to the Financial Statements 31-12-2010 and 31-12-2011 respectively.

ii) PPE has been revalued by Mridha and Associates an independent valuer.

iii) Revaluation surplus has been transferred to Revaluation Reserve and distribution of such surplus to the shareholders is restricted.

2.15 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition when the related property, plant & equipments are available for use as per management intention. No depreciation has been charged from the date of disposal/derecognition of the related assets.

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

	Rate (%)
Building - Factory	10%
Land & Land Development	0%
Plant & Machinery	10%
ETP	15%
Electric Equipment & Line Installation	10%
Fire Fighting Equipment	10%
Tools & Equipments	20%
Deep Tube well	10%
Gas Line Installation	10%
Building - Head Office	5%
Office Equipment	10%
Air Conditioner & Electric Appliance	10%
Lift - Head Office, Uttara	10%
Furniture & Fixture	10%
Office Decoration	10%
Car & Vehicles	15%
Telephone Equipments	10%

2.16 Impairment of assets

I) Financial Assets
Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. During the period no impaired loss occurred to recognize in the Financial Statements.

II) Non-Financial assets
An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exits, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the period no impaired loss occurred to recognize in the Financial Statements.

2.17 Inventories

Inventories are measured at the lower of cost and net realizable value as prescribed by IAS-2. The cost of inventories is based on the FIFO method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the Case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

2.18 Trade and Other Receivables

Trade receivables are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. All the receivables are fully secured by LC.

2.19 Cash & Cash Equivalents

According to IAS 7 'Statement of Cash Flows ' cash comprises of cash in hand, demand deposits and Cash equivalents which are short term highly liquid investments that are readily convertible to Cash and which are subject to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of IAS 7 & IAS 1, Cash in Hand & Bank Balances have been treated as Cash & Cash Equivalents.

2.20 Income Tax

a) **Current Tax:** Provision for income tax has been made @ 15% on net profit before tax of the company except other income as per Income Tax Ordinance 1984. However provision @ 25% has been made on other income of the company.

b) **Deferred tax:** Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

2.21 Leased Assets

We didn't compliance with IFRS 16 instead of IAS 17, Lease in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases and all other leases are classified as operating lease.

Upon initial recognition, the lease assets is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payment. Subsequent to initial recognition, the assets is accounted for in accordance with accounting policy applicable to the assets.

2.22 Revenue Recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts as per IFRS-15: Revenue from contracts with customers. Revenue is recognized when the parties to the contract have approved the contracts and are committed to perform their respective obligations; the contract has commercial substance; the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered.

2.23 Employee Benefits

The company maintains Contributory Provident Fund and Gratuity for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective agreements/trust deeds. The company has accounted for and disclosed employee benefits in compliance with the previsions of IAS 19 , Employee Benefits. The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company got recognition from Commissioner of Taxes its provident fund scheme (Defined Contribution Plan) vide order no: নথি নং - ৪এ-২৮/কঅ-২/আসা/প্রভিডেন্ট ফান্ড/২০১৪-২০১৫/১৩০৮(৩) তারিখ ঃ ২৭/০৫/২০১৫ খ্রিঃ for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute to the provident fund and the company also makes equal contribution.

The company got recognition from National Board of Revenue its gratuity fund vide order no: নথি নং - ০৮.০১.০০০০.০৩৫.০২.০০১৬.২০১৫/১৭৮ তারিখ ঃ ০১/০৭/২০১৫ খ্রিঃ for employees of the company eligible to be members of the fund in accordance with the rules of the gratuity fund constituted under an irrevocable trust.

2.24 Borrowing Cost

Interest and other cost incurred by the company in connection with the borrowing of fund are recognized as expenses in the year in which they are incurred unless such borrowing cost related to acquisition /construction of assets in progress that are capitalized as per IAS 23 , "Borrowing Cost".

2.25 Financial expenses

Finance expenses comprise interest expenses on bank loan and other borrowings. All borrowing cost is recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

2.26 Statement of Cash Flows

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

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2.27 Earnings Per Share (EPS)

This has been calculated in compliance with the requirement of IAS-33 : Earnings per share by dividing the net earnings after Tax by the weighted average number of ordinary shares outstanding during the period .

Basic Earnings per share (Numerator /Denominator)
Earnings (Numerator)
*This represents earning for the period attributable to ordinary shareholders
No. of ordinary shares (Denominator)
This represents weighted average number of ordinary share outstanding during the year.

Diluted Earnings per share

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company. Hence , Diluted EPS of the company is same as basic EPS.

2.28 Operating Segments

No segmental reporting is applicable for the company as required by IFRS 8: "Operating Segments" as the company operates in a single industry segment and within a single geographical territory.

2.29 Provisions

In accordance with the guidelines as prescribed by IAS-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.

2.30 Contingent Liabilities and Contingents Assets

Contingent Liabilities and Contingents Assets are present or possible obligations on liabilities or assets , arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company or which amount of the obligations cannot be measured with sufficient reliability in accordance with IAS-37 .

The company has a contingent liability of Tk. 74,165,730 with the bank for issuing bank guarantee against Security Deposit required by Titas Gas Transmission and Distribution company for Gas connection. The company deposited Taka 2,913,843 as bank guarantee margin.

2.31 Intangible Assets

In Compliance with the requirements of IAS, 38 Intangible Assets '
The following terms are used in this Standard with the meanings specified:
Amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life.
An asset is a resource:

(a) controlled by an entity as a result as past events; and
(b) From which future economic benefits are expected to flow to the entity.

Intangible assets are being written off @20% on straight line method.

2.32 Financial Instrument

A financial instrument in any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

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Financial assets:
Financial assets of the company include cash and cash equivalents, Trade and other receivables and equity instrument of another entity. The company initially recognized receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provision of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

Financial liability:

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes the financial liabilities when its contractual obligations are discharged or cancelled or expired or no more exist. Financial liabilities includes payable for expense, liability for capital expenditure and other current liabilities.

2.33 Related Party Disclosures

The Company in normal course of business carried out a number of transactions with directors/entities that fall within the definition of related party contained in International Accounting Standard (IAS) 24: Related Party Disclosures. The disclosure relating to related parties have been shown in note # 39.2.

2.34 Investment Property

For Investment Property, the company follows fair value model as subsequent measurement. A gain or loss arising from a change in the fair value of investment property is recognized in Statement of Profit or loss for the year in which it arises.

3 Risk exposure

3.01 Interest rate risk

Interest rate risk is the risk that Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception
The Company maintains low debt/ equity ratio and accordingly, adverse impact of interest rate fluctuation is insignificant. Considering the global economy and inflection of overseas financing, financial institutions in Bangladesh reducing lending rate creating an opportunity for saving in financial cost.

3.02 Exchange rate risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management perception
The company purchase raw materials and sells finished product mostly in US$ currency and the transaction would settle within very short period. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

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3.03 Industry risks

Industry risk 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 results of operation.

Management perception

Management is optimistic about growth opportunity in textile sector in Bangladesh. Furthermore there is untapped international market.

3.04 Market risks

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

Management perception

Management is fully aware of the market risk and act accordingly. Market for textile products in Bangladesh is growing at an exponential rate. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

3.05 Operational risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The Company hedges such risks and also takes preventive measures therefore.

3.06 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Management perception

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

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		Amount in Taka	
		30.06.2020	30.06.2019
4.00	**Property, Plant & Equipment**		
	A. Cost		
	Opening balance	2,243,833,405	2,206,430,747
	Add: Addition during the Period	227,914,425	37,402,658
		2,471,747,830	**2,243,833,405**
	B. Accumulated Depreciation		
	Opening balance	710,951,464	642,081,034
	Add: Addition during the Period	70,223,306	68,870,430
	Accumulated Depreciation	**781,174,770**	**710,951,464**
	Written Down Value (A - B)	**1,690,573,060**	**1,532,881,941**

We could not verify the fixed assets in absence of fixed assets register, identification number, Purchase date, cost, accumulated depreciation, WDV etc. against individual assets. The company also did not carry out any fixed assets physical inventory at the year end.

A detailed schedule on Property, Plant and Equipment has been given in **Annexure - A**

5.00	**Capital Work-in-Progress**		
	Building-Factory	776,000	726,000
	Plant & Machineries	80,806,383	72,924,573
		81,582,383	**73,650,573**
	Less: Transfer to Property, Plant & Equipments	79,084,806	1,515,773
		2,497,577	**72,134,800**

The above represents the expenses against civil construction and imported machineries which are not available for use as on the reporting date. Such assets shall be transferred to Property, Plant & Equipments when they will be available for use as per management's intention.

6.00	**Intangible Asset**		
	Opening Balance	247,500	337,500
	Less: Write off during the Period @ 20%	(90,000)	(90,000)
	Written Down Value	**157,500**	**247,500**

The above represents the cost of software and software development which is being written off @ 20% on straight line method.

