Esquire Knit Composite Limited

ANNUAL REPORT 2020-21

About this Report

We continue to move forward in our reporting journey to inform our shareholders/stakeholders about the company's value creation process, using both financial and non-financial resources.

REPORTING FRAMEWORK

The financial statements and statutory disclosures including the Board's Report, Management Discussion and Analysis and Corporate Governance Report are presented in line with the requirements of the Companies Act 1994, Accounting Standards of Bangladesh, the Securities and Exchange Commission of Bangladesh Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of Bangladesh.

REPORTING BOUNDARY

The financial information contained in this Report pertains to Esquire Knit Composite Limited, including its subsidiaries. The non-financial information is limited to the Company's operations in Bangladesh, unless otherwise specified in relevant sections.

REPORTING PERIOD

The Report covers financial and non – financial performance of the Company from 1 July 2020 to 30 June 2021.

MANAGEMENT RESPONSIBILITY STATEMENT

The management of Esquire Knit acknowledges its responsibilities in ensuring the integrity of the Annual Report. The management also confirms that the Report addresses all material matters pertaining to the company and its stakeholders, and communicates the company's ability to pursue prospects and mitigate risks.

ASSURANCE OF REPORT CONTENT

Reporting Element	Assurance Status
Financial Information	The financial statements presented in the report have been audited by M/S. Mahfel Huq & Co.
All other non-financial performance information	Internally verified and assured by the Management.
Compliance on the Corporate Governance	The Compliance on the Corporate Governance code presented in the report have been audited by M/S. Chowdhury Bhattacharjee & Co.

At Esquire, we are driven by the aspirations of our stakeholders.

A purpose- led organization, our ethic is centered around giving back more than what we take. For the past twenty years, this has enabled our transformative journey, which has delivered superior value for all our stakeholders.

True to our ethos, today, as we continue to innovate, transform and grow, we stay committed to 'making a difference.'

Inside the Report

About Esquire Knit 2
Performance Highlight 4
Letter of Transmittal 6
Notice of the 21St Annual General Meeting 7
Our Essence 8
Financial Calendar 10
Investor Relations (Standalone) 11
Financial Spread Sheet Analysis 12
Frequently Asked Questions (Faqs) on Virtual Annual General Meeting 13
Corporate Information 14
Our Journey 16
Certificates 18
Board of Directors 21
Board and Management 22
Profile of Directors' 24
Growth Philosophy of Esquire Knit 28
Key Financial Analysis 30
Management Team 31
From the Desk of the Chairman 32
From the Desk of the Managing Director 34
Director's Report 36
Corporate Governance 56
Statement of Value Added 62
Declaration by Managing Director and Chief Financial Officer (CFO) 63
The Pattern of Shareholding 64
Key Operating and Financial Data (Standalone) 65
Management's Discussion & Analysis 66
Corporate Governance Compliance Report 69
Status of Compliance 70
Directors Declaration 78
Report of the Audit Committee 79
Activities and Other Details of Nomination and Remuneration Committee (NRC) 81
Involvement of Directors in other Organizations 83
Evaluation of Quarterly Financial Statements 85
Market Value Added Statement 86
Nomination and Remuneration Policy 87
Dividend Policy (Dividend Distribution Policy) 92
Risk Management 95
Corporate Social Responsibility 97
Directors Profile 99

Esquire Knit Composite Limited and its Subsidiary Audited Consolidated Financial Statements 101

Esquire Knit Composite Limited Audited Financial Statements 161

L'esquire Limited Financial Statements 222

Proxy Form Annexed

Who we are

As the needs of people around our environment keeps changing, so does the vision, mission and value of Esquire Knit. We too are flexible to changes, so that we can serve our stakeholders the best of everything.

Esquire Knit Composite Limited is one of Bangladesh's leading Knit Garments Manufacturer and Exporter.

The corporate office of the company is in Dhaka, the capital city of Bangladesh and has factories are in Kanchpur, Narayangonj and Valuka, Mymensingh, Bangladesh.

At present Esquire Knit exported Knit Garments over 25 countries across emerging markets of Asia, Europe, United State of America and Africa.

We produce different types of Knit Garments to keep human's lifestyle comfortable and elegant with the passage of time.

Our ready-made garments are popular among the buyers in the outlets of the world's famous and popular clothing brands. Notable among these C&A, Best Seller, Mascot, Esprit, Tee Jays, Celio, Next etc.

Esquire Knit is a company that creates employment for the people of this country. The company presently employs a total of 6,983 workers and 1,435 staff & officers.

Which we have already achieved

TURNOVER

2020-2021	2019-2020	2018-2019
Taka **7,905.84** Million	Taka **5,000.52** Million	Taka **5,919.58** Million

NET PROFIT AFTER TAX

2020-2021	2019-2020	2018-2019
Taka **301.86** Million	Taka **266.00** Million	Taka **283.61** Million

DIVIDEND TO THE SHAREHOLDER

2020-2021	2019-2020	2018-2019
Taka **202.34** Million million (Cash)@1.5 per share	Taka **202.34** Million million (Cash)@1.5 per share	Taka **202.34** Million million (Cash)@1.5 per share

TOTAL DIVIDEND PAYOUT FROM THE LISTING YEAR 2019

TAKA 607.02 MILLION

LISTING WITH

DHAKA STOCK EXCHANGE (DSE) | CHITTAGONG STOCK EXCHANGE (CSE)

Our Values

CONSUMER SATISFACTION

Creating solutions in shipment and seeing as a focus and partner with the consumer

TRANSPARENCY AND OPENNESS

Listening, criticizing and accepting without bias allowing diversity of opinions through mutual respect and trust for each other.

LOOKING FOR OPPORTUNITIES

Identifying early opportunity signals in the environment to generate growth options

LIFESTYLE CHANGES

Focusing on lifestyle changes with the quality of the people and keeping ourselves prepared accordingly.

BIAS FOR ACTION

Preference for quick thoughtful action as opposed to delayed action through analysis

GLOBAL OUTLOOK

Sensitivity and adaptability to culture diversity and learning from different cultures.

PERFORMANCE HIGHLIGHT

Financial Year 2020-2021

SOCIAL PERFORMANCE

1,435
Officers & Staff working as full-time employee

6,983
Worker Working as full-time employee

4,348
Women works as worker

62.27%
Women Works as workers

8,418
Employee Works as full-time employee

1.76%
Increased of employee

LETTER OF TRANSMITTAL

To
The Members
Bangladesh Securities and Exchange Commission
Register of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Annual Report for the year ended 30 June 2021

Dear Sir(s)

We are pleased to enclose herewith a copy of the Annual Report containing Directors' Report, Auditors' Report along with the Audited Financial Statements comprising Statement of Financial Position as at 30 June 2021, Statement of Profit or Loss and other Comprehensive income, Changes in Equity and Cash Flows for the year ended 30 June 2021 along with notes thereon, all other Consolidated and Subsidiaries Financial Statements, Corporate Governance Compliances and others for your kind information, records and necessary measures.

Thanking You

Yours sincerely

Dated : 30 October 2021
Dhaka

Md. Monir Hossain
Company Secretary

N.B: The Annual Report 2020-2021 is also available in the Company's website at: www.esquireknit.com

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING

ESQUIRE KNIT COMPOSITE LIMITED
21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Tejgaon, Dhaka-1208

Notice of the twenty-first Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting of the Shareholders of Esquire Knit Composite Limited will be held virtually by using Digital Platform on Wednesday, the 26 January 2022 at 11:00a.m. (Dhaka time) to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2021 together with reports of the Auditors' and the Directors' thereon.
2. To declare 15% (fifteen Percent) cash dividend.
3. To elect/re-elect Directors in terms of the relevant provision of Articles of Association.
4. To appoint Auditors for the year 2021-2022 and fix their remuneration.
5. To appoint Corporate Governance Compliance Auditor for the year 2021-2022 and fix their remuneration.
6. To transact any other business with permission of the Chair.

All Shareholders of the Company are requested to kindly attend the Meeting accordingly.

By order of the Board

Dated: Dhaka
30 October 2021

Md. Monir Hossain
Company Secretary

Notes:

1. The 'Record Date' of the Company shall be on Sunday, 5 December 2021. The shareholders whose names will appear in the Share Register of the Company or in the Depository Register on the 'Record Date' i.e., 5 December 2021, will be entitled to attend at the Annual General Meeting.
2. A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her stead. The proxy form duly stamped valuing Tk. 20/- must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
3. Annual Report for the year 2020-2021 will be sent through e-mail address of the Shareholders and will be available in the Website of the Company at: www.esquireknit.com.
4. The Shareholders will join the Virtual Annual General Meeting through the link https://esquireknit.bdvirtualagm.com. The Shareholders will be able to submit their questions/comments and vote electronically 1 (one) hour before commencement of the AGM and also during the AGM. For logging in to the system, the Shareholders need to put their 16-digit Beneficial Owner (BO) ID/Folio Number and other credential as proof by visiting the said link.
5. Members whose Name, TIN, Bank Account Number, e-mail addresses and mobile number have not been updated/changed in the meantime, are requested to update the same.
6. The concerned Brokerage House/DPs are requested to provide us the statement (both of the hard & soft copy) on or before 21st December 2021 with detail of their margin loan holders entitled to dividend for the year ended on 30 June 2021.
7. We encourage the members to log into the system prior to the meeting start time. Please allow ample time to login and establish your connectivity. For any IT related guideline, Shareholders may contact vide Mobile Number +8801713-335876 or e-mail: cs@esquire.com.bd.
8. In compliance with the circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013 issued by BSEC, no benefit in cash or kind shall offered to the members during the Annual General Meeting

Mission

To become a leading manufacturer of Knit Garments Products in the international market & to explore new era to achieve the highest level of success. At the same time, our mission is to ensure quality products and services to the customers within the shortest possible lead-time based on optimum utilization of the resources to achieve sustainable growth. We want to make sure that the overall purpose and scope of the business is meeting shareholders/stakeholders' expectations through maintaining business ethics and caring for the environment and exertion towards green planet.

Vision

A premier quality company providing quality products and maintaining an excellent level of ethical and professional standards. At the same time, our vision is to work for continuous self-improvement to serve our customer with the best possible products and services and emerge as one of the most admired companies in the textile's and knit garment's arena.

Core Values

Our core values define who we are; they guide us to take decisions and help realize our induvial and corporate aspirations.

Commitment to Product Quality

We adopt industries best practices in all our operations to ensure highest quality standards of our product.

Customer Satisfaction

We are committed to satisfying the needs of our customers, both internal and external.

Public Focus

We give high priority on building capabilities of our employees and empower them to realize their full potential.

Accountability

We encourage transparency in everything we do and strictly adhere to the highest ethical standards. We are accountable for our own actions and responsible for corporate reputation.

Corporate Social Responsibilities

We actively take part in programs indicatives that benefit our society and contribute to the welfare of our people. We take great care in managing our operations with high concern to protect environment.

Business Ethics

Esquire Knit is one of the largest knit garment's products manufacturers in Bangladesh. Esquire Knit believes that good ethics and good business go together naturally to produce the best long-term results for all the stakeholders. Esquire's vision is to be one of the biggest and the best-knit garments products manufacturers company in the country. Its success is sustained by understanding and responding to the needs of consumers, customers, suppliers, colleagues and citizens. Its values are based upon performance, quality, respect, integrity and responsibility, honesty, openness and courtesy. This means everyone in Esquire Knit acts in an ethical way to protect and promote the company and its reputation among the people and communities it does business with.

Reliability

Reliability means that every Esquire Knit team member needs to deliver consistently, as every employee leaves an impact on our quality standards. According to Esquire Knit, "Reliability is a way of being, and the basis of trust"

Innovation

Innovation motivates action: to take risks, encourage curiosity and new ideas, learn from mistakes, and constantly strive to exceed expectations. Through innovation, we generate solutions for our customers and raise the bar both within our workplace and throughout our industry.

Green Environment

Green Environment relaters to the concerns for environmental conservation of our surroundings. This includes supporting practices like informed consumption, conservation practices and investment in renewable energy. By recognizing the balance between humans and various nature eco-systems, we hope to lead by example through changes in our practices, public policy and individual behavior to renew and revitalize our connection with nature.

FINANCIAL CALENDAR

MONDAY, 30 NOVEMBER 2020

First Quarter

Adoption of un-audited first quarter financial statements for the period ended 30 September 2020

WEDNESDAY, 27 JANUARY 2021

Second Quarter

Adoption of un-audited second quarter financial statements for the period ended 31 December 2020

THURSDAY, 29 APRIL 2021

Third Quarter

Adoption of un-audited third quarter financial statements for the period ended 30 March 2021

SATURDAY, 30 OCTOBER 2021

Audited Financial Statements

Adoption of audited financial statements for year ended 30 June 2021

SUNDAY, 5 DECEMBER 2021

Record date

Record date in lieu of Book Closure

SATURDAY, 30 OCTOBER 2021

AGM Notice

Notice of twenty-first Annual General Meeting

TUESDAY, 11 JANUARY 2022

Annual Report

Issuance and Submission of Annual Report

WEDNESDAY, 26 JANUARY 2022

AGM Day

Twenty-First Annual General Meeting

WEDNESDAY, 23 FEBRUARY 2022

Dividend

Payment of Dividend

SUNDAY, 6 MARCH 2022

Compliance Report

Dividend Compliance Report

INVESTOR RELATIONS (STANDALONE)

Share Office & Corporate Office

Esquire Tower
21 Shahid Tajuddin Ahmed Sarani
Tejgaon, Dhaka-1208
IP Phone: +88 0961243322 Ext: 788

Contact Person

Mr. Md. Monir Hossain
Company Secretary

Md. Mijanur Rahman
Deputy Company Secretary

Date of Annual General Meeting (AGM)

Wednesday, 26 January 2022

Date of Board of Directors Meeting	1st Quarter	2nd Quarter	3rd Quarter	Annual
	30-Nov-21	27-Jan-21	29-Apr-21	30-Oct-21