7.00	**Inventories**		
	Raw Materials	1,265,830,207	1,208,079,320
	Dyes & Chemical	267,685,540	195,163,403
	Work-in-Process	68,597,406	58,703,132
	Finished Goods	139,897,846	127,856,088
	Packing Materials	5,463,361	6,426,912
	Stores & Spares	7,833,048	9,140,368
		1,755,307,408	**1,605,369,223**

The valuation and existence of the said amount were not completely traceable as no physical inventory count was attended by the auditor due to pandemic "Covid-19". Besides, inventories comprised obsolete and damaged items held for long period of time against which management did not recognize required provision. As a result, this would have overstated both net profit and net assets in the financial statements. We could not test appropriateness of the valuation of closing inventories reported due to lack of adequate records.

Details has been shown in **Annexure-C**

8.00	**Trade & other Receivables**		
	This has been arrived as under;		
	Accounts receivable	1,245,459,773	1,503,054,905
	Other Receivable	401,809	586,465
		1,245,861,582	**1,503,641,370**

We received bank confirmation of BDT 1,029,717,955. We found BDT 216,143,627 remained unreconciled and not traceable with L/C documents.

A detailed schedule of Accounts and Other Receivables is given in **Annexure - D**

	Amount in Taka	
	30.06.2020	30.06.2019

The company had pending suits against receivables to be received from New Horizon (BD) Ltd for the outstanding amount following money suits in the court of 2nd District Judge, Dhaka, Money Suit No. 16 of 2013 for which a provision for doubtful debts of Tk. 42,22,845/ provided in the earlier financial statements. During the period the matter is mutually settled at Tk. 3,802,500 which has been shown under the head Other Income of Statement of Profit or Loss and Other Comprehensive Income.

Classification schedule as required by Schedule XI of Companies Act 1994 is as follows:

	30.06.2020	30.06.2019
i) Accounts Receivable considered good in respect of which the company is fully secured	1,245,459,773	1,503,054,905
ii) Accounts Receivable considered good in respect of which the company holds no security other than the debtor's personal security	401,809	586,465
iii) Accounts Receivable considered doubtful or bad	-	-
iv) Accounts Receivable due by any director or other officer of the company	-	-
v) Accounts Receivable due by Common management	93,656	361,440
vi) The maximum amount of receivable due by any director or other officer of the company	-	-

The aging of trade and other receivables is as follows:

Ageing Schedule:	Accounts Receivable	Other Receivable	Total	Total
Within Three Months	381,930,196	322,757	382,252,953	540,207,982
Three to Six Months	642,545,205	79,052	642,624,257	706,422,818
More than Six Months	220,984,372	-	220,984,372	257,010,570
	1,245,459,773	401,809	1,245,861,582	1,503,641,370

Details has been given in **Annexure - C.**

9.00 Investment

This has been arrived as under;

	30.06.2020	30.06.2019
Investment in FDR	9,720,250	-
	9,720,250	-

10.00 Advance, Deposits & Prepayments

This has been arrived as under;

	30.06.2020	30.06.2019
Advances	38,271,500	85,506,298
Deposits	13,776,318	18,210,068
	52,047,818	**103,716,366**

A detailed schedule of advance, deposit & prepayment is shown in **Annexure -E**

11.00 Cash and Cash Equivalents

The Break-up of the Amount is given below:

		30.06.2020	30.06.2019
Cash in Hand		751,861	1,578,289
Cash at Banks	(Note -11.01)	54,964,525	27,216,195
		55,716,386	**28,794,484**

11.01 Cash at Bank

Bank Name & Account Number	30.06.2020	30.06.2019
Bank Alfalah CD-070201701321	22,975	23,895
Eastern Bank CD # 1131060206101	2,060,256	2,121,236
Eastern Bank Margin	424,251	507,801
IFIC Bank CD # 1002-535257001	427,622	1,445,754
IFIC Bank CD # 1002-535257071	21,540	55,737
Southeast Bank DAD ($) # 15400000019	31,688,708	5,827,577
National Bank A/C # 0043-33017514	3,728	4,418
DBBL-CD A/C # 117-110-037216	17,801	9,614
IFIC A/C # 0170231013001	301,311	3,831,637
IFIC A/C # 0170330270001	5,712	-
IFIC A/C # 1002-535257-836 (USD A/c)	8,887,816	9,567,955
IFIC A/C # 1002-063136-041 (Taka A/c)	63,994	87,388
IFIC A/C # 1002-063136-051 (USD A/c)	65,496	65,226
IFIC A/C # 1002-063136-052 (GBP A/c)	4,512	4,618
NBL FC A/C-0043-84004808 (USD A/c)	168,207	167,513
Trust Bank A/C # 5025000416 (USD A/c)	5,207	654,343
Pubali Bank CD # 4465901009224	303,777	1,166,567

	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
Southeast Bank CD # 111-17190	1,969,590	13,928
Southeast Bank # 0094	8,514,429	1,156,268
Shahjalal Islami Bank CD A/C # 400811100010420	3,850	-
Trust Bank CD # 9820	3,743	504,720
	54,964,525	**27,216,195**

12.00 Share Capital

Authorized Capital:

190,000,000 ordinary shares of Tk. 10/- each.	**1,900,000,000**	**1,900,000,000**

Paid up Capital:

150,289,242 ordinary shares @ Tk.10/- each.	**1,502,892,420**	**1,366,265,840**

Particulars	Amount in Taka	Amount in Taka
136,626,584 Ordinary Shares @ Tk. 10 each fully paid up in cash	1,366,265,840	1,366,265,840
13,662,658 Stock Dividend @ Tk. 10 each	136,626,580	-
150,289,242 Ordinary Shares	**1,502,892,420**	**1,366,265,840**

History of Share Capital

Allotment	Date of Allotment	Consideration in Cash	Bonus	Total	Cumulative Paid-up Capital	Amount of Cumulative Paid-up Capital (Tk.)
Subscription	8/1/2000	60,600		60,600	60,600	606,000
Fresh Issue	7/1/2002	7,939,400		7,939,400	7,939,400	79,394,000
Fresh Issue	11/12/2011	857,400		857,400	857,400	8,574,000
Fresh Issue	4/1/2015	10,262,000		10,262,000	10,262,000	102,620,000
Fresh Issue	2/14/2016	85,086,586		85,086,586	85,086,586	850,865,860
IPO Issued	11/21/2017	-	20,000,000	20,000,000	20,000,000	200,000,000
Bonus Issue	11/21/2017	-	12,420,598	12,420,598	12,420,598	124,205,980
Bonus Issue	12/26/2019	-	13,662,658	13,662,658	13,662,658	136,626,580
Total		104,205,986	**46,083,256**	150,289,242	**150,289,242**	**1,502,892,420**

The present shareholding position of the different share holders are as follows:

Particulars	No of Share	Value per Share	Amount	% of Holding
Sponsors/Directors	77,369,663	10.00	773,696,630	51.48%
Foreign	28,180,292	10.00	281,802,920	18.75%
Institution	18,124,468	10.00	181,244,680	12.06%
General Public	26,614,819	10.00	266,148,190	17.71%
	150,289,242		**1,502,892,420**	**100.00%**

The company raised paid capital of from Tk.1,042,059,860 to Tk. 1,242,059,860 by issuing 2,00,00,000 ordinary shares at Tk.10 each through initial public offering with due permission from Bangladesh Securities and Exchange Commission vide letter dated 8 December 2016 and listed with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd from 25 February 2017 and 27 February 2017 respectively.

Pattern of Shareholding and No. of Shareholding as on 30 June 2020

Share Holding Range	Number of Share Holders	No. of Share	Percentage of Share Holding
Up tp 499 Shares	1586	265,322	0.18%
500 to 5000 Shares	2918	5,356,707	3.56%
5001 to 10000 Shares	563	4,259,043	2.83%
10001 to 20000 Shares	337	4,922,360	3.28%
20001 to 30000 Shares	139	3,426,666	2.28%
30001 to 40000 Shares	51	1,808,089	1.20%
40001 to 50000 Shares	30	1,426,793	0.95%
50001 to 100000 Shares	56	3,889,976	2.59%
100001 to 1000000 Shares	31	10,271,410	6.83%
1000001 to Above Shares	19	114,662,876	76.29%
Total	**5730**	**150,289,242**	**100.00%**

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	Amount in Taka	
	30.06.2020	30.06.2019
13.00 Revaluation Reserve		
This has been arrived as under;		
Opening Balance	532,638,444	538,651,924
Less: Depreciation on revaluation transferred to retained earnings	(6,697,348)	(7,074,682)
Add/(Less): Deferred Tax Income/(Expenses) during the year	1,004,602	1,061,202
	526,945,698	**532,638,444**
14.00 Retained Earnings		
This has been arrived as under;		
Opening balance	496,674,284	530,787,045
Less: Stock Dividend	(136,626,580)	-
Less: Cash Dividend	-	(163,951,901)
Add: Net profit (Loss) for the year	(23,026,200)	122,764,458
Add: Depreciation transferred from revaluation reserve	6,697,348	7,074,682
	343,718,852	**496,674,284**
15.00 Obligation under finance lease		
This consist of the following;		
Lease Liability-IDLC	-	20,240
Lease Liability-MFIL	291,979	2,424,656
	291,979	2,444,896
Less: Current portion	291,979	2,160,461
Non-Current portion	**-**	**284,435**
15.01 Aging Schedule for lease finance		
Within One year		2,160,461
Witing two to four years	-	284,435
	-	**2,444,896**

Particulars	MFIL
Nature:	Lease Finance
Purpose:	Acquisition of vehicle
Tenure:	3 Years
Repayment:	36 monthly equal installment
Rate of Interest:	14.50%
Security:	1 months installment

16.00 Deferred Tax liabilities		
This has been arrived as under;		
Opening Balance	127,619,916	129,056,280
Add/(Less): Deferred Tax Expenses/(Income) recognized in Statement	5,720,717	(375,162)
Add/(Less): Deferred Tax Expenses/(Income) recognized directly in	(1,004,602)	(1,061,202)
	132,336,031	**127,619,916**

The details have been shown in **Annexure-F**

17.00 Loan from Shareholders'	**33,728,933**	**33,728,933**

The above represents share money deposit received from shareholders against which no allotment has been

18.00 Current Accounts with Related Entity		
This has been arrived as under;		
Party Wise break down given below:		
Shepherd Textile (BD) Ltd	45,425,645	-
Shepherd Jeans Ltd.	69,846,750	15,000,000
	115,272,395	**15,000,000**

This amount represents the balance of inter company transaction under the common management.

	Amount in Taka	
	30.06.2020	30.06.2019

19.00 Trade & Other Payables

This has been arrived as under;

	30.06.2020	30.06.2019
Trade Payable	196,710,065	578,582,512
Other Payable	36,618,823	14,920,848
	233,328,888	**593,503,360**

The above amount was not traceable with the supporting evidence from banks and L/C documents.

All the trade payables disclosed here are arisen from purchasing yarn, dyes & chemical, packing materials, providing of services etc. from both foreign & local suppliers and service providers.

A detailed schedule of Trade and other payables is shown in **Annexure -G**

Ageing Schedule:	Trade Payable	Other Payable	Total	Total
Within Three Months	123,086,979	30,586,004	153,672,983	345,983,796
Three months to six months	72,854,300	4,877,969	77,732,269	231,078,299
More than six months	768,786	1,154,850	1,923,636	16,441,265
	196,710,065	**36,618,823**	**233,328,888**	**593,503,360**

20.00 Short Term Bank Loan

This consist of the following;

		30.06.2020	30.06.2019
Demand Loan	IFIC Bank Limited	259,651,736	255,597,610
LDBP Loan	Eastern Bank Ltd	5,160,713	20,409,623
LDBP Loan	IFIC Bank Limited	32,717,000	276,437,000
LDBP Loan	Southeast Bank Limited	278,437,415	318,333,737
LDBP Loan	Trust Bank Limited	-	13,380,295
Force Loan	Southeast Bank Limited	327,720,922	-
Force Loan	IFIC Bank Limited	-	78,137,656
EDF Loan	Southeast Bank Limited	285,765,129	43,655,304
SOD - IFIC Bank	IFIC Bank Limited	50,897,087	37,457,038
SOD-Southeast Bank	Southeast Bank Limited	83,037,147	50,959,758
Loan Against Trust Receipt	Southeast Bank Limited	440,850,599	459,668,327
		1,764,237,748	**1,554,036,348**

Particulars	IFIC	EBL	SBL
Nature:	Short term loan	Short term loan	Short term loan
Purpose:	Working capital	Working capital	Working capital
Tenure:	One year	One year	One year
Repayment:	From Export Proceed	From Export Proceed	From Export Proceed
Rate of Interest:	6.00%~11.00%	6.00%~9.00%	6.00%~11.00%
Security:	Mortgage of 432 Decimals of land with factory premises, 673 decimals land with two pre-fabricated and three semi pacca building, measuring 103164 sft at valuka. Post dated cheque, Hypothecation of machineries, raw materials, work in process & finished goods duly insured covering the risk of fire and personal guarantee of all directors.	Hypothecation of machineries, raw materials, work in process & finished goods duly insured covering the risk of fire.	Mortgage of 655.75 decimals at Bhaluka and Hypothecation of machineries, raw materials, work in process & finished goods duly insured covering the risk of fire and personal guarantee of all directors.

		Amount in Taka	
		30.06.2020	30.06.2019
21.00	**Outstanding IPO Subscription**		
	The break-up of the amount is given below:		
	<u>Bank Name & Account Number</u>		
	IFIC A/C # 1002-063136-051 (USD A/c)	60,500	60,500
	IFIC A/C # 1002-063136-052 (GBP A/c)	4,250	4,250
		64,750	**64,750**
22.00	**Liabilities for Expenses & provisions**		
	This consist of the following;		
	Salary & Allowance-Payable	12,182,712	15,014,438
	Dividend Payable	366,544	482,979
	Tax Deduction at Source	11,723,170	5,642,153
	Gas, Electric Bill & Internet Bill Payable	33,760,623	16,465,288
	Audit & Professional Fees Payable	402,500	449,750
	Employees CPF Payable	2,960,200	1,488,430
	Provision for Employees' Gratuity Fund	44,660,694	41,141,343
	Provision for Income Tax (Note-22.01)	53,007,444	44,124,532
		159,063,887	**124,808,913**
22.01	**Provision for Income Tax**		
	Opening Balance	44,124,532	61,262,543
	Add: Provided during the year/period	15,437,436	24,070,715
		59,561,968	**85,333,258**
	Less: Paid during the year/Period	(6,554,524)	(6,441,146)
	Less: Adjusted during the year/period	-	(34,767,580)
		53,007,444	**44,124,532**

AHMED ZAKER & CO. Dhaka Chartered Accountants

GGi INDEPENDENT MEMBER

			Amount in Taka	
			30.06.2020	30.06.2019
23	**Revenue**			
	Export Sales		2,557,157,861	2,867,534,079
			2,557,157,861	**2,867,534,079**
24	**Cost of Sales**			
	This has been arrived as under;			
	Work in process (Opening)		58,703,132	49,548,775
	Add: Raw Material Consumed	Note-24.01	1,928,648,609	2,109,238,640
	Add: Factory Overhead	Note-24.02	389,519,349	392,971,513
	Less: Work in Process (Closing)		(68,597,406)	(58,703,132)
	Cost of Production		**2,308,273,684**	**2,493,055,796**
	Add: Finished Goods (Opening)		127,856,088	121,525,455
	Finished Goods Available for sale		**2,436,129,772**	**2,614,581,251**
	Less: Finished Goods (Closing)		(139,897,846)	(127,856,088)
	Cost of Sales		**2,296,231,926**	**2,486,725,163**
24.01	**Raw Material Consumed**			
	Opening Stock		**1,409,669,635**	**1,300,387,956**
	Raw Materials		1,208,079,320	1,095,023,723
	Dyes & Chemicals		195,163,403	197,348,745
	Packing Materials		6,426,912	8,015,488
	Add: Cost of Materials Purchased		**2,057,958,082**	**2,218,520,319**
	Raw materials		1,653,194,282	1,847,592,850
	Dyes & chemicals		349,079,085	295,369,695
	Packing materials		21,718,069	29,240,172
	Carrying inward		17,785,660	21,014,550
	Insurance		3,829,163	5,334,509
	Clearing & forwarding expenses		12,351,823	19,968,543
	Raw Materials available for Consumption		**3,467,627,717**	**3,518,908,275**
	Less : Closing Stock		**1,538,979,108**	**1,409,669,635**
	Raw Materials		1,265,830,207	1,208,079,320
	Dyes & Chemicals		267,685,540	195,163,403
	Packing Materials		5,463,361	6,426,912
	Raw Materials Consumed		**1,928,648,609**	**2,109,238,640**
24.02	**Factory Overheads**			
	This has been arrived as under;			
	Ansar Guard Expenses		64,800	68,400
	Conveyance		741,925	1,000,395
	Contribution to Gratuity Fund		4,435,405	4,663,821
	Contribution to Provident Fund		2,935,482	2,698,891
	Crockeries & Cutleries		3,050	42,634
	Depreciation		61,810,101	60,094,444
	Electricity Bill		6,492,784	7,520,815
	ETP Expenses		252,100	2,249,299
	Fire Fighting Expenses		186,565	299,838
	Forms, Stamps, Documents etc.		237,751	253,810
	Fuel, Oil & Lubricants		2,662,939	2,994,158
	Gas Bill		132,022,238	106,424,921
	Gas Bill-Factory Residence		265,614	69,890
	Hangs, Twisting & Winding Expenses		2,728,892	1,409,681
	Insurance-Fire		2,489,148	1,814,804
	Loading & Unloading Charge		1,320,298	1,488,536
	Medical Expenses		129,517	378,675
	Printing- Factory		740,018	831,743
	Rates & Taxes		80,812	642,644
	Repair & Maintenance of Building, Machineries etc.		12,280,465	18,934,749
	Stationeries		883,568	1,171,405

	Amount in Taka	
	30.06.2020	30.06.2019
Sundry Expenses	3,169,869	2,485,755
Testing Charge	1,671,733	264,109
Tiffin, Refreshment & Entertainment	820,316	965,835
Uniform & Liveries	132,420	252,816
Wages, Salaries & Allowances	150,891,173	173,766,982
Washing & Cleaning Expenses	70,366	182,463
	389,519,349	**392,971,513**