	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Shareholders' equity	8,662,233,922	6,827,436,987	6,763,777,435	4,927,141,548	4,583,172,974
Number of shares	134,895,833	134,895,833	134,895,833	100,000,000	100,000,000
Earnings per share	2.24	1.97	3.37	3.44	3.12
Break-up value per share	64.21	50.61	67.64	49.27	45.83
Face value per share on 30 June	10	10	10	10	10
Cash Dividend %	15%	15%	15%	Nil	Nil
Bonus Shares %	Nil	Nil	Nil	Nil	Nil
Net Profit after tax	301,859,226	266,003,303	383,607,218	343,968,575	312,146,695
Dividend amount in Taka	202,343,749	202,343,749	202,343,749	Nil	Nil
% of dividend against Net Profit	67.02%	76.07%	52.75%	Nil	Nil
Highest price during the year	43.5	33.7	52.5	Not Listed	Not Listed
Lowest price during the year	20	21.9	27.7	Not Listed	Not Listed

Break-up value per share = Shareholders Equity/Number of Shares

FINANCIAL SPREAD SHEET ANALYSIS
FOR THE FIVE YEARS AUDITED FINANCIAL STATEMENTS

Statement of Financial Position

(Five Years Analysis)

Particulars	As at 30 June 2021		As at 30 June 2020		As at 30 June 2019		As at 30 June 2018		As at 30 June 2017	
	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets	Amount (BDT)	% on Total Assets
Non-current Assets	**8,342,503,179**	**55.76**	**5,538,701,226**	**46.28**	**5,326,047,982**	**51.73**	**4,214,057,754**	**55.69**	**3,965,773,507**	**54.39**
Property, plant and equipment	6,511,975,328	43.53	4,675,599,621	39.07	4,487,335,605	43.58	4,083,466,301	53.97	3,965,173,507	54.38
Capital Work in Process	1,682,752,850	11.25	715,326,604	5.98	690,937,377	6.71	82,816,453	1.09	6,000,000	0.08
Investment in shares	147,775,000	0.99	147,775,000	1.23	147,775,000	1.44	47,775,000	0.63	-	-
Current Assets	**6,618,709,277**	**44.24**	**6,429,251,222**	**53.72**	**4,970,526,758**	**48.27**	**3,352,777,143**	**44.31**	**3,325,728,195**	**45.61**
Inventories	3,392,689,572	22.68	3,099,843,476	25.90	2,669,649,923	25.93	2,233,351,223	29.51	2,003,201,051	27.47
Accounts receivables	1,236,543,152	8.26	470,602,348	3.93	534,955,129	5.20	558,149,089	7.38	835,188,043	11.45
Other receivables	3,818,089	0.03	13,504,400	0.11	1,871,871	0.02	2,364,571	0.03	848,866	0.01
Advance deposit and payment	1,210,102,389	8.09	858,868,308	7.18	806,256,844	7.83	395,215,604	5.22	327,478,318	4.49
Investment	98,507,093	0.66	260,034,065	2.17	89,297,144	0.87	85,589,679	1.13	92,794,091	1.27
Cash and cash equivalents	677,048,982	4.53	1,726,398,625	14.43	868,495,847	8.43	78,006,978	1.03	66,217,826	12.71
Total Assets	**14,961,212,455**	**100.00**	**11,967,952,449**	**100.00**	**10,296,574,740**	**100.00**	**7,566,834,897**	**100.00**	**7,291,501,702**	**100.00**
Equity & Liabilities										
Shareholders' Equity	**8,769,762,527**	**58.62**	**6,827,436,988**	**57.05**	**6,763,777,435**	**65.69**	**4,927,141,548**	**65.11**	**4,583,172,974**	**62.86**
Share capital	1,348,958,330	9.02	1,348,958,330	11.27	1,348,958,330	13.10	1,000,000,000	13.22	1,000,000,000	13.71
Minority interest	359,823	0.00	-	-	-	-	-	0.00	-	-
Share premium account	1,086,653,150	7.26	1,104,070,338	9.23	1,104,070,338	10.72	-	0.00	-	-
Revaluation surplus	3,857,804,160	25.79	1,986,590,489	16.60	1,986,590,489	19.29	1,986,590,489	26.25	1,986,590,489	27.25
Retained earnings	2,475,987,064	16.55	2,387,817,832	19.95	2,324,158,278	22.57	1,940,551,060	25.65	1,596,582,485	21.90
Non-Current Liabilities	**2,691,517,822**	**17.99**	**2,495,243,627**	**20.85**	**1,336,766,795**	**12.98**	**614,250,371**	**8.12**	**446,462,151**	**6.12**
Deferred Tax liabilities	277,800,049	1.86	191,187,753	1.60	164,722,043	1.60	140,455,767	1.86	107,762,740	1.48
Long term loan net off current maturity	2,410,210,984	16.11	2,275,685,650	19.01	1,162,262,296	11.29	460,365,552	6.08	314,852,022	4.32
Finance lease obligation net off current maturity	3,506,788	0.02	28,370,223	0.24	9,782,456	0.10	13,429,053	0.18	23,847,389	0.33
Current Liabilities	**3,499,932,107**	**23.39**	**2,645,271,834**	**22.10**	**2,196,030,510**	**21.33**	**2,025,442,977**	**26.77**	**2,261,866,577**	**31.02**
Short term loan	1,479,436,051	9.89	984,070,652	8.22	898,998,063	8.73	768,567,488	10.16	1,038,550,696	14.24
Current portion of long term loan	638,302,027	4.27	465,013,712	3.89	184,459,567	1.79	241,015,420	3.19	190,845,902	2.62
Current portion of finance lease obligation	8,461,764	0.06	13,515,944	0.11	8,797,815	0.09	10,663,946	0.14	21,052,426	0.29
Unclaimed dividend	4,176,706	0.03	-	-	-	-	-	0.00	-	-
Accounts payable	1,008,849,576	6.74	866,491,799	7.24	916,507,610	8.90	793,829,096	10.49	761,672,950	10.45
Liabilities for expenses	360,705,982	2.41	316,178,727	2.64	187,267,456	1.82	211,367,028	2.79	249,744,602	3.43
Total Equity & Liabilities	**14,961,212,455**	**100.00**	**11,967,952,449**	**100.00**	**10,296,574,470**	**100.00**	**7,566,834,897**	**100.00**	**7,291,501,702**	**100.00**

FREQUENTLY ASKED QUESTIONS (FAQS) ON VIRTUAL ANNUAL GENERAL MEETING

1. **Why is this Annual General Meeting will only be held under virtual platform?**

   In light of the prevailing COVID-19 situation in Bangladesh and considering the health and safety of all shareholders, members and others, a listed company can arrange Virtual Annual General Meeting which may be conducted through live webcast by using digital platform to avoid large gathering at one place and also to maintain social distancing. In this connection, Bangladesh Securities and Exchange Commission has issued a directive, vide order no. SEC/SRMIC/04-231/932 dated 24 March 2020. Under this circumstance, Esquire Knit Composite Limited has planned to arrange its 21st Annual General Meeting virtually by using digital platform.

2. **Who are entitled to participate in the Annual General Meeting?**

   The Shareholders, whose names will appear in the Share Register of the Company or in the Depository Register on the record date i.e., 5 December 2021, will be entitled to attend at the Annual General Meeting.

3. **How can I participate in the Annual General Meeting?**

   The Shareholders will join the Virtual Annual General Meeting via the links-https://esquireknit.bdvirtualagm.com. For logging in to the system, the Shareholders need to put their 16-digit Beneficial Owner (BO) ID/Folio Number and other credential as proof by visiting the said link. We encourage the members to log into the system prior to the meeting start time. Please allow ample time to login and establish your connectivity.

4. **How I can submit questions/comments prior to and during the meeting?**

   The Shareholders will be able to submit their questions/comments and vote electronically 1 (one) hour before commencement of the AGM and also during the AGM by visiting the link- https://esquireknit.bdvirtualagm.com.

5. **How the Company will address our questions/comments?**

   During the live Question & Answer session on the Annual General Meeting day, the Board and the Management will try to answer the relevant questions, which will be submitted via the digital platform and e-mail prior to or during the meeting. However, Esquire Knit Composite Limited reserves the right to edit and reject questions if it deems impudent or otherwise inappropriate.

6. **How can I vote in the Annual General Meeting?**

   You can vote electronically 1 (one) hour before commencement of the AGM and also during the AGM by visiting link- https://esquireknit.bdvirtualagm.com.

7. **How can I submit Proxy form?**

   A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her stead. The proxy form duly stamped valuing Tk. 20/- must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

8. **What if I have technical difficulties or trouble accessing the virtual meeting?**

   For any IT related guidance, Shareholders may contact vide email: mijanur@esquire.com.bd and majharul@esquire.com.bd.

CORPORATE INFORMATION

Registered Office	Corporate Office
Esquire Tower 21 Shaheed Tajuddin Ahmed Sarani Tejgaon Industrial Area Tejgaon, Dhaka-1208, Bangladesh Ip Phone: +09612443322 E-mail: cs@esquire.com.bd	**Esquire Tower** 21 Shaheed Tajuddin Ahmed Sarani Tejgaon Industrial Area Tejgaon, Dhaka-1208, Bangladesh Ip Phone: +09612443322 E-mail: cs@esquire.com.bd

Factory	
Kanchpur Plant	**Valuka Plant**
22/58, Kanchpur, Sonargaon, Narayangonj, Bangladesh	Jamiredia, Valuka Mymensingh, Bangladesh

Stock Exchange Listing

Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Year of the Listing

2018-2019
9th April 2019 (Trading date)

Public Relations

Esquire Tower
21 Shaheed Tajuddin Ahmed Sarani
Tejgaon Industrial Area
Tejgaon, Dhaka-1208, Bangladesh
Ip Phone: +09612443322 Ext: 788
E-mail: cs@esquire.com.bd
monir@esquire.com.bd

Bankers

Dutch-Bangla Bank Limited
Eastern Bank Limited
United Commercial Bank

Insurance

Progati Insurance Limited
Crystal Insurance Co Ltd.
Bangladesh National Insurance Co. Ltd.

Legal Advisor	Statutory Auditors	Compliance Auditor
Mr. Md. Sameer Sattar, Barrister Unit-E3, House-/A, Road-35, Gulshan-2, Dhaka-1212, Bangladesh	**Mahfel Huq & Co.** Chartered Accountants BGIC Tower (4th Floor) 34, Topkhana Road, Dhaka-1000 Bangladesh	**Chowdhury Bhattacharjee & Co.** Chartered Accountants 47/8, Indira Road (Fr. Floor) Dhaka-1215, Bangladesh

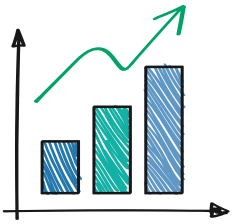
Membership

Bangladesh Garments Manufacturers & Exporters Association (BGMEA)
Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA)
Bangladesh German Chamber of Commers & Industry (BGCCI)
Spain Bangladesh Chamber of Commerce and Industry
Bangladesh Association of Public Listed Company (BAPLC)

WEB & E-Mail Address

WWW.esquireknit.com
cs@esquire.bd.com

OUR JOURNEY



2000

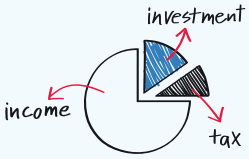
Company Incorporated & BOI (Board of Investment, Bangladesh) License

2001

Commenced Commercial Operation

2002

Factory License and Certified to ISO 9002:1994 Awarded ISO 9000 Series (Quality Management System)



2005

Certified to ISO 9001:2000 Awarded ISO 9000 Series (Quality Management System)

2012

Certified to ISO 9001:2008 Awarded ISO 9000 Series (Quality Management System)

2015

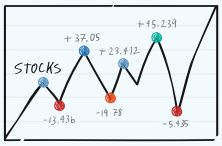
Certified to ISO 9001:2015
Awarded ISO 9000 Series
(Quality Management System)
Converted as Public Listed Company

2016

Membership Certificate BGMEA
and Awarded OHSAS 18001: 2007
Certified (Occupational Health &
Safety Management System)
Certified to ISO 14001:2004
Certified ISO 14001:2015
Awarded ISO 14001:2015
Certificate (Environmental
Management System)

2017

Awarded Oeko-Tex Garments Product Class 1 Certified
Awarded Oeko-Tex Garments Product Class 1 Certified
Awarded GOTS
Awarded OCS-In
Awarded RCS
Awarded Amfori BSCI



2019

Awarded C-TPAT
Awarded SCOPE Certificate
Listing with Dhaka Stock
Exchange Ltd.
Listing with Chittagong Stock
Exchange Ltd.