25 Foreign Currency Gain/(Loss)

Realized Foreign Exchange Gain/(Loss)	(6,843,428)	(666,980)
Unrealized Foreign Exchange Gain/(Loss)	(1,195,833)	3,467,431
	(8,039,261)	**2,800,451**

26 Other Income:

This consist of the followings;

Land and House Rent	8,004,782	8,708,250
Interest Received from IPO Bank A/C	3,063	1,304,765
Provision for Doubtful Debts written back	3,802,500	-
FDR Interest	247,500	-
Sundry Income	3,690,321	4,069,952
	15,748,166	**14,082,967**

27 Selling & Distribution Expenses

This consist of the followings;

Salary and Allowances	9,101,548	8,908,339
Travelling & Conveyance	476,155	916,016
Stationeries	30,450	124,488
Mobile Bill	96,798	100,610
Contribution to Gratuity Fund	523,015	442,911
Contribution to Provident Fund	590,630	540,106
	10,818,596	**11,032,470**

28 Administrative Expenses

This has been arrived as under;

Advertising Expenses	287,950	445,777
Amortization of Intangible Assets	90,000	90,000
Audit Fees	402,500	402,500
AGM Expenses	604,887	572,790
Professional Fees	876,942	575,250
Automobile Expenses	5,208,991	4,013,079
Contribution to Gratuity Fund	1,060,931	1,035,990
Contribution to Provident Fund	997,710	967,462
Depreciation-Administrative	8,413,205	8,775,986
Electricity Bill	1,179,630	1,574,812
Employees' Group Insurance	533,436	778,813
Forms, Stamps, Documents etc.	1,370,027	2,516,994
Gas Bill	104,734	77,829
Generator Expenses	-	117,235
Insurance-Motor	292,906	567,965
Internet Expenses	391,581	487,753
Licence & Renewal Fees	2,431,010	1,538,383
Director,s Remuneration	1,477,171	1,507,020
Office Maintenance Expenses	463,222	543,956
Papers & Periodicals	24,500	81,217
Postage & Courier	116,657	168,437
Printing & Photocopy	13,032	130,136
Salary & Allowances	29,393,907	30,245,345
Satellite Cable Rent	3,600	4,950

			Amount in Taka	
			30.06.2020	30.06.2019
	Stationeries		315,564	473,452
	Sundry Expenses		2,306,407	1,369,116
	Telephone & Mobile Expenses		339,083	422,416
	Tiffin, Refreshment & Entertainment		780,133	760,578
	Training Expenses		-	14,000
	Travelling & Conveyance		626,251	848,694
	Water Bill		184,484	155,851
			60,290,451	**61,263,786**
29	**Financial Expenses**			
	This consist of the followings;			
	Bank Charges & Commission		7,352,849	7,049,789
	Bank Charges on Proceeds Realization		7,462,298	10,548,304
	Interest on Short Term Loan		184,403,974	160,641,015
	Interest on Obligation under Finance Lease		174,719	696,959
			199,393,840	**178,936,067**
30	**Current tax:**			
	Minimum Tax		15,437,436	12,899,568
	Regular Tax		2,986,417	24,070,715
	Higher One		**15,437,436**	**24,070,715**
	A) Minimum Tax			
	Turnover		2,557,157,861	2,867,534,079
	Other income		15,748,166	14,082,967
			2,572,906,027	2,881,617,046
	Minimum Tax on turnover & other income		15,437,436	10,373,821
	Deducted Tax at source		13,033,702	12,899,568
	Higher One		**15,437,436**	**12,899,568**
	B) Regular Tax			
	The above balance is made up as follows:			
	Income tax on business income	(Note-30.01)	-	20,549,973
	Income tax on other income	(Note-30.02)	2,986,417	3,520,742
	Total		**2,986,417**	**24,070,715**
30.01	**Income tax on business income:**			
	Profit before tax		(1,868,047)	146,460,011
	Add: Accounting depreciation		70,223,306	68,870,430
	Add: Contribution to Employees' Gratuity Fund		6,019,351	6,142,722
	Less: Tax depreciation		(101,050,582)	(69,390,375)
	Less: Payment to Employees' Gratuity Fund		(2,500,000)	(1,000,000)
	Less: Other income		(15,748,166)	(14,082,967)
	Taxable business income		**(44,924,138)**	**136,999,821**
	Tax rate		**15%**	**15%**
	Income tax on business income		**-**	**20,549,973**
30.02	**Income tax on other income:**			
	Other Income		11,945,666	14,082,967
	Tax rate		**25%**	**25%**
	Income tax on other income		**2,986,417**	**3,520,742**
31	**Basic Earnings per share**			
	Net profit after tax attributable to ordinary shareholders of the company		(23,026,200.16)	122,764,458.00
	Weighted average number of share		150,289,242	136,626,584
			(0.15)	**0.90**
	Adjustment Earnings per share			
	Net profit after tax attributable to ordinary shareholders of the company		(23,026,200)	122,764,458
	Weighted average number of share	(Note-31.01)	150,289,242	150,289,242
	Basic EPS for the year		**(0.15)**	**0.82**
	Earnings Per Share (Diluted)		**(0.15)**	**0.82**

	Amount in Taka	
	30.06.2020	30.06.2019

As there are no shares under option, Basic & Diluted earning per share are same for the year.

Disclosure

(b) During the corresponding year ended on June 30, 2020, revenue has been decreased Tk. 310,376,218 (10.82%) and financial expenses increased Tk. 20,457,773 (10.26%) compare to the same year in 2019. Both the parameters are impacted on Earning Per Share (EPS) desperately. COVID-19's impact on the RMG industry in Bangladesh and many international buyers are cancelling or postponing confirmed procurement orders. Competitive global apparels markets are the reason for decreasing revenue.

31.01 Weighted average number of share

Particulars	Number of share	Number of share
136,626,584 No. of Ordinary Shares for 365 days	136,626,584	136,626,584
13,662,658 No. of Stock Dividend Shares for 365 days	13,662,658	
	150,289,242	**136,626,584**

32 Net Assets Value per Share

Net asset value per share has been calculated as under;

Total Assets	4,811,881,581	4,846,785,684
Less: Outside liability	(2,438,324,611)	(2,451,207,116)
Non-Current Liability	(132,336,031)	(127,904,351)
Current Laiability	(2,305,988,580)	(2,323,302,765)
Net Asset Value	2,373,556,970	2,395,578,568
Shares outstanding at the end on the year	**150,289,242**	**136,626,584**
Net Asset Value per share	**15.79**	**17.53**

Disclosure

(a) The major reason for decrease in Net Asset Value per share by Tk. 1.74 per share was due to 10% Stock dividend by Tk. 13.66 crore which is in excess of Tk. 15.97 crore, net loss made during the year amounting Tk. - 2.30 crore.

33 Received from Customers & Others

Revenue during the year	2,557,157,861	2,867,534,079
Adjustment for Foreign Exchange Gain/(Loss) for Trade Receivable	(10,957,101)	15,298,137
Other Income	15,748,166	14,082,967
Opening Accounts & Other Receivable	1,503,641,370	1,633,566,392
Closing Accounts & Other Receivable	(1,245,861,582)	(1,503,641,370)
	2,819,728,714	**3,026,840,205**

34 Payment to Creditors, Suppliers, Employees and Others

Cost of goods Sold	(2,296,231,926)	(2,486,725,163)
Selling & Distribution Expenses	(10,818,596)	(11,032,470)
Administrative Expenses	(60,290,451)	(61,263,786)
Adjustment for Depreciation	70,223,306	68,870,430
Adjustment for Write off of Intangible Assets	90,000	90,000
(Increase)/Decrease in Inventory	(149,938,185)	(123,916,218)
(Increase)/Decrease Advance Deposits & Prepayments excluding Advance Income Tax	1,154,732	2,107,904
Increase/(Decrease) in Trade and Other Payables	(344,177,518)	(459,284,210)
Increase/(Decrease) in Liabilities for Expenses	25,488,497	947,613
Adjustment for Foreign Exchange Gain / (Loss) for Trade Payable	2,866,435	(13,193,314)
	(2,761,633,706)	**(3,083,399,214)**

35 Income Tax Paid

Opening Advance Income Tax	19,498,531	40,599,368
Closing Advance Income Tax	(33,084,715)	(19,498,531)
Closing Income Tax Provision	53,007,444	44,124,532
Opening Income Tax Provision	(44,124,532)	(61,262,543)
Current Tax during the period	(15,437,436)	(24,070,715)
	(20,140,708)	**(20,107,889)**

	Amount in Taka	
	30.06.2020	30.06.2019
36 Net operating cash flow per share (NOCFPS)		
Net cash from operating activies	**(161,439,540)**	**(255,602,965)**
Number of shares outstanding	**150,289,242**	**136,626,584**
NOCFPS	**(1.07)**	**(1.87)**

Disclosure

(c) During the period ended June 30, 2020, Net Operating Cash Flow per share of the company improved due to less payment made to Creditors, Suppliers, Employees and Others with compared to corresponding previous year.