CERTIFICATES

Better Work

Name of the factory	Esquire Knit Composite Ltd.
Enterprise Address	Kanchpur, Sonargaon, Narayanganj, Bangladesh
Enterprise registration Number	1828
Cycle#	5
Date of VCC	11-12 July 2021

Due to the worldwide pandemic situation for COVID-19, Better Work Bangladesh has suspended in-person assessment from 22nd March 2020. In-person assessment has been replaced by tailored virtual assessment. This report represents a check on compliance that was conducted remotely through virtual means (Virtual Compliance Check, or VCC). (Better Work staff did not visit the factory.) As such the findings may not be comprehensive and some issues may be undetected. Better Work recommends that the report is viewed in combination with other Better Work reports, including advisory services reports and training logs.
The VCC focused primarily on:
- issues subject to public reporting,
- issues that are relevant in the context of Covid-19
- non-compliance findings from the previous assessment, especially those that have not been closed in the Improvement Plan
- any additional issues that surfaced during interviews, document reviews and/or observation

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Producer : Esquire Knit Composite Ltd.
BSCI - 2022 and Audit Id : 200609 Audit Date : 17/01/2021
Audit Type : Full Audit

Auditee :	Esquire Knit Composite Ltd.
Audit Date From :	17/01/2021
Audit Date To :	18/01/2021
Expiry Date of the Audit :	Please refer to the producer profile in the amfori BSCI platform
Auditing Company :	Intertek
Auditor's Name(s) :	Abdullah Al Muktadir, Md Ataur Rahman(Lead), Fuara Sultana
Auditing Branch (if applicable) :	Intertek Bangladesh

amfori BSCI
Trade with purpose

This is an extract of the on line Audit Report.The complete report is available in the amfori BSCI Platform.
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Page 1/17
Generated on:21/01/2021

CU Inspections & Certifications India Pvt. Ltd.
22nd Floor,Arihant Aura, TTC Industrial Area, Turbhe MIDC, Opposite Turbhe Station,400705,Navi Mumbai, Maharashtra,India
+91 22 61294200
www.petersoncontrolunion.com

SCOPE CERTIFICATE

Scope Certificate Number: CU806338GOTS-2021-00123390

Control Union Certifications declares that

Esquire Knit Composite Ltd.
License Number: 806338
Kanchpur, Sonargaon,
Narayanganj
Bangladesh

has been inspected and assessed in accordance with the

Global Organic Textile Standard (GOTS)
- Version 6.0-

and that products of the categories as mentioned below (and further specified in the product appendix) conform with this standard

Product categories:Women's apparel, Unisex apparel, Men's apparel, Children's apparel, Babies' apparel

Processing steps / activities carried out under responsibility of the above mentioned company for the certified products

Finishing, Printing, Warehousing, distribution, Dyeing, Embroidery, embellishment, Knitting, Manufacturing, Packing, Pre-treatment, Trading, Washing, laundering, Yarn dyeing

This certificate is valid until:
2022-11-07

This Scope Certificate provides no proof that any goods delivered by its holder are GOTS certified. Proof of GOTS certification of goods delivered is provided by a valid Transaction Certificate (TC) covering them.
The issuing body may withdraw this certificate before it expires if the declared conformity is no longer guaranteed.
Accredited by International Organic Accreditation Services (IOAS) Contract No 85

CONTROL UNION

CU Inspections & Certifications India Pvt. Ltd.
POST - 22nd Floor,Arihant Aura, TTC Industrial Area, Turbhe MIDC, Opposite Turbhe
T - +91 22 61294200 / F - - curoindia@controlunion.com -
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Scope Certificate CU806338GOTS-2021-00123390 and License Number 806338 Page 1 / 2

CU Inspections & Certifications India Pvt. Ltd.
22nd Floor,Arihant Aura, TTC Industrial Area, Turbhe MIDC, Opposite Turbhe Station, 400705, Navi Mumbai, Maharashtra,India
+91 22 61294200
www.petersoncontrolunion.com

SCOPE CERTIFICATE

Scope Certificate Number: CU806338OCS-2021-00023192

Control Union Certifications declares that

Esquire Knit Composite Ltd.
License Number: 806338
Kanchpur, Sonargaon,
Narayanganj
Bangladesh

has been inspected and assessed in accordance with the

Organic Content Standard (OCS)
- Version 2.0 -

and that products of the categories as mentioned below (and further specified in the annex) comply with this standard

Product categories:Women's apparel, Children's apparel, Men's apparel, Unisex apparel, Babies' apparel

Processing steps / activities carried out under responsibility of the above mentioned company for the operations as detailed in the annex) for certified products

Dyeing, Embroidery, embellishment, Finishing, Knitting, Manufacturing, Packing, Pre-treatment, Printing, Trading, Warehousing, distribution, Washing, laundering

This certificate is valid from:
2021-05-14
This certificate is valid until:
2022-03-13

This Scope Certificate provides no proof that any goods delivered by its holder are OCS certified. Proof of OCS certification of goods delivered is provided by a valid Transaction Certificate (TC) covering them.
Accredited by International Organic Accreditation Services (IOAS) Contract No 85

CONTROL UNION

CU Inspections & Certifications India Pvt. Ltd.
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BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2021/014

BAPLC

Date of issue : January 17, 2021

Renewed Certificate

This is to certify that

ESQUIRE KNIT COMPOSITE LIMITED

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

This certificate remains current until 31st December **2021.**

BAPLC

Secretary-General

CERTIFICATES

CU Inspections & Certifications India Pvt. Ltd.
22nd Floor,Arihant Aura, TTC Industrial Area, Turbhe MIDC, Opposite Turbhe Station,,400705,Navi Mumbai, Maharashtra,India
+91 22 61294200
www.petersoncontrolunion.com

SCOPE CERTIFICATE

Scope Certificate Number: CU806338RCS-2021-00126032

Control Union Certifications declares that

Esquire Knit Composite Ltd.
License Number: 806338
Kanchpur, Sonargaon,
Narayangonj
Bangladesh

has been inspected and assessed in accordance with the
Recycled Claim Standard (RCS)
- Version 2.0-

and that products of the categories as mentioned below (and further specified in the product appendix) conform with this standard.
Product categories:Children's apparel

Processing steps / activities carried out under responsibility of the above mentioned company for the certified products:
Finishing, Pre-treatment, Warehousing, distribution, Yarn dyeing, Dyeing, Embroidery, embellishment, Knitting, Manufacturing, Packing, Printing, Trading, Washing, laundering

This certificate is valid until:
2022-12-02

This Scope Certificate provides no proof that any goods delivered by its holder are RCS certified. Proof of RCS certification of goods delivered is provided by a valid Transaction Certificate (TC) covering them.
The issuing body may withdraw this certificate before it expires if the declared conformity is no longer guaranteed.
Accredited by: International Organic Accreditation Services (IOAS); Contract No 81

CU Inspections & Certifications India Pvt. Ltd.
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Scope Certificate CU806338RCS-2021-00126032 and License Number 806338 Page 1 / 5

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+91 22 61294200
www.petersoncontrolunion.com

SCOPE CERTIFICATE

Scope Certificate Number: CU806338GRS-2021-00128776

Control Union Certifications declares that

Esquire Knit Composite Ltd.
License Number: 806338
Kanchpur, Sonargaon,
Narayangonj
Bangladesh

has been inspected and assessed in accordance with the
Global Recycled Standard (GRS)
- Version 4.0-

and that products of the categories as mentioned below (and further specified in the product appendix) conform with this standard.
Product categories:Men's apparel, Children's apparel

Processing steps / activities carried out under responsibility of the above mentioned company for the certified products:
Dyeing, Embroidery, embellishment, Finishing, Knitting, Manufacturing, Packing, Pre-treatment, Printing, Trading, Warehousing, distribution, Washing, laundering, Yarn dyeing

This certificate is valid until:
2022-12-02

This Scope Certificate provides no proof that any goods delivered by its holder are GRS certified. Proof of GRS certification of goods delivered is provided by a valid Transaction Certificate (TC) covering them.
The issuing body may withdraw this certificate before it expires if the declared conformity is no longer guaranteed.
Accredited by: International Organic Accreditation Services (IOAS); Contract No 81

CU Inspections & Certifications India Pvt. Ltd.
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Scope Certificate CU806338GRS-2021-00128776 and License Number 806338 Page 1 / 5

HOHENSTEIN Textile Testing Institute GmbH & Co. KG
Schlosssteige 1, 74357 Bönnigheim, Germany

OEKO-TEX®
INSPIRING CONFIDENCE

CERTIFICATE

The company

Esquire Knit Composite Ltd.
102, Shaheed Tajuddin Ahmed Sarani
Tejgaon I/A
Dhaka - 1208, BANGLADESH

OEKO-TEX® CONFIDENCE IN TEXTILES STANDARD 100
12.HBD.14011 HOHENSTEIN HTTI
Tested for harmful substances
www.oeko-tex.com/standard100

is granted authorisation according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report **21.0.82234**

for the following articles:

Knitted ready-made garments (T-shirt, polo shirt, jacket, cardigan, sweat shirt, tank top, strap top, leggings, briefs/bottoms, dress and underwear) made of 100 % CO, CO/EL (LYCRA®), CO/PES, CV (LENZING™ Viscose)/EL (LYCRA®), white, reactive and disperse dyed, CO/CV (LENZING™ Viscose) and CO/CV (LENZING™ Viscose)/EL (LYCRA®) in grey mélange, yarn-dyed fabrics made of 100 % CO, 100 % CV (LENZING™ Viscose), CO/PES, PES/CO (PES also in neon orange) and CO/CV (LENZING™ Viscose) in grey mélange, as well as pigment, allover pigment, rubber, glitter, foil (silver and gold), puff print, high density, engraving (silicone) print on CO, CO/PES, CO/EL (LYCRA®) and CO/CV (LENZING™ Viscose) in grey mélange as well as heat transfer print and 3D emboss print, incl. accessories (sewing and embroidery thread, zipper, PES button, metal snap button, interlining, woven and printed label, drawstring with metal end, twill tape, mobilon tape, metal eyelet and elastic tape); produced by using materials certified according to STANDARD 100 by OEKO-TEX®.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Annex 4, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 4 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass) and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

The certificate 12.HBD.14011 is valid until 31.10.2022

Boennigheim, 19.11.2021

p.p. Katuskin
Dipl.-Ing. (FH) Ivonne Schramm
Head of Certification Body OEKO-TEX®

OEKO-TEX® Association | Genferstrasse 23 | CH-8002 Zurich

HOHENSTEIN Textile Testing Institute GmbH & Co. KG
Schlosssteige 1, 74357 Bönnigheim, Germany

OEKO-TEX®
INSPIRING CONFIDENCE

CERTIFICATE

The company

Esquire Knit Composite Ltd.
102, Shaheed Tajuddin Ahmed Sarani
Tejgaon I/A
Dhaka - 1208, BANGLADESH

OEKO-TEX® CONFIDENCE IN TEXTILES STANDARD 100
20.HBD.35128 HOHENSTEIN HTTI
Tested for harmful substances
www.oeko-tex.com/standard100

is granted authorisation according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report **21.0.82236**

for the following articles:

Knitted ready-made garments (T-shirt, polo shirt, jacket, cardigan, sweat shirt, tank top, strap top, leggings, briefs/bottoms, dress and underwear) made of 100 % organic cotton, organic cotton/elastane(LYCRA®), white and reactive dyed, yarn-dyed fabrics made of 100 % organic cotton, all organic cotton (GMO not detectable), pigment, allover pigment, rubber, glitter, foil (silver & gold), puff, high density, engraving (silicone) print as well as heat transfer print and 3D print; incl. accessories (sewing and embroidery thread, zipper, PES button, metal snap button, interlining, woven and printed label, drawstring with metal end, twill tape, mobilon tape, metal eyelet and elastic tape); produced by using materials certified according to STANDARD 100 by OEKO-TEX®.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Annex 4, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 4 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass) and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

The certificate 20.HBD.35128 is valid until 31.12.2022

Boennigheim, 22.11.2021

Ivonne Schramm
Dipl.-Ing. (FH) Ivonne Schramm
Head of Certification Body OEKO-TEX®

OEKO-TEX® Association | Genferstrasse 23 | CH-8002 Zurich

OEKO-TEX®

CERTIFICATE

CERTIFICATE OF REGISTRATION

SYNDICATE OF INTERNATIONAL SYSTEM CERTIFICATIONS

CE

CE ATTESTATION OF CONFORMITY

Related Directives :
PERSONAL PROTECTIVE EQUIPMENT (PPE) DIRECTIVE 2016/425(EU)

Class : **CLASS 1, NON STERILE**

Description of Product :
Disposable Non-Surgical Isolation Gown

Regulations Applied Acc. to Harmonized Standards:
EN 14126:2003+AC:2004

Manufactured by
Esquire Knit Composite Limited
22/58 Kanchpur, Sonargaon, Narayangonj, Bangladesh

Test report(s) No.: **DHK: TX: 2010058165**
Test conducted by: **SGS Bangladesh Limited.**
Certificate No.: **SISBANCE072020108**
Issue Date (Original): **08.07.2020**
Issue Date(Latest): **08.07.2020**
Expiry Date: **07.07.2023**

This Certificate is issued under the following conditions:
1.It applies only to the above referenced models of the medical devices.
2.It does not imply that the SIS has performed any surveillance or control of their manufacture.
3.The manufacture is obligated to assure conformity of all in medical devices of the respective model to type assessed by the mean of this certificate.
4.The certificate remains valid until the manufacturing condition, the quality system or relevant legislation are changed .
5.After fulfilling of the relevant EU legislation requirements, the manufacture shall affix to each medical device, of the above referenced models, the CE-marketing according to this example:

Note: This certificate is valid only if produced with the continuation letter after the surveillance is carried out successfully.

The Organization's documentation and Implementation has been reviewed and found to comply with the relevant standard rules. This certificate of Registration is based on the evaluation of the mentioned scope given above. Organization is responsible for maintaining the responsibilities of the relevant standard rules. Any significant changes in the scope of the certification or standard referred above render this certificate invalid.

SIS CERT.

Corporate office(SIS):- Unit No. 312, 3rd Floor, Vipul Business Park, Sohna Road, Sector-48, Gurgaon-122018, Haryana, India.
PERU Office(SIS):- URB. Santa Ana Cal. German, Scherieber 276, San Isidro, Lima, Peru 15047.
Email us :-support@siscertifications.com, arun@siscertifications.us. Call:- +91-9654721646
Web:- http://www.siscertifications.co.in, www.siscertifications.com
The status of this certificate can be verified on "http://www.siscertifications.com

Issue No.: 01

BOARD OF DIRECTORS

Mr. Md. Mofazzal Hossain
Chairman

Mr. Md. Ehsanul Habib
Managing Director

Mr. Arifur Rahman
Director

Mr. Md. Muddasar Hossain
Director

Mrs. Peara Begum
Director

Mr. Swapan Kumar Sarker
Independent Director

Mr. Placid Gomes, FCA
Independent Director

BOARD AND MANAGEMENT

The Board of Directors

Mr. Md. Mofazzal Hossain	Chairman
Mr. Md. Ehsanul Habib	Managing Director
Mr. Arifur Rahman	Director
Mr. Md. Muddasar Hossain	Director
Mrs. Peara Begum	Director
Mr. Swapan Kumar Sarker	Independent Director
Mr. Placid Gomes, FCA	Independent Director

Audit Committee

Mr. Placid Gomes, FCA	Chairperson
Mr. Swapan Kumer Sarker	Member
Mrs. Peara Begum	Member
Mr. Md. Monir Hossain	Member Secretary

Nomination and Remuneration Committee

Mr. Swapan Kumar Sarker	Chairperson
Mr. Placid Gomes, FCA	Member
Mrs. Peara Begum	Member
Mr. Md. Monir Hossain	Member Secretary

Management Committee

Mr. Md. Ehsanul Habib *Managing Director*	Chairman
Mr. Arifur Rahman *Director*	Member
Mr. Md. Muddasar Hossain *Director*	Member
Mr. Debasish Kumar Saha *Chief Operating Officer*	Member
Mr. Md. Mustafizur Rahman *Chief Financial Officer*	Member
Mr. Md. Monir Hossain *Company Secretary*	Member
Mr. Md. Rakibur Rahman *Head of Internal Audit and Compliance*	Member
Mr. Islam-Un-Nabi (Tuhin) *Senior GM, Factory Operation*	Member
Mr. Md. Saidur Rahman *Senior General Manager (Accounts)*	Member
Mr. Md. Khalilur Rahman *Senior GM (Marketing & Merchandising)*	Member
Mr. Zakir Hossain *DGM (Commercial – Export)*	Member
Mr. Md. Musleh U A Sikder *DGM (Commercial – Import)*	Member
Mr. Musfuq-Us-Salahin (Suzon) *DGM (Treasury)*	Member

Chief Financial Officer

Mr. Md. Mustafizur Rahman

Company Secretary

Mr. Md. Monir Hossain

Head of Internal Audit and Compliance

Mr. Md. Rakibur Rahman

Adviser

Mr. Mesbah Uddin, FCA

PROFILE OF DIRECTORS'

Md. Mofazzal Hossain
Chairman

Mr. Md. Mofazzal Hossain is the Chairman of the Board of Directors of Esquire Knit Composite Limited. He is the Sponsor Director of Esquire Knit Composite Limited, Esquire Electronics Limited, Esquire Dying Industries Limited, Esquire Accessories Limited and other companies under Esquire Group.

Mr. Md. Mofazzal Hossain is the Chairman and founder of Esquire Group. He has been in business for more than thirty-one years. He started his business with electronics products at the beginning of his business life and for the first time in Bangladesh he launched and introduce the famous Japanese electronics brand called "the General Brand". He has established himself in the electronics business as well as dyeing, readymade garments, knit garments, textiles and trading for the last thirty-one years. In his business life, he created a lot of jobs in the country as well as played an unimaginable role in the country's economy. He is still involved in many social activities to improve the living standards of the people of this country. He has established himself as a successful entrepreneur at home and abroad. He is a man who stands in the present and sees the future in the light of past experiences.

He is also the Sponsor Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited, L' Esquire Limited, Esquire Testing Services (BD) Limited, Esquire Accessories Limited, Esquire Plastic Limited, Esquire Customer Care Limited, Esquire Chemical Industries Limited, Shah Garments International Limited, Meghna Plastic Industries (Pvt) Limited, New Dhaka Ceramic Industries (Pvt) Limited, Synthia Multi-fiver Limited, MMH Textiles Limited, Sharp Media Limited, Trust Solution Private Limited, Thakral Information Systems (Pvt) Limited, Thakral One Private Limited and Esquire Travels Limited.

Mr. Hossain came from a novel Muslim family. The family legacy and his own inherent qualities gave him a great sense of value and direction and made him a successful personality in every sphere of life.

Md. Ehsanul Habib
Managing Director

Mr. Md. Ehsanul Habib is a Sponsor Director as well as Managing Director of Esquire Knit Composite Limited since its inception in 2000. He is eldest son of Mr. Md. Mofazzal Hossain, Founder and Chairman of the Esquire Group. He studied in USA and obtained his Bachelor's degree in Business Administration. After completing his education, he joined Esquire Group with his visionary leadership. He is one among new generation entrepreneurs who have nourished and successfully flourished the export-oriented RMG and Knit Garments industry of the country. By virtue of his own merit and dynamic decision-making capacity, he has been able to materialize a number of successful ventures. He has a keen interest in the latest developments in the textiles and knit garments sector and gathered advanced knowledge in management, marketing, and technical know-how. Mr. Habib is entrusted with the responsibility of overall management

He is also the Sponsor Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited, L' Esquire Limited, Esquire Testing Services (BD) Limited, Esquire Accessories Limited, Esquire Plastic Limited Alpha Plastic & Packing Limited, Esquire Customer Care Limited, Esquire Chemical Industries Limited, Shah Garments International Limited, Meghna Plastic Industries (Pvt) Limited, New Dhaka Ceramic Industries (Pvt) Limited, Synthia Multi-fiver Limited, MMH Textiles Limited, Esquire Sourcing Limited, Sharp Media Limited, Bangladesh German University, Best Life Insurance Limited, Trust Solution Private Limited, Thakral One Private Limited, T.M Chemical Limited, Esquire Travels Limited and Secures (Pvt) Limited.

He keeps social attachments with renowned professional and socio-culture associations.

Arifur Rahman

Director

Mr. Arifur Rahman is a Sponsor Director of Esquire Knit Composite Limited since its inception in 2000. Also Mr. Arifur Rahman is a Sponsor Director as well as Managing Director of Esquire Electronics Limited. He is the second eldest son of Mr. Md. Mofazzal Hossain, Founder and Chairman of the Esquire Group. He studied in United Kingdom and obtained Bachelor's degree in Business Administration. After completing his education, he joined Esquire Group with a focus on implementing strategic business planning and corporate management practices in the organizations and has a rich experience of more than eighteen years in the dyeing, readymade garments, textiles, garments accessories, electronics, plastic house hold products & IT. He played a pivotal role in establishing successful export-oriented industry in the country as he gathered a lot of experience in the textile and electronics field.

He is also the Sponsor Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited, L' Esquire Limited, Esquire Testing Services (BD) Limited, Esquire Accessories Limited, Esquire Plastic Limited, Esquire Customer Care Limited, Esquire Chemical Industries Limited, Shah Garments International Limited, Meghna Plastic Industries (Pvt) Limited, New Dhaka Ceramic Industries (Pvt) Limited, Synthia Multi-fiver Limited, MMH Textiles Limited, Sharp Media Limited, Trust Solution Private Limited, and Esquire Travels Limited.

Md. Muddasar Hossain

Director

Mr. Md. Muddasar Hossain is a Sponsor Director of Esquire Knit Composite Limited since inception in 2000. Also Mr. Md. Muddasar Hossain is a Sponsor Director as well as Managing Director of Esquire Accessories Limited. He is the youngest son of Mr. Md. Mofazzal Hossain, Founder and Chairman of the Esquire Group. He studied in Law and obtained Bachelor's degree. After his graduation, he engaged himself in the electronics and garment business and quickly acquired the required knack to run the overall business.

He is also the Sponsor Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited, L' Esquire Limited, Esquire Testing Services (BD) Limited, Esquire Accessories Limited, Esquire Plastic Limited, Esquire Chemical Industries Limited, Meghna Plastic Industries (Pvt) Limited, New Dhaka Ceramic Industries (Pvt) Limited, Synthia Multi-fiver Limited, MMH Textiles Limited and Esquire Travels Limited.

PROFILE OF DIRECTORS'

Mrs. Peara Begum

Director

Mrs. Peara Begum is a Director of Esquire Knit Composite Limited from the very beginning. She is the wife of Mr. Md. Mofazzal Hossain, Founder and Chairman of the Esquire Group. Mrs. Peara Begum has long experience to run industrial unit successfully. She has contributed the Group through her leadership skill and managerial decision making. She has successful track record of managing business. She has been contributing a lot for the development of the group. Her contribution and enthusiasm behind the Esquire Group coming to this stage today is worth remembering.

She is also the Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited and Esquire Accessories Limited

Mrs. Pera Begum is a Member of the Audit Committee and Nomination and Remuneration Committee (NRC) of the company.

Swapan Kumer Sarker

Independent Director

Mr. Swapan Kumar Sarker was the Additional Secretary of the Government of the People's Republic of Bangladesh. Mr. Sarker is a member of University of Bradford Alumni Association. He is also the member of Dhaka University Economics Department. Alumni Association (DUEDDA), Bangladesh Economic Association (BEA), JICA Alumni Association. He completed his M.S.S in Economics in the year of 1978 from Dhaka University. He completed Diploma in Government Financial management from University of ULSTER of North Ireland in the year of 2004. He joined in the Board of Directors of Esquire Knit Composite Limited as an Independent Director as of 30 June 2016.

Mr. Sarker is a Board Member of Esquire Knit Composite Limited as well as Chairperson of the Company's Nomination and Remuneration Committee (NRC) and Member of the Audit Committee.

Placid Gomes, FCA

Independent Director

Mr. Placid Gomes, is a Fellow member (FCA) of the Institute of Chartered Accountants of Bangladesh (ICAB). He has obtained Master and Bachelor degree in Accounting from the University of Dhaka. Currently he is working as a Financial Consultant, Partner of a Chartered Accountancy firm and a Senior Consultant of Grant Thornton Consulting Bangladesh Ltd.

He has joined the Board of Directors of Esquire Knit Composite Limited as an Independent Director on 30 June 2016. Previously, he had served for export-oriented sweater Company - Sky Apparels Ltd. He had also served Khulna Power Company Ltd. (KPCL), first private sector power generating Company and listed Joint venture Company of Summit and United Group as Head of Finance and Audit. He has extensive experience in Finance, Compliance, Accounting, Audit, Financial Model and System Design, Budget, Syndication Loan, Reconstruction and more. He has obtained, participated and completed various training, seminar and workshop at home and abroad.

Mr. Gomes is a Board Member of Esquire Knit Composite Limited as well as Chairperson of the Audit Committee and Member of Nomination and Remuneration Committee (NRC).

GROWTH PHILOSOPHY OF ESQUIRE KNIT

The company's strategic objective is to improve and consolidate its position in Knit Garments industry with a continuous growth philosophy. The following diagram represents Esquire Knit's continuous growth philosophy being implemented on a day-to-day basis.

Esquire Knit's continuous growth philosophy is being driven with the strategic levers of operational excellence, strengthening existing services, customer satisfaction, ecosystem development, innovation and marketing.

Operational excellence

The company has continued to invest in operational excellence throughout the organization. The company is addressing operational excellence through continuous process of improvement, customer service and technology development. Alignment of its people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is widespread among all the employees.

Geographical excellence

Esquire Knit cater to a large number of clients throughout the world and in different region. Esquire Knit exports are majorly concentrated in Europe, especially Germany, UK and France. Esquire Knit intends to supply to other European countries such as Africa, South Africa, East Asia and also intend to enter other emerging market of the world over the course of time.

Through a combination of increased capacities, reduced costs, wider range of products adhering to global standards, marketing initiatives, competitive pricing and more efficient use of resources, the company intends to expand its global footprint and become a preferred supplier for large format international retail chains and institutions.

Focusing on value added products

With the well-balanced processing facilities, the company will be technically capable to focus on value added products. Value added products command premium pricing which would have a positive impact on its margins.

Distribution strategy

Esquire Knit distribution responsibility is up to shipping the goods on board either in air cargo or vessels. A competent commercial department works for long time, so that proper commercial arrangements and documentation are done at the right time to ensure timely shipment of goods.

Pricing strategy

At the course of global economic recession and epidemic of Corona Virous-2019, fierce competitive pressure is on the RMG product prices especially by the countries like China, India, Sri Lanka and Vietnam. Keeping this mind, Esquire Knit's objective is to reduce the production cost by optimum use of its production facilities. The Company also wishes to extract premium prices from the customers by offering superior product quality at a later stage.

Branding & promotion strategy

The company maintains good relationship with its customers. It is continuously exploring new potential market. The company has participated in the trade fairs booth local and international. It shall also take other branding and promotional strategy. Highly competent merchandisers' team are working effective bridge between the production team and customer, so that customer requirements are met thoroughly.

Strategy for business competitiveness

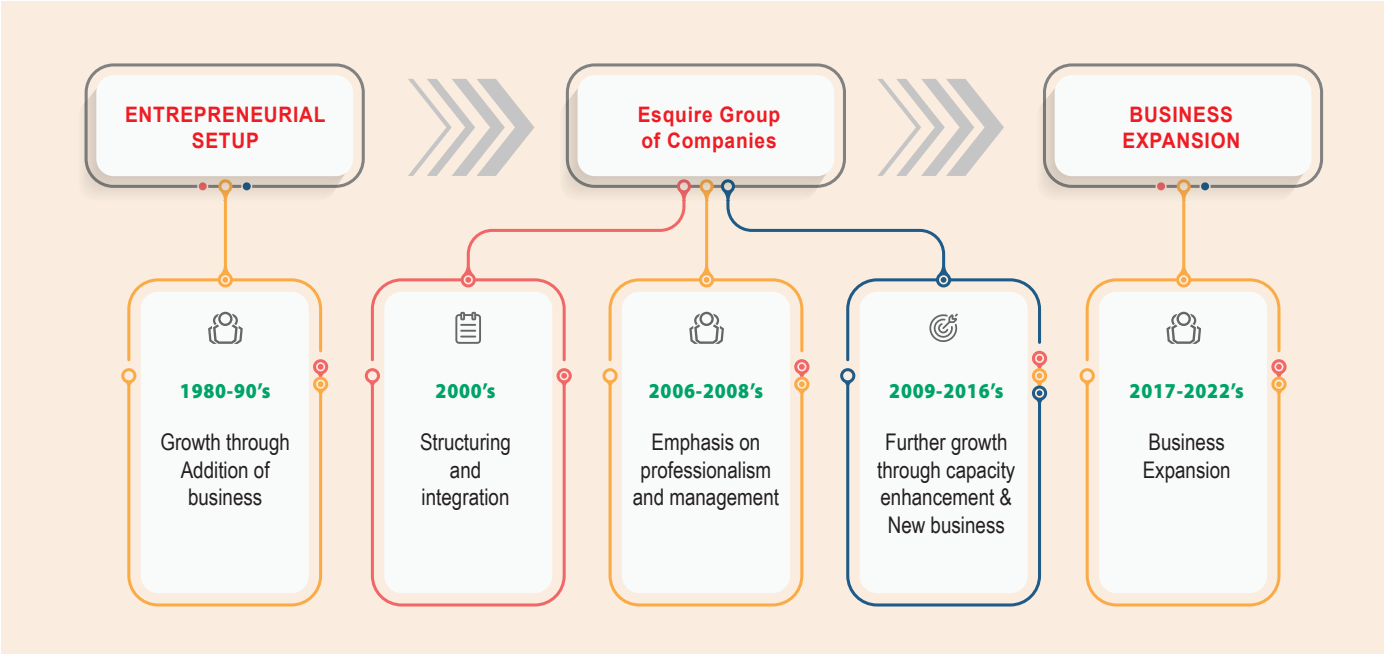
Esquire Knit has been driven by buyer need and demand. The accreditation certificate achieved by the company was provided for its performance to meet up demand with utmost satisfactory of buyer.

Market strategy

Esquire Knit has been established for nearly twenty-two years. Having the industry knowledge from its sister concern company namely Esquire Dyeing Industry Limited. Esquire Knit has been focused on its business and successfully established the name as a world-class Garment Manufacturer under one roof having a composite facility of yarn dying, knitting, fabric dyeing, printing, washing and finishing up to garments making. Making it a right choice for 1 stop solution for all kinds of knitted garments.