37 Reconciliation of net Profit/Loss before tax with cash flows from operating activities

	30.06.2020	30.06.2019
Net Profit/(Loss) before tax	(1,968,148)	145,814,812
Opening Accounts & Other Receivable	1,503,641,370	1,633,566,392
Closing Accounts & Other Receivable	(1,245,861,582)	(1,503,641,370)
Adjustment for Depreciation	70,223,306	68,870,430
Adjustment for Write off of Intangible Assets	90,000	90,000
(Increase)/Decrease in Inventory	(149,938,185)	(123,916,218)
(Increase)/Decrease Advance Deposits & Prepayments excluding Advance Income T	1,154,732	2,107,904
Increase/(Decrease) in Trade and Other Payables	(344,177,518)	(459,284,210)
Increase/(Decrease) in Liabilities for Expenses	25,488,497	947,613
Adjustment Finance expenses	-	-
Foreign Currency gain loss arising for cash and cash equivalents	48,696	(50,429)
	(161,439,540)	**(255,602,965)**

38 Additional disclosure

(a) The major reason for decrease in Net Asset Value per share by Tk. 1.74 per share was due to 10% Stock dividend by Tk. 13.66 crore which is in excess of Tk. 15.97 crore, net loss made during the year amounting Tk. -2.30 crore.

(b) During the corresponding year ended on June 30, 2020, revenue has been decreased Tk. 310,376,218 (10.82%) and financial expenses increased Tk. 20,457,773 (10.26%) compare to the same year in 2019. Both the parameters are impacted on Earning Per Share (EPS) desperately. COVID-19's impact on the RMG industry in Bangladesh and many international buyers are cancelling or postponing confirmed procurement orders. Competitive global apparels markets are the reason for decreasing revenue.

(c) During the period ended June 30, 2020, Net Operating Cash Flow per share of the company improved due to less payment made to Creditors, Suppliers, Employees and Others with compared to corresponding previous year.

39 Disclosure as per requirement of schedule XI, Part-II of companies Act 1994

39.1 Commission, Brokerage or Discount against sales:

a. There was no brokerage or discount against sales during the Year.
b. No commission was paid to sales against during the Period.

39.2 Related party disclosures

The Company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures" The Company opines that terms of related transaction do not significantly differ from those that could have been obtained from third parties . Total transactions of the significant related parties as at 30.06.2020 are as follows:

Name of Related Party	Common Management	Nature of Transaction	Opening Balance as on July, 01, 2019	Transaction during the year Dr./(Cr.)	Closing Balance as on June, 30, 2020
Shepherd Textile (BD.) Limited	"	Office & Land Rent	292,612	(273,826)	18,786
Taiwan Food & Processing Industries Ltd.	"	Office & Land Rent	68,828	6,042	74,870
Shepherd Textile (BD.) Limited	"	Received as Loan	-	(45,425,645)	(45,425,645)

				Amount in Taka	
				30.06.2020	30.06.2019
Shepherd Jeans Ltd.	"	Received as Loan	(15,000,000)	(54,846,750)	(69,846,750)
Kao Wen Fu	Managing Director	Loan from Shareholder's	(10,554,794)	-	(10,554,794)
Ever Priority Ltd.	Director	"	(18,786,859)	-	(18,786,859)
Chen Che Seng	Shareholder	"	(6,597)	-	(6,597)
Eternal Flame Int'l Co. Inc.	Director	"	(4,351,405)	-	(4,351,405)
Chung Wen Kuei	Chairman	"	(29,278)	-	(29,278)

a) Key Management Personnel:

As per Company Act , 1994 part-II , Schedule-XI (4) The profit and loss account will give by way of a note detailed information , showing separately the following payments provided or made during the financial year to the directors , including managing director , the managing agents or manager , if any ,by the company , subsidiaries of the company and any other person:-

No.	Particulars	01.07.2019 to 30.06.2020	01.07.2018 to 30.06.2019
(a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	1,477,171	1,507,020
(b)	Expenses reimbursed to Managing Agent		-
(c)	Commission or Remuneration payable separately to a managing agent or his associate		-
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.		-
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.		-
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.		
(g)	Other allowances and commission including guarantee commission.		-
(h)	Pensions etc.		-
	(i) Pensions		-
	(ii) Gratuities	746,208	694,645
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	908,480	840,724
(i)	Share Based payments	-	-

As per IAS- 24:

An entity shall disclose key management personnel compensation in total and for each of the following

(a) Short-term employee benefits	16,542,982	15,833,797
(b) Post-employee benefits	1,654,688	1,535,369
(c) Other long term benefits	-	-
(d) termination benefits and	-	-
(e) share- based payment	-	-
Total:	**18,197,670**	**17,369,166**

39.3 Production capacity and utilization:

As per the nature of the industry, production quantity of dyeing varies with the course of year produce on the basis of production design as per market demand. Therefore, installed capacity in terms of multiple and frequently changeable product mix is not constant factor. During the period under review, actual production, the installed capacity in terms of the counts produced and the utilization rate in appended below;

AHMED ZAKER & CO. Dhaka Chartered Accountants

Description	Installed Capacity	Amount in Taka 30.06.2020 Actual Production	30.06.2019 % of Capacity Utilization
Different Count of Yarn Dyeing (2019-2020)	80,000 Lbs/Day	50,824 Lbs/Day	63.53%
Different Count of Yarn Dyeing (2018-2019)	80,000 Lbs/Day	55,478 Lbs/Day	69.35%

39.4 Value of Import at CIF basis:

During the period from July 01, 2019 to June 30, 2020 total value of import in respect of raw yarn, dyes & chemical, spare parts and machineries stands at equivalent 22.68 Millions USD on CIF basis. Details are given below:

Particulars	Amount in Taka	Amount in Taka
Raw Yarn	1,653,194,282	1,847,592,850
Dyes & Chemicals	305,522,004	235,458,181
Machineries	3,866,010	92,068,903
Total:	**1,962,582,296**	**2,175,119,934**

39.5 Percentage of Materials consumed to the total consumption

Material consumed

	30.06.2020		30.06.2019	
	Amount in Taka	Percentage	Amount in Taka	Percentage (%)
Raw Materials	1,595,443,395	84.21%	1,734,537,253	84.08%
Dyes & Chemicals	276,556,948	14.60%	297,555,037	14.42%
Packing Materials	22,681,620	1.20%	30,828,748	1.49%
	1,894,681,963	**100.00%**	**2,013,424,212**	**100.00%**

39.6 Payment in foreign currency:

	30.06.2020 Amount in USD	30.06.2019 Amount in USD
Raw Yarn	22,882,151	26,912,850
Dyes & Chemicals	4,025,969	3,552,722
Machineries, Tools & Equipments	314,058	1,120,966

39.7 Export Sales on FOB Basis

	30.06.2020 Amount in USD	30.06.2019 Amount in USD
Export	**$ 30,194,581.05**	**$ 34,163,602.53**

40 Number of Employees

All the employees receive salary/wages in excess of Tk. 5,300 per month.

Number of permanent staff	309
Number of permanent workers	626
Number of temporary staff/worker	-
Total:	**935**

SHEPHERD INDUSTRIES LIMITED
Schedule of Property, Plant & Equipment
As on 30 June 2020

Annexure-A

Amount in Taka

Particulars	Cost				Depreciation					Written Down Value as on 30-06-20
	Opening Balance as on 01-07-19	Addition	Disposal/ Adjustment	Closing Balance as on 30-06-20	Rate (%)	Opening Balance as on 01-07-19	Charged during the year	Disposal/ Adjustment	Closing Balance as on 30-06-20	
	1	2	3	4=(1+2-3)	5	6	7=(4-6)×5	8	9=(6+7-8	10=4-9
Building - Factory	175,130,264	140,664,028	-	315,794,292	10%	89,613,697	9,773,451	-	99,387,148	216,407,144
Land & Land Development	319,694,324	716,998	-	320,411,322	0%	-	-	-	-	320,411,322
Plant & Machinery	733,764,081	79,095,352	-	812,859,433	10%	388,853,791	35,889,381	-	424,743,172	388,116,261
ETP	73,844,334	-	-	73,844,334	15%	44,748,677	4,364,349	-	49,113,026	24,731,308
Electric Equipment & Line Installation	40,144,938	6,149,104	-	46,294,042	10%	24,198,307	1,836,224	-	26,034,531	20,259,511
Fire Fighting Equipment	1,850,394	33,400	-	1,883,794	10%	869,681	101,023	-	970,704	913,090
Tools & Equipments	24,076,869	498,091	-	24,574,960	20%	9,605,090	2,971,375	-	12,576,465	11,998,495
Gas Line Installation	6,755,553	-	-	6,755,553	10%	4,986,052	176,950	-	5,163,002	1,592,551
Building - Head Office	88,993,500	-	-	88,993,500	5%	22,161,357	3,341,607	-	25,502,964	63,490,536
Office Equipment	15,790,582	242,240	-	16,032,822	10%	8,926,169	704,941	-	9,631,110	6,401,712
Air Conditioner & Electric Appliance	3,601,651	210,700	-	3,812,351	10%	1,130,334	258,419	-	1,388,753	2,423,598
Lift - Head Office, Uttara	2,085,948	-	-	2,085,948	10%	1,012,672	107,328	-	1,120,000	965,948
Furniture & Fixture	6,097,503	255,409	-	6,352,912	10%	2,752,811	352,204	-	3,105,015	3,247,897
Office Decoration	2,879,388	-	-	2,879,388	10%	1,410,857	146,853	-	1,557,710	1,321,678
Car & Vehicles	38,790,723	-	-	38,790,723	15%	16,519,995	3,340,609	-	19,860,604	18,930,119
Telephone Equipments	3,902,609	49,103	-	3,951,712	10%	2,310,628	161,244	-	2,471,872	1,479,840
Sub Total	**1,537,402,661**	**227,914,425**	-	**1,765,317,086**		**619,100,118**	**63,525,958**	-	**682,626,076**	**1,082,691,010**
REVALUATION PART										
Land & land Development	547,605,914	-	-	547,605,914	-	-	-	-	-	547,605,914
Building	158,824,830	-	-	158,824,830	10%	91,851,346	6,697,348	-	98,548,694	60,276,136
Sub Total	**706,430,744**	-	-	**706,430,744**		**91,851,346**	**6,697,348**	-	**98,548,694**	**607,882,050**
Total as on 30.06.2020	**2,243,833,405**	**227,914,425**	-	**2,471,747,830**		**710,951,464**	**70,223,306**	-	**781,174,770**	**1,690,573,060**
Total as on 30.06.2019	**2,206,430,747**	**37,402,658**	-	**2,243,833,405**		**642,081,034**	**68,870,430**	-	**710,951,464**	**1,532,881,941**