There are currently 8,418 employees working in the company, serving the needs of for European & American Chain store customers.

Strategic Era



The market strategy of Esquire Knit could be outlined as follows:

- Continuous Research & Development in Industrial Productivity Engineering / Product Development with cutting edge solutions.
- Expand its business in emerging market like China, Canada, Japan, USA, East Asia, Australia, Africa and North America.
- Evaluating the performance and re-structuring the process.
- Revamping the cost drivers.
- Finding opportunities to create extra value.
- Embracing the expertise of the experts.

With the above key factors Esquire Knit looks with confidence for the future ahead through sustainable growth.

Agility

The company believes in being fast and flexible to changes with time, the needs of stakeholders, environment and the people, so the group evolves to cope up with modification; integrating the Vision, Mission and values.

Human capital

The company considers its employees as key resources. Therefore, the company is continuously working on development of its employee's skill to perform at their highest potential.

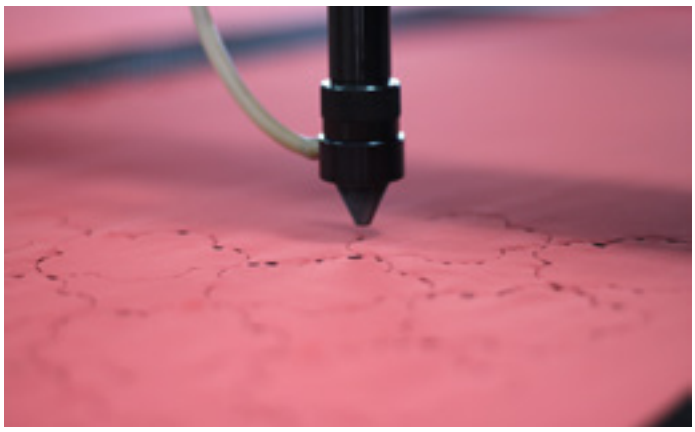
Diversification

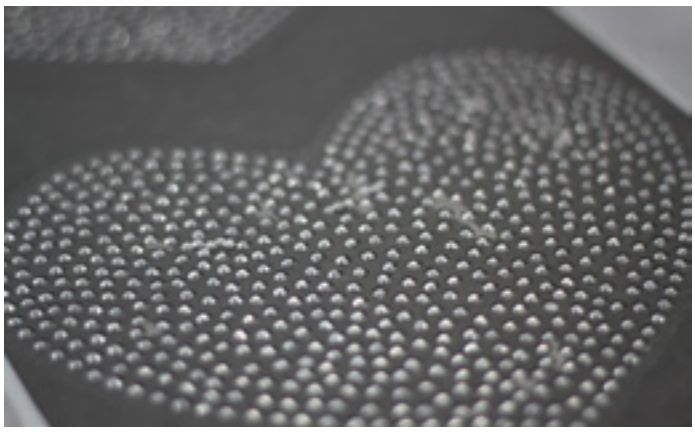
The company is very much focused on diversification and at the same time it values the core business of the company.

KEY FINANCIAL ANALYSIS

Five years comparative

	2021-2020	2020-2019	2019-2018	2018-2017	2017-2016
Liquidity Ratio					
Current Ratio	1.85	2.42	2.66	1.66	1.47
Inventory Turnover Ratio	2	1.35	1.91	1.8	1.84
Profitability Ratio					
Assets Turnover Ratio	0.6	0.45	0.66	0.65	0.63
Gross Margin Ration	17.91%	21.91%	20.95%	21.42%	20.7
Operating Income Ratio	7.64%	11.18%	11.26%	11.74%	11.59%
Return on Assets (ROA)	2.28%	2.39%	4.29%	4.63%	4.45%
Return on Equity (ROE)	4.00%	4.03%	6.56%	7.23%	7.05%
Earnings Per Share (EPS)	2.24	1.97	3.37	3.44	3.12
Dividend (Cash) (%)	15%	15%	15%	0	0
Net Assets Value per Share with revaluation reserve	64.21	50.61	50.14	49.27	45.83
Net Assets Value per Share without revaluation reserve	36.48	35.88	35.41	29.4	25.96
Solvency Ratio					
Debt Equity Ratio	0.52	0.58	0.36	0.33	0.37
Time Interest Earned Ratio	2.37	2.18	2.98	3.89	4.24





Management *Team*

Mr. Md. Ehsanul Habib
Managing Director

Mr. Arifur Rahman
Director

Mr. Md. Muddasar Hossain
Director

Mr. Debasish Kumar Saha
Chief Operating Officer

Mr. Md. Mustafizur Rahman
Chief Financial Officer (CFO)

Mr. Md. Monir Hossain
Company Secretary

Mr. Md. Rakibur Rahman
Head of Internal Audit & Compliance

Mr. Islam-Un-Nabi (Tuhin)
Senior General Manager (Factory Operation)

Mr. Md. Saidur Rahman
Senior General Manager (Accounts)

Mr. Md. Khalilur Rahman
Senior GM (Marketing & Merchandising)

Mr. Zakir Hossain
Deputy General Manager (Commercial-Export)

Mr. Md. Musleh U A Sikder
Deputy General Manager (Commercial-Import)

Mr. Musfuq-Us-Salahin (Suzon)
Deputy General Manager (Treasury)

FROM THE DESK OF THE CHAIRMAN

"Bismillahir Rahmanir Rahim"
In the name of ALLAH, the most Merciful, the most Graceful

My Dear Shareholders,

Assalamu Aalaikum

I am pleased to welcome you to the twenty-first Annual General Meeting on behalf of the Board of Members of the Company and present herewith the Annual Report along with Audited Financial Statements and Regulatory Reports pertaining to the financial year 2020-2021.

As you are aware that we are experiencing extraordinary times due to outbreak of COVID-19 pandemic.

In these circumstances the prime focus of the Board is on the business continuity challenges posed by COVID-19 hence, considerable emphasis is given to ensure employees safety, securing corporate financial sustainability and reinforcing crucial IT systems to support unprecedented levels of remote working of key personnel.

The Board is mindful of the need to provide clear financial reports and almost every aspects of our financial reporting framework has been reviewed critically. The Board has discharged its duties as per provisions of Companies Act 1994, regulations under Code of Corporate Governance Regulations 2018 (Code), guidelines and directives issued by Bangladesh Securities and Exchange Commission (BSEC) and Dhaka & Chittagong Stock Exchange for listed companies.

The Board tried its best for the company's prosperity whilst meeting the appropriate interests of its shareholders and Stakeholders. Moreover, they dealt in an effective manner to assure that internal audit, corporate reporting and annual general meeting, board and committee meetings, notices and circulation of minutes have been performed firmly under the directives issued by the corporate regulators.

At Esquire Knit we firmly believe that diversified Board brings an extensive array of perspectives to meet the future challenges and continue to bring in new skills and capabilities to the Board. During this year, as before, two independent directors were on the Board of our Company. Now the Company consists of seven directors comprised of four executive, two independent and one non-executive directors including one female director with an appropriate fusion of age, gender & experience. Moreover, the entire Board is accredited under the requirements of the Code for directors.

Looking into the future, we see new conflicts and new challenges. We also see new hope and new opportunities. We firmly believe that challenges are everywhere; hence we should be prepared anytime anywhere, as opportunities always come hand in hand with challenges, and opportunities only favor those who are prepared. We are prepared and will continue to be even better prepared to face the challenges and make the best use of the opportunities.

I believe that our relentless and out-and-out service with enriched and quality products as well as the support of our competent workforce, sensible resources, management process, better risk management capacity and corporate governance will be able to bring sustainable growth that will maximize the value for the stakeholders in the year ahead.

We would like to extend our gratitude to our valued shareholders, Bangladesh Securities and Exchange Commission (BSEC), National Board of Revenue (NRB), Registrar of Joint Stock Companies and Firms (RJSC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), Central Depository Bangladesh Limited (CDBL), the regulatory authority also other regulatory bodies and everyone in the Esquire Knit family for their valuable guidance, support and co-operation.

I would also like to express my sincerest appreciation to my fellow Board Members for their generous assistance, advice and leadership, the management team and gratitude of our devoted employees who work very hard to take the Company forward and bought tremendous success during this tough time.

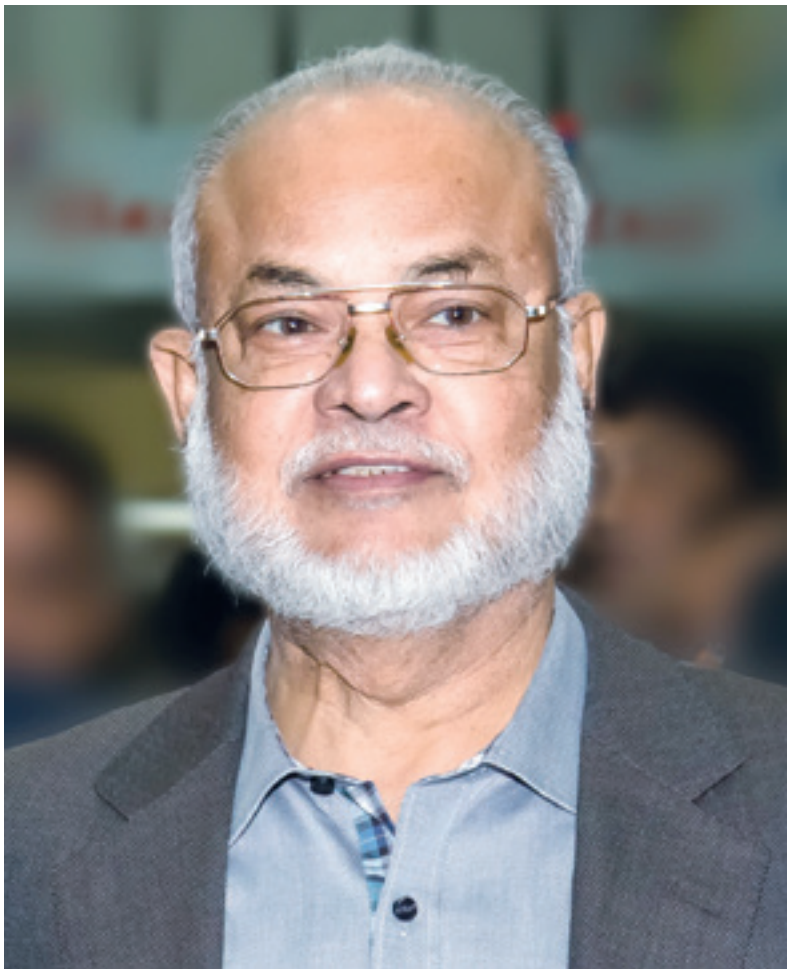
Once again, I convey my heartiest thanks to all our shareholders and look forward to their continued support and co-operation in future.

May the Almighty Allah help us and be with us always here and hereafter, Ameen.

Md. Mofazzal Hossain
Chairman

Dated, 30 October 2021

Looking into the future, we see new conflicts and new challenges. We also see new hope and new opportunities. We firmly believe that challenges are everywhere; hence we should be prepared anytime anywhere, as opportunities always come hand in hand with challenges, and opportunities only favor those who are prepared. We are prepared and will continue to be even better prepared to face the challenges and make the best use of the opportunities.



Md. Mofazzal Hossain
Chairman

FROM THE DESK OF THE

MANAGING DIRECTOR

Bismillahir Rahmanir Rahim
In the name of ALLAH, the most Merciful, the most Graceful

Dear Shareholders,

Assalamu Aalaikum

First and foremost, I hope and pray that you and your family are safe. Past fifteen months have been very challenging times for all of us, on both personal and professional fronts. It has tested human capabilities like never before. My heart goes out to everyone who has suffered the terrible loss of a loved one, and I pray for a speedy recovery of those still battling the virus.

I am very proud of how Esquire Knit's 8,418 employees have supported each other, our customers and the communities in which we live and worked throughout this terrible pandemic. As our company is emerging stronger, and I would like to thank all my colleagues for their dedication and resilience.

Business Performance of 2020-2021

Thanks to the sincerity of our courageous and fearless working team, we have been able to surpass all previous records of revenue earning in the financial year 2020-2021. We have earned a recorded amount of revenue in Taka 7,905.84 Million in the financial year 2020-2021, against Taka 5,000.82 Million in the previous financial year 2019-2020. As a result, the growth rate is 58.10% higher than the previous year. As you may be aware, the total sales of our company in the first three quarters of the financial year under review were Taka 5,577.20 Million and in the fourth quarter it was Taka 2,328.64 Million. Although we did not deliver the expected sales results in the first three quarters, we have achieved sales success in the fourth quarter, because, at that first three quarter, due to Corona epidemic and panic, our factories had to be closed down for limited time due to the lock-down and shut-down announced by the government to protect the health of the people, and for the same reason our importers also reduced their orders.

As you are aware the price of yarn has increased several times in international market as well as local market, because the cotton price also increased in the international market. At the same time, the cost of other raw materials associated to production also increased. And at times we had to send the finished product by Air. These are the results of global Corona pandemic, of which we had no control. But as a result, our production cost increased significantly.

On the other hand, our buyers have not increased the price of our products against to the cost of production. On top of that, to some buyers we had to deliver the products without calculating the profit, because we think there is no alternative to maintaining a good relationship with the buyer for the sake of long-term business relationship. Of course, it didn't just happen to us, it was the state of the world market at that time. For all of these reasons, like everyone else, our company suffered some losses in achieving a fair profit. We hope that, with the efforts of all of us and in the light of the experience of the past, we will be able to alleviate this loss of profit at least a little bit, InshaAllah.

In spite of hundreds of adversities in the financial year 2020-2021, we have been able to achieve a record amount of revenue, which was the result of the sincere efforts of our skilled, experienced and courageous working team. At the same time, we have earned a Net profit of Taka 2.24 per share, which was Taka 1.97 in the same period of last financial year 2019-2020. We believe that, this achievement will make the path ahead easier for us.

Subsidiary

Consequent upon approval of the company's Board Meeting as well as approval of the Shareholders and Bangladesh Securities and Exchange Commission (BSEC), Esquire Knit has invested Taka 42.42 Million as equity (99.01%) for the benefit of total RMG business of Esquire Knit Composite Limited in the capital of "L' Esquire Limited", a Private Limited Company which is constituted by Registrar of Joint Stock Companies and Firms (RJSC) under section Act XVIII of the Companies Act 1994. The company runs a manufacturing business unit of lingerie, active wear, Intimax, Sportswear, knitwear, readymade garments including knitting, dyeing, sewing, printing, embroidery

The location of the company is in Jamirdia, Valuka, Mymensingh. This company has been associated with our company during the financial year 2018-2019 (date of Incorporation 20 June 2019) as a "Subsidiary Company" of Esquire Knit Composite Limited.

The Company is specially established for the production and 100% export of Lingerie products. Which is in huge demand in the global market. During this financial year the company has started its trail operation and export activities on a limited scale.

On a consolidated basis, the company reports a revenue of Taka 7,930.13 Million during the financial year ended 30 June 2021 and a consolidated Net Profit 296.99 Million for the said financial year.

The Annual Reports along with the Audited Financial Statements (consolidated and separate) of the company and its subsidiary are also available on the website of the company at www.esquireknit.com.

Future Goal

At Present our company is more focusing on increasing its new markets by producing and exporting existing and new products. At the same time, one of the goals of the company is to control the costs and increase the Net Profit of the company and distribute it among the shareholders. Members of all levels of the company, including the members of the Board, are working tirelessly day to night to achieve this goal.

Esquire Knit, as an organization, believes in adapting with agility and is geared to embrace challenges. We aim at enhancing our operational efficiency and constantly developing strategies to successfully mitigate foreseeable risks. Amidst such tough times, it is our endeavor to increase the capacity utilization to the possible extent and to remain operationally efficient. Our emphasis is on strategically improving performance in the post-pandemic period. Owing to our strong presence in the international market, we have continued exporting goods and the sale has reached almost normal levels.

While concluding, I offer my gratitude to all the employees, Shareholders, Stakeholders, Government Agencies, Banks & Financial Institutions, Customers, Consumers, Suppliers and other Services Agencies for their continuous cooperation and support.

At Esquire Knit, as we face the COVID-19 challenges, we take this as an opportunity to become more resilient and efficient, and make ourselves prepared for any future crisis. We are doing our best to respond to the disruption caused by COVID-19 and taking all measures to ensure continuity of our business.

I pray for good health for everyone in the coming days. And hopefully in the coming year we will be able to achieve a better future through our relentless efforts and come out stronger than before.

Warm regards

Md. Ehsanul Habib
Managing Director
Dated: 30 October 2021

MD. EHSANUL HABIB
Managing Director

DIRECTOR'S REPORT

REPORT OF THE DIRECTOR'S TO THE MEMBERS/SHAREHOLDERS OF THE COMPANY FOR THE YEAR ENDED 30 JUNE 2021

Honorable Members/Shareholders,

"Assalamu Aalaikum"

On behalf of the Board of Directors of Esquire Knit Composite Limited, I, Md. Mofazzal Hossain, Chairman of the Board, would like to extend a warm welcome to all of you at the twenty-first Annual General Meeting of the Company. We are grateful for the support, cooperation and inspiration you have shown in running the company over the last three years. Your support has made our journey of twenty-one years a success.

Today we present our Annual Report 2020-2021 for your kind consideration and adoption. We acknowledge the unceasing assistance of thousands of Shareholders, who were always there for us with their trust and support. This Report contains Auditors' Report, Directors' Report, Management Discussion and Analysis of Business, Audited Financial Statements of the Company and its Subsidiary Companies.

Financial Highlights & Performance (standalone)

Amount in Taka

Particulars	Financial Year ended on 30-Jun-21	Financial Year ended on 30-Jun-20
Revenue	7,905,836,002	5,000,518,624
Non-Operating Income	29,670,793	55,885,930
Total	**7,935,506,795**	**5,056,404,554**
Net Operating Profit	337,746,954	284,254,319
Net Profit before Tax	**365,357,000**	**323,133,237**
Net Profit after Tax	**301,859,226**	**266,003,303**
Other comprehensive Income, net of tax	1,752,698,646	-
Total Comprehensive Income, net of tax	**2,054,557,872**	**266,003,303**

Financial Performance and the State of the Company's Affairs

Standalone

The operations and consequential financial performance of the company remained impacted throughout the year under review due to the Covid-19 pandemic. During the financial year ended 30 June 2021, the company achieved a revenue of Taka 7,905.84 Million as compared to the revenue of Taka 5,000.52 Million recorded during the previous financial year ended 30 June 2020. The company reported growth in revenue of 58.10% during the financial year 2020-2021 from previous financial year 2019-2020 because despite the second wave of COVID-2019, the company was able to increase its production by getting huge export orders. And through the relentless efforts of each and every employee, the company was able to ensure supply of finished goods according to our customer demand. The company reports a Net Profit of Taka 301.86 Million for the financial year ended 30 June 2021 as against the Net Profit of Taka 266.00 Million for the financial year ended 30 June 2020. The Net Profit after Tax for the financial year ended reflects a growth of 13.48% over the corresponding Profit for the financial year ended 30 June 2020.

Consolidated

In the financial year 2020-2021, our subsidiary company has started its manufacturing activities on a trail basis and has also exported its products. The audited financial statements of the subsidiary company have been added to the audited financial statements of our company since the year under review. An audited consolidated financial report is prepared and is accompanied by an annual report for your information and consideration.

On a consolidated basis, the company reports a revenue of Taka 7,930.13 Million during the financial year ended 30 June 2021 and a consolidated Net Profit 296.99 Million for the said financial year.

The Annual Reports along with the Audited Financial Statements (consolidated and separate) of the company and its subsidiary are also available on the website of the company at www.esquireknit.com.

Dividend

The Board of Directors of Esquire Knit Composite Limited in its 118th Board Meeting held on 30 October 2021 recommended 15% (fifteen Percent) Cash Dividend i.e., Taka 1.50 per share to shareholders from available profit for the year ended 30 June 2021. This will be considered for approval by the shareholders at the 21st Annual General Meeting to be held on 26 January 2022. The Company has declared no interim dividend during the year.

The Financial Position & Earnings of the Company per Share (consolidated and separate)

The Earnings per Share (EPS), Net Asset Value (NAV) per Share and Net Cash Flow per Share (NOCFPS) earned of our company during the year under review are as follows:

	2020-2021		2019-2020	
	Consolidated	**Separate**	**Consolidated**	**Separate (Sole)**
Earnings per Share (EPS)	2.20	2.24	N/A	1.97
Net Operating Cash Flows per Share (NOCFPS)	(1.54)	(1.53)	N/A	2.13
Financial Position	**As at June 2021**		**As at June 2020**	
Net Asset Value (NAV) per Share with revaluation reserve	65.01	65.09	N/A	50.61
Net Asset Value (NAV) per Share without revaluation reserve	36.40	36.48	N/A	35.89

Significant deviation in EPS, NAV and NOCFPS

Significant deviation in EPS, NAV and NOCFPS as follows: (consolidated basis)

EPS of Esquire Knit Composite Limited was Tk.1.97 in 2020 and Tk.2.20 in 2021 which shows an increase of Tk.0.23 per share due to incremental Net Operating Profit. During the year Profit After Tax has been increased in respect of revenue growth of 290 crore than last year.

NAV with revaluation is Tk. 65.01 which is more than Tk .14.40 per share than that last year of Tk.50.61 due to Land Revaluation and Net Profit, NAV without Revaluation is Tk. 36.40 in 2021 which was Tk. 35.89 in 2020. NAV without Revaluation has been increased due to Fixed Asset increase.

In spite of Revenue growth and incremental Net Profit, NOCFPS decreased to Tk. (1.54) in 2021 which was Tk.2.13 per share in 2020 due to incremental Accounts Receivable. At the end of year Accounts Receivable stands Tk.135 crore whereas in 2020 it was only 47.00 crore. Accounts Receivable increased due to shipment / Export growth from March to June -21 after COVID-2019 impact which was not realized within 30 June 2021.

Change in Capital Structure of the Company

The issued, subscribed and paid-up share capital of the company is Taka 1,348.96 Million divided into 134,895,833 ordinary shares of Taka 10.00 each. There were no changes in the Capital Structure of the company during the financial year 2020-2021.

Retained Earnings

The Company has transferred an amount of Taka 99.52 Million to the Retained Earnings during the financial year ended 30 June 2021.

Share Capital

The Authorized Share Capital of our company as on 30 June 2021 stood at taka 2,000.00 Million divided into 200,000,000 ordinary shares of taka 10.00 each. The Issued Share Capital of our company is Taka 1,348.96 Million divided into 134,895,833 ordinary shares of Taka 10.00 each and the subscribed and paid-up Share Capital is Taka 1,348.96 Million into 134,895,833 ordinary shares of Taka 10.00 each, fully paid-up.

Credit Rating

Credit Rating Agency of Bangladesh Limited (CRAB) has reaffirmed AA3 rating of our company, and AA3 (Lr) rating of BDT 3,174.8 Million long term outstanding (LTO) availed by the company in the Long Term. CRAB has also assigned ST-3 rating to BDT 1,845.0 Million short term fund-based limits and BDT 3,950.0 Million short term non-fund-based limits availed by the company.

Particulars of Loans, Guarantee and Investments

Details of the Loans is given and Investments made by our company have been disclosed in Note No. 18, 19, 20 and 6 of the notes to financial statements for the financial year ended 30 June 2021, which forms part of this Annual Report. Our company has not given any guarantee or provided any security during the year under review.

Subsidiary

Consequent upon approval of the company's Board Meeting as well as approval of the Shareholders and Bangladesh Securities and Exchange Commission (BSEC), Esquire Knit has invested Taka 42.42 Million as equity (99.01%) in the capital of "L' Esquire Limited", a Private Limited Company which is constituted by Registrar of Joint Stock Companies and Firms (RJSC) under section Act XVIII of the Companies Act 1994. The company runs a manufacturing business unit of lingerie, active wear, Intimax, Sportswear, knitwear, readymade garments including knitting, dyeing, sewing, printing, embroidery.

L' Esquire Limited is a subsidiary company of Esquire Knit Composite Limited as Esquire Knit has controlling power of the company. At present, Esquire Knit holds 99.01% shares of L' Esquire Limited.

The location of the company is in Jamirdia, Valuka, Mymensingh. This company has been associated with our company during the financial year 2018-2019 (date of Incorporation 20 June 2019) as a "Subsidiary Company" of Esquire Knit Composite Limited.

The company is specially established for the production and 100% export of Lingerie products. Which is in huge demand in the global market. During this financial year the company has started its operation and export activities on a limited scale.

The Annual Reports along with the Audited Financial Statements of the Subsidiary Company are also available on the website of the company at www.eswuireknit.com.

Investment in Subsidiaries

Esquire Knit Composite Limited has invested Taka 42.42 Million as equity (99.01%) in the capital of L' Esquire Limited.

As per provision of the Company Act 1994 L' Esquire Limited is a subsidiary of Esquire Knit Composite Limited and as such Directors' Report along with Auditors Report & Audited Financial Statement have been included as part of this Annual report.

Nature and Capital Structure of the Subsidiary Company

L' Esquire Limited is a Private Limited Company incorporated on 20 June 2019 under the Companies Act. 1994, the authorized and paid-up capital of the Company is Tk. 1,000.00 Million and Tk. 42.42 Million respectively.

Financial Results of L' Esquire Limited

In the financial year 2020-2021, L' Esquire Limited has started its manufacturing activities on a trail basis and has also exported its products. An audited separate financial report is prepared and is accompanied by an Annual Report for your information and consideration.

L' Esquire Limited earned revenue BDT. 24.29 Million during the year 2020-2021 by exporting its lingerie products. During the financial year, L' Esquire registered Net Profit after Tax of BDT. (4.96) Million which was BDT. (1.06) Million during the corresponding year. Total Assets of the company stood at BDT. 457.93 Million as at 30 June 2021 from the Assets at BDT. 17.46 Million as on 30 June 2020.

The Annual Reports along with the Audited Financial Statements of the subsidiary company is also available on the website of the company at www.esquireknit.com.

Declaration of Dividend of L' Esquire Limited

Subsidiary of Esquire Knit Composite Limited didn't declare any dividend during the financial year 2020-2021.

Consolidation of Accounts

The Audited Consolidated Financial Statements of our company for the financial year ended 30 June 2021, prepared in compliance with applicable rules by the Institute of Chartered Accountants of Bangladesh (ICAB).

In terms of BSEC Regulations, the company has consolidated the Accounts following the codes of International Accounting Standard-28 & IFRS-10 referring shareholders gross benefits / value of investments.

The financial performance of L' Esquire Limited which has been merged with Esquire Knit Composite Limited was considered in consolidation of Financial Statements of Esquire Knit Composite Limited.

Industry Outlook and Possible future developments in the industry

Esquire Knit Composite Limited is a 100% export-oriented company. The company produces different types of Knit Garments through its six units namely: Knitting Units, Fabric Dyeing Units, Printing Units, Embroidery Unit, Industrial Laundry Unit and Garments Units and sells the same to world reputed foreign buyers.

Pandemic pressure and shifts in global markets have brought stiff challenges to the garment industry in Bangladesh. The sector will need to innovate, upgrade, and diversify, invest in flexibility, sustainability, worker welfare, and infrastructure.

As Bangladesh celebrates 50 years of independence, global attention is focused on the remarkable economic and social progress the country has achieved in recent decades. Even with the setbacks of the COVID-19 pandemic, the South Asian nation is on track to become a middle-income country within the next few years.

The ready-made garment (RMG) industry is a mainstay of this economic success story: Bangladesh is today one of the world's largest garment exporters, with the RMG sector accounting for 84 percent of Bangladesh's exports. This comes on the back of the sector's rapid growth and modernization over the past decade—as well as the strides it has made in improving conditions for the country's approximately four million garment workers.

Textiles Sector

The rise of Bangladesh's Apparel and Textile industry

Bangladesh has become home of the world's third-largest garment industry. They are coming behind China for exporting all kinds of garments. Readymade garment is a new trend in the whole world. It contributes 20% to Bangladesh's gross domestic product.

In the past seven years, Bangladesh has gained attention in RGM sector by earning revenue starting from $19 billion and growing it to more than $30 billion. It's an outstanding achievement by an increase of 79% in less than 10 years. They have survived through a dire crisis where they lost their workers. But this tragedy helped them to gain a better environment that is more secure and healthy for workers. These changes made them attractive in the RGM market.