Factory Overhead Exp	61,810,101
Administrative Exp	8,413,205

AHMED ZAKER & CO. ★ Chartered Accountants ★ Dhaka

GGi INDEPENDENT MEMBER

Annexure: B

Shepherd Industries Ltd

Calculation of Deferred Tax

For the year ended June 30, 2020

	Particulars	01.07.2019 To 30.06.2020	01.07.2018 To 30.06.2019
A.	**D.Tax (income) / expenses recognized in profit and loss and other comprehensive income:**		
	Cost:		
	Carrying amount:		
	Property , Plant and Equipment	762,279,688	598,608,219
	Intangible Assets	157,500	247,500
	Provision for Doubtful Debt	-	(4,222,845)
	Provision for gratuity	(44,660,694)	(41,141,343)
		717,776,494	553,491,531
	Tax base:		
	Property , Plant and Equipment	443,415,406	317,265,629
	Intangible Assets	2,932	5,864
	Provision for Doubtful Debt	-	-
	Provision for gratuity	-	-
		443,418,338	317,271,493
	Taxable /(Deductible) temporary difference	**274,358,156**	**236,220,038**
	Income Tax rate	15.00%	15.00%
	Deferred Tax Liabilities/(Assets) at the end of the year/period	**41,153,723**	**35,433,006**
	Closing Deferred Tax Liabilities/(Assets)	41,153,723	35,433,006
	Opening Deferred Tax Liabilities/(Assets)	(35,433,006)	(35,808,168)
	D.Tax (income) / expenses recognized in profit and loss and other comprehensive income	**5,720,717**	**(375,162)**
B.	**D.Tax (income) / expenses recognized in Revaluation Reserve:**		
	Revaluation:		
	Carrying Amount:		
	Land and Land Development	547,605,914	547,605,914
	Building	60,276,136	66,973,484
		607,882,050	614,579,398
	Tax base:		
	Land and Land Development	-	-
	Building	-	-
		-	-
	Taxable /(Deductible) temporary difference	**607,882,050**	**614,579,398**
	Tax rate	15.00%	15.00%
	Deferred tax liability end of the year/period	**91,182,308**	**92,186,910**
	Closing Deferred Tax Liabilities/(Assets)	91,182,308	92,186,910
	Opening Deferred Tax Liabilities/(Assets)	92,186,910	93,248,112
	D.Tax (income) / expenses recognized in Revaluation Reserve:	**(1,004,602)**	**(1,061,202)**
C.	**Total Deferred tax liability at end of the year/period as shown in the Statement of Financial Position (A+B)**	**132,336,031**	**127,619,916**

Annexure-C

SHEPHERD INDUSTRIES LIMITED
Schedule of Closing Inventory
As on 30 June 2020

Name of Items	30.06.2020			30.06.2019		
	Qty in Lbs/Kg	Average Rate	Total Tk	Qty in Lbs/Kg	Average Rate	Total Tk
A) RAW MATERIALS:						
Raw Yarn	10,651,376	118.84	1,265,830,207	10,192,043	118.53	1,208,079,320
B) DYES & CHEMICALS:						
Dyes	177,858	877.56	156,081,301	149,798	876.21	131,254,865
Chemicals	808,433	138.05	111,604,239	463,744	137.81	63,908,538
	986,292	271.41	**267,685,540**	**613,542**	318.09	**195,163,403**
C) Work in Process:	507,716	135.11	68,597,406	438,353	133.92	58,703,132
D) Finished Goods:						
Dyed Yarn	801,390	174.57	139,897,846	740,955	172.56	127,856,088
E) Packing Materials			5,463,361			6,426,912
F) Store & Spares			7,833,048			9,140,368
Grand total (A+B+C+D+E+F):			**1,755,307,408**			**1,605,369,223**

AHMED ZAKER & CO. ★ Dhaka ★ Chartered Accountants

GGi INDEPENDENT MEMBER

Annexure-D

SHEPHERD INDUSTRIES LIMITED

Schedule of Accounts & Other Receivables
as on June 30, 2020

S.L	Particulars	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
Trade Receivable			
1	Ananta Huaxiang Ltd	-	2,556,049
2	Anzir Apparels Limited	21,351,115	-
3	Apparel Wet Processing Ltd	-	2,225,468
4	Aristo Fashion Ltd	200,330	-
5	A & S International Ltd.	-	3,709,791
6	ASR Sweater Ltd	11,497,646	1,527,658
7	Atashi Fashion Ltd.	-	1,204,541
8	Ats Auto Sweater Ltd	991,609	-
9	Best Wool Sweater Ltd.	118,206,289	228,339,219
10	BHML Industries Ltd.	1,713,323	-
11	Bhuyan Warm Tex Ltd.	15,361,188	4,176,793
12	Body Fashion (PVT) Ltd	-	1,981,600
13	CK Sweater Ltd	-	-
14	Cold Asia Sweater Ltd	-	4,221,482
15	Colour & Fashion Ind. Ltd	10,160,332	-
16	Cosmic Sweater Ltd	4,598,645	2,293,480
17	Creative Wool Wear Limited	1,146,497	8,433,741
18	Crown Cotton Limited	5,697,592	-
19	Daeyu Bangladesh Ltd.	7,442,923	4,680,527
20	Denim Asia Ltd.	2,790,613	-
21	Denim Fashion Ltd	634,654	-
22	Devor Industries Ltd	12,655,209	4,904,828
23	Dhaka Pullover Ltd.	8,416,239	6,923,329
24	Diganta Sweater Ltd	33,137,767	11,663,668
25	Disney Sweater Ltd	46,680,025	54,629,278
26	Dynamic Sweater Ltd	-	1,709,741
27	Dynasty Sweater Ltd.	12,511,541	12,191,231
28	Eh Fabrics Ltd	7,515,230	7,120,244
29	Ekram Sweater Ltd.	1,185,382	1,180,952
30	En Rich Ltd.	14,847,034	2,222,160
31	Eva Sweater Ltd.	1,447,401	2,037,509
32	Everbright Sweater Ltd	-	719,010
33	Fabulous Fashion Ltd	166,500	2,707,062
34	Faiza Industries Ltd	3,904,311	1,884,474
35	Faymax Sweater Ltd	626,193	-
36	FB Fashion (Pvt) Ltd.	12,199,596	8,417,695
37	Fyne Sweater Ltd.	3,615,412	-
38	Garib & Garib Sweater	-	10,375,965
39	Global Knitwear Ltd.	9,572,151	6,130,785
40	Golden Times Sweater Ltd.	-	8,779,138
41	Green Arrow Sweater Ltd.	11,499,326	10,855,934
42	Green Sweater Ltd	-	18,702,317