Bangladesh's textile and apparel industry has grown by leaps and bounds over the past decade, making it the world's second-largest exporter of garments. The RMG sector, coupled with other clothing exports accounts for up to 81% of the country's export earnings, and the rapidly growing apparel industry contributes up to 20% to Bangladesh's GDP, more than any other secondary industry sector. Clothing manufacturers in Bangladesh are leading the economic growth in the country.

Growth of Textile Industry

With agriculture as the country's primary employment, Bangladesh started to grow as a more significant garment exporter country when the focus shifted to the export industry. In 2012, Bangladesh's textile industry made up to 79% of the country's export income and by the end of 2021; Bangladesh plans to achieve a target of apparel exports worth $50 billion.

The rise in Bangladesh's textile industry started taking place, when the wages of we askers in other countries started to increase. The countries such as Korea then noticed the low manufacturing prices along with the low wages of garment workers in Bangladesh and started venturing into the textile industry of this country. The country is now the leading destination for outsourcing to overseas clothing

manufacturers.

Currently, Bangladesh has more than 5,000 factories working in the textile sector that employ almost 4 million people every year. Most of the workforce of the textile industry is made up of women, which also enables women empowerment directly as well as indirectly.

Overall Economic Overview

Bangladesh has an impressive track record of growth and poverty reduction. It has been among the fastest growing economies in the world over the past decade, supported by a demographic dividend, strong ready-made garment (RMG) exports, and stable macroeconomic conditions. Continued recovery in exports and consumption will help growth rates pick up to 6.4 percent in fiscal year 2021-22.

Bangladesh tells the world a remarkable story of poverty reduction and development. From being one of the poorest nations at birth in 1971 with per capita GDP tenth lowest in the world, Bangladesh reached lower-middle-income status in 2015. It is on track to graduate from the UN's Least Developed Countries (LDC) list in 2026. Poverty declined from 43.5 percent in 1991 to 14.3 percent in 2016, based on the international poverty line of $1.90 a day (using 2011 Purchasing Power Parity exchange rate). Moreover, human development outcomes improved along many dimensions.

Challenges

To recover fully and achieve its growth ambitions of achieving upper-middle income status, Bangladesh needs to address the challenge of containing COVID-19. Vaccinating the population will reduce the incidence of the disease and mortality and enable the full resumption of economic activities. Bangladesh also needs to address the challenge of creating jobs/employment opportunities through a competitive business environment, increased human capital and skilled labor force, efficient infrastructure, and a policy environment that attracts private investments.

The impact of COVID-19 on global FDI and Bangladesh Economy

COVID-19 pandemic has adversely affected the worldwide economy, causing slowdown of business activities and economic contractions. This will have an inevitable negative impact of investment flow in Bangladesh as potential investors are in doubt about market uncertainties and existing investors are limiting their resource mobilization.

A report by the United Nations Conference on Trade and Development (UNCTAD) identified a 42% fall in the global FDI to an estimated USD 859 billion in 2020 from USD 1.5 trillion in 2019. However, the decline in FDI flows across the developing economies was uneven as developing nations in Asia performed better owing to positive FDI inflows to China and India in the high-tech sectors in terms of merger and acquisition in ICT and pharmaceutical respectively. Apart from these two nations, FDI flows in the ASEAN and South-Asian economies fell. Most of these investments are tied to export-oriented apparel sectors that suffered from global demand slump.

If we consider a pessimistic scenario, we can see the uneven economic recoveries. While some sectors would have their earnings recovered, others are likely to remain below the condition prevailing before the pandemic started. It will certainly take time before the share of earnings reinvested would recover to historic levels. Overall, one has to be very optimistic to expect overall FDI flows to become positive until 2022.

Bangladeshi economy has proved to be rather resilient to the shocks brought about by COVID-19 despite the global economic downturn. But, nonetheless, the trend of FDI inflows and the proposed investments have reduced significantly in comparison with previous years.

As per the IMF report released in October 2020, while the global economy is estimated to see a negative growth pf -4.4% on average, Bangladesh is among the few economies with positive growth in 2020 indicating to be more macro-economic resilient. As per surveys conducted by the several international institutions, Bangladesh remains among the top-five resilient economies during the pandemic adversaries and also considered as one of the prospective economies by the global business communities.

The Bangladesh government has been focusing immensely on increasing both local and foreign investments through re-investments, merger and acquisitions and greenfield investments into the country. It has already adopted excellent initiatives in upgrading the port, road and rail infrastructures and powerplants, developing a large number of economic zones and making groundbreaking progress with improvement of the business climate of the country; and all of these did bring Bangladesh under the global focus as a role model of economic development in the world before the pandemic started. However, in order to continue faring this steep path of growth, the policy markers now have to do the homework and devise the correct investment related policies and strategies to attract new FDI.

Scope of Apparel and Textile industry in Bangladesh

Vast availability of low-cost manpower, one of the most competitive energy costs and a proven track record in apparel production and exports have positioned Bangladesh as a regional apparel industry development hub in the Asian continent. In the context of rapid increase in labor wages and raw material prices in other major regional counterparts such as China, Bangladesh is well poised to remain the most preferred destination for international apparel majors for sourcing world class fabric and finished clothes.

Bangladesh's exports have grown strongly and almost doubled between 1995 and 2016 owing to the success in garments, catering largely to the EU and the US markets. Garments can continue to grow in the existing and newer markets. Thus, more rapid export growth will initially rely on capturing higher market shares in Bangladesh's existing strength, i.e., basic garments, both in the current markets, as also newer and more dynamic markets such as Japan, China, ASEAN countries and India.

Bangladesh is targeting an 8% share of the global apparel market to achieve the targeted $50 billion RMG exports by 2021. Currently, apparel demand in the global market is about $450 billion which will hit $650 billion by 2021. Bangladesh's current share is around 5% of the total global apparel demand.

Future export growth will likely rely, first, on capturing new markets and increasing the market share with the existing products. The RMG sector contributes more than 13% of the GDP of Bangladesh. A McKinsey survey report shows that Bangladesh will be the No.1 hotspot for apparel sourcing within five years.

It is also mentionable that the primary textile sector, which includes spinning, weaving, printing, dyeing and finishing, plays a vital role as the backward-linkage industry of woven and knitwear garments by supplying fabrics and yarns. At present, there are 424 spinning mills, 794 fabrics and 241 dyeing, printing and finishing units under the Bangladesh Textile Mills Association (BTMA) with total investment of over $6 billion.

Bangladesh is an ideal destination for investing in the textiles and garments industry due to cheap labor and the favorable trade status with the EU. Again, Government incentives for the spinning, weaving and knitting industries in the form of cash subsidy of the fabric cost to exporters sourcing fabrics locally. There is huge yarn and fabric demand-supply gap in the RMG industry, which is presently met by imports. Thus, the potential for the backward linkage industry is enormous prospect for a huge textile industry capable to supply over 3 billion yards of fabrics a year to the export-oriented garment industry has also been developed by the industry.

Presently, about 85-90% of this demand is met by import from countries like China, India, Hong Kong, Singapore, Thailand, Korea, Indonesia, Taiwan, etc. Fabric requirement is increasing at 20% per annum. This offers a tremendous opportunity for further investment. A more optimistic future is waiting for the ready-made garment industry of Bangladesh as perceived from at least facts and figures.

Bangladesh garment exports soar 12.55% in Financial Year 2021

Readymade garment (RMG) exports from Bangladesh increased by 12.55 per cent to $31.456 billion in fiscal 2020-21 ending June 30 compared to exports of $27.949 billion in the previous fiscal, according to the provisional data released by the Export Promotion Bureau. However, the country missed the export target of $33.785 billion by 6.89 per cent.

Category-wise, knitwear exports jumped by 21.94 per cent to $16.960 billion in July-June 2020-21, as against exports of $13.908 billion during the previous fiscal, as per the data. Exports of woven apparel too rose by 3.24 per cent to $14.496 billion during the period under review, compared to exports of $14.041 billion during the comparable period of 2019-20.

Woven and knitted apparel and clothing accessories' exports together accounted for 81.16 per cent of $38.758 billion worth of total exports made by Bangladesh during the last fiscal. Meanwhile, home textile exports (Chapter 63, excluding 630510) shot up by 49.17 per cent to $1.132 billion during the twelve-month period under review, compared to exports of $758.91 million during July-June 2019-20.

In the fiscal ending June 30, 2020, readymade garment exports from Bangladesh declined 18.12 per cent to $27.949 billion compared to exports of $34.133 billion in the previous fiscal, mainly on account of COVID-19 pandemic and lockdowns.

Risk & Concern

Time off of long-range planning, insufficient strategic investment policies, variable / uncertain fiscal & monetary policies, disorderly employment crises, buyers' dominance, international trade barriers, internal law and order situation especially in transport sector and lack of appropriate infrastructure etc. offer risk of business and investment.

Financial Results

The Company's operating results, as compared to the previous year are summarized hereunder:

Amount in Taka

Operational Results	Financial Year			
	2020-2021		2019-2020	
	Consolidated	Separate	Consolidated	Separate (Sole)
Net Turnover	7,930,127,422	7,905,836,002	N/A	5,000,518,624
Cost of Goods Sold	6,505,660,844	6,489,644,461	N/A	3,905,145,664
Gross Profit	1,424,466,578	1,416,191,541	N/A	1,095,372,960
Operating Expenses	816,523,312	812,467,478	N/A	536,456,752
Gross Operating Profit	607,943,266	603,724,063	N/A	558,916,208
Net Operating Profit	339,882,732	337,746,954	N/A	284,254,319
Financial Expenses	268,060,534	265,977,109	N/A	274,661,889
Non-Operating Income	22,661,497	29,670,793	N/A	55,885,930
Net Profit before WPPF & WP	362,544,229	367,417,747	N/A	340,140,249
Contribution WPPF & WP	2,060,747	2,060,747	N/A	17,007,012
Net Profit before Tax	360,483,482	365,357,000	N/A	323,133,237
Net Profit after Tax	296,897,304	301,859,226	N/A	266,003,303
Earnings Per Share (Tk.)	2.20	2.24	N/A	1.97

Key Performance Ration

Particulars	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Gross Margin Ratio	17.91%	21.91%	20.95%	21.42%	20.70%
Operating Income Ratio	7.64%	11.18%	11.26%	11.74%	11.59%
Return on Assets (ROA)	2.28%	2.39%	4.29%	4.63%	4.45%
Return on Equity (ROE)	4.00%	4.03%	6.56%	7.23%	7.05%
Earnings per Share	2.24	1.97	3.37	3.44	3.12
Net Assets Value Per Share with revaluation Reserve	64.21	50.61	50.14	49.27	45.83
Net Assets Value Per Share without revaluation Reserve	36.48	35.88	35.41	29.40	25.96

Profit and its Appropriation

Directors propose the appropriation of profit as follows:

Amount in Taka

Particulars	Esquire Knit Composite Limited (stand-alone)	
	2020-2021	2019-2020
Net Profit After Tax	301,859,226	266,003,303
Adjustment for depreciation of Revalued Assets	-	-
Profit Brought Forward	2,387,817,831	2,324,158,278
Profit Available for Appropriation	**2,689,677,057**	**2,590,161,581**
Proposed Dividend:		
Cash Dividend	202,343,750	202,343,750
Profit Carried Forward	**2,487,333,307**	**2,387,817,831**

Contribution to National Exchequer

Esquire Knit contributed an amount of Taka 54.85 Million during the year of 2020-2021 to the national Exchequer as against Taka 30.66 Million of the previous year of 2019-2020.

Company's Operation

Esquire Knit Composite Limited is a 100% export-oriented Company. It produces different types of Knit garments through its six units namely, knitting, fabric, printing, embroidery, industrial laundry and garments units. Esquire Knit Composite Limited has over twenty-two years of experience and competency in knit garments arena. The industry is one of the largest producers of knit garments in Bangladesh. Today it has one of the most sophisticated vertically integrated set-ups by which Esquire Knit are producing around 6,088,892 Kgs of Textiles and 34,690,032 Pcs of Apparels

Production Capacity & Utilization

Details of production capacity & utilization

Particulars	Installed Capacity	Actual Production	Production Efficiency in %	Actual Production	Production Efficiency in %
Financial Year		2020-2021		2019-2020	
Unit	**Kgs**	**Kgs**		**Kgs**	
Textiles	8,030,000	6,088,892	75.83%	5,969,502	74.34%
Unit	**Pcs**	**Pcs**		**Pcs**	
Apparels	49,920,000	34,690,032	69.49%	33,696,000	67.50%

Capital Expenditures

Esquire Knit Composite Limited made an additional net capital expenditure of Taka 1,056.22 Million in order to civil construction, import of machineries and other fixed assets under Valuka Project during the financial year 2020-2021 as follows:

Figure in "000"

	2020-2021	2019-2020
Land/Civil Construction	1,003,696	206,988
Plan & Machinery	49,984	219,836
Other Fixed Assets	2,543	-
Total Taka	1,056,223	426,824

The total amount was spent from company's own source, IPO fund and borrowing from commercial banks.

Foreign Exchange Earned / Saved

Esquire Knit Composite Limited has contributing substantial amount to the Foreign Exchange Reserve of the Country. During the year Tk. 4,519.06 Million has earned/saved and contributed through its export marketing operation, which is depicted below:

"Amount in Taka"

	2020-2021	2019-2020
Total Export Earning	7,905,836,002	5,000,518,624
Less: Import Costs	3,386,772,746	1,736,213,692
Yarn	2,883,685,853	1,736,213,692
Dyes	136,158,338	96,180,084
Chemicals	267,970,550	207,675,352
Spare Parts	98,958,005	127,933,381
Misc. (with BMRE)	-	-
Net Export Earnings	4,519,063,256	3,264,304,932

Capital Machinery

During the reporting year, the company spent BDT. 49.98 Million for purchasing capital machinery.

Segment Information

Esquire Knit Composite Limited manufactures a single product 'Knit Garments' of varied specifications, compositions, colors and qualities. Hence, Company's 100% revenue is generated from its only product 'Knit Garments'. As per customers' requirements Esquire Knit manufactures products and accordingly supplies the same to its customers' destination.

The Company has also remarkable investment in its subsidiary companies that manufacture separate products and serve differently. Amongst the subsidiaries, newly acquired "L' Esquire Limited" manufactures "Lingerie" for its valued clients.