SHEPHERD INDUSTRIES LIMITED

Schedule of Accounts & Other Receivables
as on June 30, 2020

S.L	Particulars	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
43	GS Sweater Ltd.	-	1,495,287
44	Haesong Korea Ltd.	6,038,096	-
45	Hamid Sweater Ltd	-	1,750,552
46	Hera Sweater Ltd.	-	4,039,699
47	Hydroxide Knitwear Ltd	-	1,328,657
48	Indesore Sweater Ltd.	2,692,305	5,949,009
49	Irish Fashion Ltd.	15,082,263	40,659,772
50	Ixora Apprales Ltd	-	1,723,893
51	Jams Knit Wear (Pvt) Ltd	776,667	3,690,426
52	J F K Fashion Ltd	1,190,211	1,064,983
53	Koala Apparels Ltd.	989,393	-
54	Lebaz Sweater Ltd	1,815,832	-
55	Leeu Fashion Ltd	1,755,836	346,028
56	Lumbini Ltd	-	4,423,275
57	Lusine Fashion Ltd.	7,789,298	40,924,525
58	Madina Apple Fashion Ltd.	-	2,365,749
59	Magpie Knitwear Ltd.	22,827,157	37,329,953
60	Mark Sweater Ltd.	2,216,436	5,080,915
61	Masihata Sweater Ltd	15,822,566	4,703,230
62	Matrix Sweater	2,094,802	11,699,141
63	Max Sweater	92,739,826	105,690,735
64	Meditex Industries Ltd	25,779,255	19,495,680
65	Meditex Knitwear Ltd	11,137,111	34,776,382
66	Meek Sweater Ltd	883,911	3,060,452
67	M.G. Knit Fiairs Ltd	-	2,279,514
68	Midline Sweater Ltd	-	642,626
69	Mim Design Limited	859,032	17,273,946
70	MK Sweater	-	439,232
71	MNR Sweater Ltd	29,924,819	22,959,277
72	M T Sweaters Ltd.	1,904,670	-
73	Natural Sweater Ltd	6,104,036	-
74	Natural Sweater Village	-	3,491,259
75	New Horizon (BD) Ltd.	-	4,222,845
76	Next Export Zone Ltd	1,452,296	-
77	Nexus Sweater	-	1,949,763
78	Oasis Fashions Ltd	2,384,154	792,339
79	Ocean Sweater Ltd	13,388,668	13,974,993
80	Odessa Fashion Ltd.	-	4,497,477
81	Orchid Sweater Ltd	404,627	3,668,201
82	Orient Allure Knit Wear Ltd	-	1,491,787
83	Orpat Sweater Ltd	-	1,214,079
84	Pacific Sweater Ltd	-	3,171,879
85	Panache Knitted Creation	-	7,441,920
86	Pandora Sweater Ltd	20,850,140	5,699,199

Ahmed Zaker & Co. Chartered Accountants Dhaka

SHEPHERD INDUSTRIES LIMITED

Schedule of Accounts & Other Receivables
as on June 30, 2020

S.L	Particulars	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
87	Pigeon Sweater Ltd	958,116	-
88	Pioneer Knitwear (BD) Ltd	129,819,784	98,419,120
89	Pioneer Sweater Ltd.	-	51,367,989
90	PIOUS ATTIRES LTD	961,853	-
91	Posmi Sweater Ltd	3,678,576	12,266,902
92	Prime Sweater Ltd.	-	2,894,882
93	Probridhi Apparels Ltd	-	1,872,151
94	Prostar Apparels Ltd	-	847,916
95	Purba Apparels Ltd	4,369,884	5,679,717
96	Raidha Collections Ltd	4,215,867	105,626
97	Raozan Sweater Ltd.	5,270,757	919,761
98	RGR Sweater Ltd	55,442,940	23,695,849
99	Riverside Sweater Ltd	-	518,493
100	Rmm Knit Clothing Ltd	2,889,760	2,484,611
101	Rose Sweater Ltd.	-	10,431,296
102	RSS Sweater Ltd.	-	1,130,490
103	R S Sweater Ltd	-	2,823,293
104	Rupa Knitwear Ltd	-	752,373
105	Saadatia Sweater Ltd.	2,829,261	4,547,300
106	Sailor Moon Sweater Ltd	3,590,825	-
107	Samson Winter Wear	134,657	989,148
108	Seowan Bangladesh Ltd.	129,193,804	133,717,322
109	Shams Jacquard Ltd	2,188,277	4,377,069
110	Shinest Apprales Ltd	-	245,262
111	SMH New Generation	-	1,472,412
112	Smung Sweater Ltd	-	13,319,815
113	Sonia & Sweater Ltd.	-	9,699,216
114	SOULTEX FASHION LTD	7,536,297	-
115	Southeast Sweater Ltd	13,389,590	-
116	Southend Sweater Ltd	2,674,180	2,107,580
117	Southern Clothing Ltd.	7,923,634	3,438,427
118	Space Sweater Ltd	5,870,808	5,556,352
119	Spring Trade Ltd	23,956,791	-
120	SQ Celsius Ltd	18,164,956	-
121	SRP Sweater Ltd.	7,649,921	1,804,186
122	SS Sweater Ltd.	-	462,878
123	Sung Kwang Apparels	27,311,321	36,864,451
124	Supreme Knitwear Ltd	-	753,782
125	Supti Sweater Ltd	-	20,750,209
126	Sweater Tech Ltd	16,359,864	28,227,531
127	SYNERGY FASHIONS LTD	621,084	-
128	Target Denim & Casual	3,375,822	546,187
129	Target Fine Knit Industries Ltd.	14,708,091	23,819,495
130	Target Fine Wear Ltd	18,857,888	-

SHEPHERD INDUSTRIES LIMITED

Schedule of Accounts & Other Receivables
as on June 30, 2020

S.L	Particulars	Amount in Taka 30.06.2020	Amount in Taka 30.06.2019
131	T. Design Sweater Ltd	-	3,344,589
132	Titas Sweater Ind. Ltd	4,881,634	801,740
133	TJ Sweater Ltd	-	857,084
134	Ultimate Fashion Ltd	16,380,318	20,669,050
135	Virtual Bottoms Ltd.	727,944	-
136	Warm Fashion Ltd	-	1,460,179
137	Welldone Apparels Ltd	34,638,866	72,981,698
138	Winter Dress	-	3,638,260
139	Woolen & Wool Ltd	-	1,125,328
140	Zahintex Ind. Ltd	-	1,753,376
141	Z.A. Sweater Ltd	-	336,800
142	Zon Ron Sweater Ltd.	4,210,923	25,423,564
143	Zoom Sweaters Ltd	-	662,650
Total Trade Receivable		**1,245,459,773**	**1,507,277,750**
Less: Provision for Doubtful Debts- New Horizon		**-**	**4,222,845**
Total Receivable Considered as Good		**1,245,459,773**	**1,503,054,905**
Other Receivable			
	Office Rent	**401,809**	586,465
Total Other Receivable		**401,809**	**586,465**

Ahmed Zaker & Co. Dhaka Chartered Accountants

GGi INDEPENDENT MEMBER

Annexure-E

SHEPHERD INDUSTRIES LIMITED
Schedule of Advance, Deposit & Prepayments
as on 30 June 2020

S.L	Particulars	Amount in Taka 30.06.2020		Amount in Taka 30.06.2019
A)	**ADVANCES:**			
1	Advance Tax Paid	33,084,715		19,498,531
2	Artistic Properties Ltd	-		64,100,000
3	Akteruzzaman	4,671		-
4	Aminul Islam	20,000		-
5	Ataur Rahman, GM & CFO	-		14,700
6	Jacob Biswash	40,000		-
8	Jahidul Islam	9,545		-
9	Liakot Hossain	7,220		-
10	Md. Fakrul Alom	4,755		-
11	Md. Reshad Khan	1,500		-
12	Mizanur Rahman	36,291		-
13	Mohammed Rasel Miah	17,500		47,500
14	Nilufer Zakir	-		45,000
15	Shirajul Islam	86,840		-
16	Tofazzal Hossain, Dy. Manager	44,933		14,700
17	Al- Noor Secientific Co.	22,631		-
18	Alo Bitan	40,207		-
19	Alu Bazar Traders	307,607		-
20	B K Hardware and Tools	26,735		1,753
21	Bhander Sharif Trading Corporation	477,921		-
22	Bhuyan Sewing	10,210		-
23	Billal Tradeing PTE Ltd	14,743		-
24	Dysin International Ltd	77,542		-
25	Global Brand Private Limited	31,066		-
26	Global Compliance Initiative	-		65,000
27	Hosna Akter	-		500
28	ISN Printing & Packing	1,620		-
29	Joy Enterprise	-		226,120
30	M/S. Yasin Traders	-		30,000
31	Mark Trade International	1,548,423		-
32	M/S A.K Traders	1,350		-
33	M/S Aman Hardware Store	8,157		-
34	Overseas Markteting Corporation (Pvt) Ltd.	555		-
35	Nikunja Model Service Centre	13,550		-
36	Pre-Paid Insurance	2,315,555		1,447,494
38	Q Tex Bangladesh	12,005		-
39	Renu Enterprise	285		-
40	Saudia Electric Co.	3,317		-
41	SQ Wire & Cables Co. Ltd	51		-
42	Sreeeman Mithun Chandra Barmon	-		15,000
	Sub Total:	**38,271,500**		**85,506,298**

AHMED ZAKER & CO. Dhaka Chartered Accountants

GGi INDEPENDENT ,MEMBER

B)	**DEPOSITS:**			
1	Anser and VDP	185,532		185,532
2	Bank Guarantee Margin	2,913,843		3,334,507
3	Israil Talukder	-		50,000
4	L/C Margin- Southeast	146,114		4,109,200
5	Lease Deposit	198,349		198,349
6	PDB (Bhaluka)	1,043,500		1,043,500
7	RAK Security and Services (Pvt) Ltd.	30,000		30,000
8	Security Deposit- CDBL	500,000		500,000
9	Security Deposit- DESCO	144,000		144,000
10	Titas Gas T&D Co. Ltd.	8,614,980		8,614,980
	Sub Total:	**13,776,318**		**18,210,068**
	Grand Total:	**52,047,818**		**103,716,366**

AHMED ZAKER & CO. ★ Chartered Accountants ★ Dhaka

SHEPHERD INDUSTRIES LIMITED

Annexure-F

Schedule of Intangible Asset
as on 30 June 2020

Amount in Taka

Particulars	Cost			Depreciation				Written Down Value as on 30-06-20
	Opening Balance as on 01-07-19	Addition	Closing Balance as on 30-06-20	Rate (%)	Opening Balance as on 01-07-19	Charged during the year	Closing Balance as on 30-06-20	
Software & Software Development	450,000	-	450,000	20%	202,500	90,000	292,500	157,500
Total as on 30.06.2020	**450,000**	**-**	**450,000**			**90,000**	**292,500**	**157,500**

Annexure-G

SHEPHERD INDUSTRIES LIMITED

Schedule of Trade & Other Payables
as on 30 June 2020

S.L	Particulars	Amount in Taka	
		30.06.2020	30.06.2019
A: Accounts Payables for Trade			
1	Badsha Textiles Ltd	-	1,050,179
2	Ben Tech Co. Ltd.	67,555,557	75,056,435
3	Cheng Chin Transcend Enterprise Corporation	14,301,628	86,578,033
4	Chung Wan Corp. Ltd	-	8,166,502
5	Crystal Cardars Co. Ltd.	41,058,858	111,769,234
6	Everlight Chemical Industrial Corporation	-	794,300
7	Foshan Shunde Aolaimei Fine Chemicals Co.Ltd	-	2,833,211
8	Garg Acrylic Ltd	-	29,300,177
9	Hwa Tai Industries Co. Ltd.	-	735,150
10	Jiangsu GTIG ESEN Co. Ltd	-	35,766,050
11	Le Merite Exports Ltd.	8,691,418	-
12	Novel Pioneer Ltd	9,893,258	67,115,064
13	Novel Vantage Investment Ltd. India	6,163,504	45,107,978
14	Oriental Giant Dyes & Chemical Ind. Corp.	1,813,245	-
15	RN Spinning Mills	-	31,492,727
16	Square Textiles Ltd.	45,597	-
17	Sri Bhagirath Textiles Ltd	4,554,399	-
18	Transfar (Hongkong) Ltd.	-	1,437,608
19	T&T Industries Corporation Ltd	5,235,585	-
20	Uttara Spinning Mills Ltd	-	592,409
21	Wolfson Ltd	27,201,170	67,170,307
22	ASM Chemical Industries Ltd.	661,212	1,220,081
23	Appearance	-	99,600
24	Bismillah Engineering Workshop	597,036	-
25	Bismillah Paper Cone & Tube	2,492,971	1,843,704
26	Everfirst Technology Ltd.	270,889	333,230
27	G Q Industries Ltd.	833,081	851,030
28	Green Will Ltd.	431,201	279,301
29	Jafar Traders	1,218,419	1,553,839
30	LLANO (BANGLADESH) LTD.	487,425	316,642
31	Lucy Enterprise	48,020	48,020
32	MM International	240	240
33	M/s. Joy Kali Traders	7,790	-
34	M/S J. R Enterprise	-	41,650
35	Nabila Enterprise	20,474	33,340
36	Nikunja Model Service Centre	-	297,408
37	On Tex Bangladesh Co.	-	10,976
38	Parbortto Enterprise	220,000	-
39	R S Plastic Enterprise	26,400	-

Ahmed Zaker & Co. Chartered Accountants Dhaka

SHEPHERD INDUSTRIES LIMITED

Schedule of Trade & Other Payables
as on 30 June 2020

S.L	Particulars	Amount in Taka	
		30.06.2020	**30.06.2019**
40	SAF Chemicals	-	211,151
41	Setu Enterprise	1,453,484	3,668,109
42	SJM Enterprise	466,778	164,885
43	Sparrow Corporation	171,750	609,210
44	Talha Enterprise	-	42,680
45	TM International	118,200	-
46	United Chemical	669,756	1,688,616
47	UTC Universal Tech Co	720	70,496
48	Victori Bangla	-	190,605
49	Water World Engineering	-	42,336
		196,710,065	**578,582,512**
B: Accounts Payables for others			
1	Afsar Trading Corporation	146,753	-
2	Al Aksha Sweater Ltd.	68,429	-
3	Al Hera Design & Printers	168,679	254,955
4	Al- Noor Secientific Co.	-	53,712
5	Alo Bitan	-	101,171
6	Alu Bazar Traders	-	280,588
7	Aman Hardware Store	4,214	34,169
8	Ariful Bearing House	3,492	-
9	Artistic Properties Limited	23,500,000	-
10	Asia Pacific General Insurnace Co.Ltd.	60,042	-
11	Asif Screw House	-	358
12	Auto Electrics	52,000	-
13	Auto Power Controls	21,560	-
14	Bangladesh Lift Industries Ltd	33,440	22,800
15	Bagerhat International	-	289,871
16	Bangladesh Spring Workshop	3,430	-
17	Bhander Sharif Trading Corporation	-	3,404,739
18	Banglalink Digital Communications Ltd	-	31,671
19	Bhuiyan Sewing	-	17,021
20	Bilal Trading PTE Ltd	-	91,240
21	B. R Trading	8,560	-
22	B. Tex Colour Touch	-	262,062
23	Bureau Veritas Consumer Products Services	3,826	-
24	Central Depository Bangladesh Limited (CDBL)	50,537	-
25	Codeware Ltd.	-	2,250
26	Daniel Corporation Ltd	-	2,100
27	Dhaka Insulation Co. Ltd	33,000	-
28	D T M Fabrics	153,125	-
29	Dubai Trade International	7,372	23,959

SHEPHERD INDUSTRIES LIMITED

Schedule of Trade & Other Payables
as on 30 June 2020

S.L	Particulars	Amount in Taka	
		30.06.2020	30.06.2019
30	Dysin- Chem Limited	22,396	420,616
31	Easy Soft	10,000	20,000
32	Fellow Trading & Marketing Company	-	78,784
33	Gazi Tanks	-	323,792
34	Garib & Garib Fabric Care	716,559	20,628
35	Genetic Power & Engineering Ltd	-	20,000
36	Global Brand Private Limited	-	34,500
37	Hoque Chemicals Works	-	90,000
38	Israil Talukder	165,481	-
39	IT Vista	34,328	91,882
40	Jharna Agency C&F Ltd	-	4,363
41	Jhon Stitch Textile	-	18,870
42	Janani Automobles	-	93,783
43	K.S. Enterprise (C&F)	26,192	54,540
44	Khan Enterprise	1,621,528	1,574,894
45	Khan Global	68,428	691
46	Link Trade	7,000	
47	Lube House	220,991	506,417
48	Maan Bangladesh Ltd.	9,400	2,350
49	Mark Trade International	-	395,760
50	Mahim Winding	259,060	-
51	Md. Maijuddin	72,198	-
52	M K Enterprise	28,600	-
53	M/S Afsar Trading Corporation	3,355	-
54	M/s Alam Store	-	27,190
55	M/S A.R Filling Station	65,300	-
56	M/S Forhad Enterprise	143,670	-
57	M/S Maa Surgical	5,200	-
58	M/S Himel Electric Works	-	600
59	M/S Nishat Traders	-	33,751
60	M/s S.N. Enterprise	538,221	378,985
61	M/S. Yasin Traders	160,930	-
62	Ma Traders & Variety Store	3,724	37,321
63	MKS Trade Corporation	47,497	186,753
64	Modern Tex	311,871	-
65	Mourin Enterprise	900	-
66	Navana Poly Packaging Ltd	-	116,643
67	Navana Toyota Service Center Ltd (Uttara)	63,590	92,027
68	Nazia Books & Stationery	97,873	1,158
69	New Star Communication	56,700	-
70	Nilufer Akter	12,415	133,150

AHMED ZAKER & CO. * Chartered Accountants * Dhaka

SHEPHERD INDUSTRIES LIMITED

Schedule of Trade & Other Payables
as on 30 June 2020

S.L	Particulars	Amount in Taka	
		30.06.2020	**30.06.2019**
71	Nitol Motors Ltd	418	34,035
72	Orient Plastic & Packaging Industries Ltd.	-	25,024
73	Prisma Technologies Ltd	318,221	-
74	Puma Engineering	75,000	-
75	Rifat Enterprise	485,976	2,065,976
76	Saudia Electric Co.	-	18,860
77	Sharif Bearing & Machineries	32,243	105,619
78	Shajahan Engineering Works	-	63,750
79	Shohana/SMJ Winding	51,655	-
80	SQ Wire & Cables Co. Ltd	-	253,103
81	Super Tex Cone	-	735,970
82	Standard Hardware & Tools	-	70
83	Stock Bangladesh Ltd.	4,800	-
84	Super Tex Cone	6,530	-
85	Tanzit Twiest	51	-
86	The Khan Global	52,292	-
87	The National Carrier	5,709,328	1,882,948
88	The New Khan Tyre & Battery Shop	22,844	16,745
89	Triple "S" Yarn Winding	582,367	-
90	Unique Engineering	81,144	-
91	Vai Mending Work	77,028	86,634
92	Yellow Communication	27,060	-
Sub Total		**36,618,823**	**14,920,848**
Grand Total (A+B)		**233,328,888**	**593,503,360**

AHMED ZAKER & CO. Dhaka Chartered Accountants