Disclosure on extra-Ordinary Gain or Loss

Extraordinary gains or losses refer to infrequent and unusual gain or loss and which is no part of the company's ordinary/day to day operations. There are no such a gains or losses during the year under reporting.

Capital Infusion

During the year, there was no equity capital infusion in the Company. The existing Paid-up capital of the Company is BDT 1,348,958,330. The Company has declared no stock/bonus dividend in the last financial year; as a result, paid up capital of the Company stood at BDT 1,348,958,330.

Disclosure Regarding Utilization of proceeds from Public Issues (IPO), Rights Issues

The company has raised taka 150 crores from the market and as mentioned in the prospectus, it is committed to spend the fund for expansion the business and equity collection cost. The IPO proceeds has been utilized in line with the condition of the commission's consent letter. As of October 2021, the company has utilized the IPO proceeds as follows:

Amount in million Taka

Sl. No.	Purpose Mentioned in the prospectus	Status of Utilization As at November 2021		Status of Un-Utilization As at November 2021		Remarks
		Utilization amount in Taka	% of Utilization	Un-utilization amount in Taka	% of Un-Utilization	
1	Building and Civil Construction	934.23	93.03	69.99	6.97	
2	Machineries	299.95	69.53	131.45	30.47	
3	IPO Expenses	64.38	100	0	0	
Total						

In this connection, we would like inform to all concerned that, we have always been and still are vigilant in implementing all the rules approved by the Commission on the utilization of IPO proceeds. We would also like state that; the utilization of IPO proceeds as per prospectus, will be completed within the time frame fixed by the Commission.

Risk Management

Risk management refers to the practice of identifying potential risk in advance, analyzing those and taking precautionary steps to reduce/curb the risk. In the textiles industries, various risk is encompassing around it.

The risk may occur adverse effect to the Company's sales and profit etc. Mostly, the risk arises from falling demand for the product, shortage of power, shortage of worker, workers unrest and Raw material shortage along with other related risk such as Interest Rate Risk, Foreign Exchange Risk, Technology Risk, Market Risk, Political Risk and other regulatory Risk etc. The Company is aware of its risks concern and well prepared to meet those by systematic control.

Details of the Risk Management of the Company are disclosed Separately by the Management of the Company in Annexure-XIII.

Risk Management Philosophy of o EKCL's are

Esquire Knit Composite Limited believes in the principle- "A Company is only as good as the people it keeps" and we have one of the best, devoted and skilled team of personal in the country. These are the individuals with the best aptitudes, commitments, and expertise

with combination of experience and enthusiasm. They work hard closely with the clients and are entirely devoted to provide the best results, ensuring customer satisfaction encouraged by the Esquire Knit Composite Limited.

Human Resources

Esquire Knit considers its human resources as the most important asset. Always giving the maximum focus on the right placement of human resources, we strongly believe that the efficient management & skilled workers are our greatest assets and as such recognize them as Building Blocks of the Company for their priceless efforts & performances.

We continue investing in our people for the enhancement and up gradation of their skills through conducting research and development and on-the- job internal training programs.

We value the contributions of each employee exerts in the organization and adopt policy to reward them accordingly through providing various financial & non-financial benefits.

The breakdown of your company's human resources is

	Period ended 30 June 2021
Worker	6,983
Staff and officer	1,435

Good Governance

I would like to restate that our Board maintains its effective role in policy formulation and discharging best possible Corporate Governance. The Board has always remained focused on maximizing shareholders' value through formulating polices and guidelines towards ensuring sustainable profitability, minimizing risks and establishing good governance in all spheres of Company's operations. And the Management of the Company highly prioritizes Corporate Governance. In Compliance with Bangladesh Securities and Exchange Commission (BSEC) regulations and to further strengthen our Corporate Governance. A separate report on Corporate Governance is attached with this Annual Report.

Related Party Transactions

During the financial year ended 30 June 2021, all transactions with the related Parties as defined under the Act read with Rules framed thereunder, were in the ordinary course of business and at arm's length basis. Our company does not have a 'Material Subsidiary' as defined under Regulation of the BSEC.

During the year under review, our company did not enter into any Related party Transaction which requires prior approval of the members of the company. All Related Party Transactions entered into by our company had prior approval of the audit Committee and the Board of Directors as required under the Listing Regulations. Subsequently, the Audit Committee and the Board have also reviewed the Related party Transactions on a quarterly basis. During the year under review, there have been no materially significant Related Party Transactions having potential conflict with the intertest of the Company.

Since all Related Party Transactions entered into by our company were in the ordinary course of business and also on an arm's length basis, details required to be provided are not applicable to the company. Necessary disclosures required under the applicable rules have been made in Note No. 32 of the Notes to the financial statements for the financial year ended 30 June 2021.

Material Changes and Commitments affecting Financial Position between end of the Financial Year and the date of this Report.

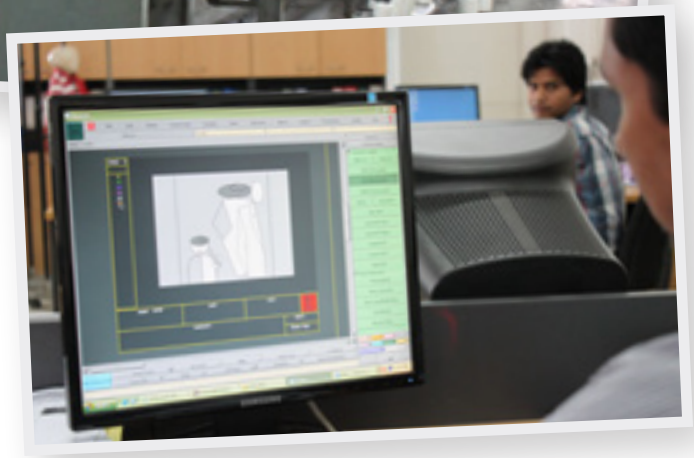
Except those disclosed in this Annual report, there are no material changes and commitments affecting the financial position of the company between the end of the financial year ended 30 June 20211 and the date of this Report.

Management

The Management of EKCL tries to improve the production process and human resources by conducting R&D and internal training programs. EKCL's management is led by its Managing Director who has achieved multi-dimensional experiences including business policy formulation and strategic management & been rewarded with several awards & recognitions for contributing tremendously in different business arena.

Managing Director keeps the track records in leading the team and the Company from beginning till present and is responsible to oversee the day-to-day operations of the business.

Managing Director is the Head of the Factory & Head office, including day to day operations of the business; he also oversees Company's merchandising, procurement and production and directly reports to the Board.



The Company has different departments to perform different activities. All departments' head have significant experiences in related business areas and are liable to monitor respective operations of EKCL. The Company is managed by a team of qualified and experienced professionals.

The Company formed various committees to oversee different internal issues. EKCL has around 6,983 workers in the factory and 1,435 officers and staff in the head office & factory total 8,418 employees were working in Esquire Knit Composite Limited on 30 June 2021.

Audit and Auditors

Apointment of Statutory Auditors

The existing Auditors of the Company M/S. Mahfel Huq & Co., Chartered Accountants, retire at this Annual General Meeting on completion of their audit works for the year ended on 30 June 2021. They are, however, eligible for re-appointment as per BSEC notification. M/S. Mahfel Haq and Co., Chartered Accountants, expressed their interest to be re-appointed as auditors of the Company for the Financial year 2021-2022 at a fee of Tk. 7,50,000/- (taka seven lac fifty thousand) plus VAT. The Board requested the Shareholders to confirm the appointment at their 21st Annual General Meeting.

Appointment of Compliance Auditors

The existing Compliance Auditors of the Company M/S. Chowdhury Bhattacharjee & Co., Chartered Accountants, retired at this Annual General Meeting on completion of their audit works for the year ended on 30 June 2021. They are, however, eligible for re-appointment as

per BSEC notification. M/S. Chowdhury Bhattacharjee & Co., Chartered Accountants, expressed their interest to be re-appointed as Compliance Auditors of the Company for the Financial year 2021-2022 at a fee of Tk. 50,000/- (taka fifty thousand) plus VAT. The Board requested the Shareholders to confirm the appointment at their 21st Annual General Meeting.

Audit Committee

The Board of Directors of our company has duly constituted in compliance with the provisions of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission. The recommendations made by the Audit Committee are accepted by our Company.

Name of the audit Committee Members, number of meetings held during the year under review, terms of reference and other requisite details have been provided in the Corporate Governance Report which forms part of this Annual Report.

Significant and Material Litigations / Orders

During the year under review, there were no significant material orders passed by the Regulations / Courts and no litigation was outstanding as on 30 June 2021, which would impact the going concern status and future operations of our company.

Board of Directors, Board and Sub-Committee Meetings, Retirement and Re-election, Directors fees and Remuneration, Board Meeting and attendance and Key Managerial Personal and Appointment of Company Secretary

Composition of the Board of Directors

Our company's Board is duly constituted and is in compliance with the requirements of the Companies Act 1994, the listing Regulations and provisions of the Articles of association of the Company. Our Board has been constituted with requisite diversity, wisdom, expertise and experience commensurate to the scale of operations of our company.

The Board comprised of Seven Directors including Managing Director. Among the Directors, Mr. Swapan Kumar Sarker and Mr. Placid Gomes, FCA is the independent Directors of the Company as per BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 for three years term.

Board and Sub-Committee Meetings

During the year under review, a total of five meetings of the Board of Members, four meetings of the Members Audit Committee and four meetings of the NRC. Details are given below in comparison to last three years.

Name of the Meeting	2020-2021	2019-2020	2018-2019
Board of Director's	5	4	4
Audit Committee	4	4	4
NRC Committee	4	4	4

Retirement and Re-election

Mr. Md. Muddasar Hossain and Mrs. Peara Begum, Directors of the Company, retires as per the Article of Association of the company and being eligible offer themselves for re-election. Brief resume and other information of the above-mentioned Directors are depicted in the profiles of Directors page no 95.

Director's Fees and Remuneration

The Director who engaged in the Company's day to day operations are receiving remuneration and other benefits from the Company as disclosed in the Financial Statement at note 35(B), Non-Executive Directors including Independent Directors are paid only attendance fee of BDT 10,000/-(BDT ten thousand) for attending per meeting.

Board Meetings and Attendance

During the year 5(five) Board Meetings were held. The attendance record of the Board Members is as follows:

Name of Directors	Position	Meeting Held	Attended the Meeting	Percentage
Mr. Md. Mofazzal Hossain	Chairman	5	5	100%
Mr. Md. Ehsanul Habib	Managing Director	5	5	100%
Mr. Arifur Rahman	Director	5	5	100%
Mr. Md. Muddasar Hossain	Director	5	5	100%
Mrs. Peara Begum	Director	5	5	100%
Mr. Swapan Kumar Sarker	Independent Director	5	5	100%
Md. Placid Gomes, FCA	Independent Director	5	5	100%
Others Members				
Mr. Md. Mustafizur Rahman	Member Chief Financial Officer	5	5	100%
Md. Md. Saiudur Rahman	Member Company Secretary (Ex)	5	5	100%
Mr. Md, Rakibur Rahman	Member Head of Internal Audit and Compliance	5	5	100%

Key Managerial Personnel

As on the date of this Report, Mr. Ehsanul Habib, Managing Director, Mr. Md. Arifur Rahman, Director, Mr. Md. Muddasar Hossain, Director, Mr. Md. Mustafizur Rahman, Chief Financial Officer, Mr. Mr. Monir Hossain, Company Secretary and Mr. Md. Rakibur Rahman, Head of Internal Audit and Compliance are the Key Managerial Personal (KMP) of our Company.

Appointment of the Company Secretary

Based on the recommendation of the Nomination and Remuneration Committee of the Board, Mr. Md. Monir Hossain, a qualified and experienced Company Secretary, was appointed by the Board of Directors at its Meeting held on 14 June 2021 as the Company Secretary and KMP of the Company, w.e.f. 1 August 2021.

Committees of the Board

Pursuant to various requirements under the Act, the Listing Regulations and the Notifications of Bangladesh Securities and Exchange Commission (no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, Board of Directors has constituted various committees, such as Audit Committee, Nomination and Remuneration Committee, Internal Audit Committee and Management Committee. The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report.

Code of Conduct

Esquire Knit has adopted Codes of Conduct for securing good business ethics and conduct in all aspects of the Company's activities. All the employees of the company are strictly required to abide by it.

Management Committee

The day –to-day Management of the Company is entrusted with the Managing Director and the Management Committee.

The members of the Management Committee are jointly accountable for the entire management of the Company and decide on the basic issues of business policy and corporate strategies.

Declaration by Independent Directors

The Independent Directors of our company have submitted requisite declarations that they continue to meet the criteria of Independence as laid down in the applicable Corporate Governance Code issued by the BSEC and there is no change in the status of their Independence and have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board of Directors further confirms that the Independent Directors also meet the criteria of expertise, experience, integrity and proficiency in terms of the applicable rules.

Compliance with Secretarial Standards

During the year under review, the company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors and General meetings issued by the Institute of Chartered Secretaries of Bangladesh.

Nomination and Remuneration Policy

The Board of the company has adopted a Nomination and Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personal and Senior Management Personal of our company. The policy provides criteria for fixing remuneration of the Directors, Key Managerial Personal, Senior Management Personal as well as other employees of the company. The Policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee.

Our Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the company based on his / her eligibility, experience and qualifications and such appointment is approved the Members of the Board as well as the Members of the company at Annual General Meeting. The Policy also provides for Board Diversity criteria.

The Policy is annexed as Annexure X and is also uploaded on the website of the company at www.esquireknit.com have been provided in the Corporate Governance Report which forms part of this Annual report.

Confirmation of Compliance on prevention of Sexual Harassment of Women at Workplace

Our company is committed to provide a safe and secure environment to its women employees as they are considered as integral and an important part of the organization.

In terms of Sexual harassment of Women at Workplace Act and Rules framed thereunder, our company has duly adopted a Policy and has also complied with the provisions relating to the constitution of Internal Complaints Committee.

Our company has been conducting awareness campaign across all its manufacturing units, warehouse and office premises to encourage its employees to be more responsible and alert while discharging their duties.

Gender Equality in the Workplace

Workplace gender equality will be achieved when people are able to access and enjoy equal rewards, resources and opportunities regardless of gender. It will require: Removal of barriers to the full and equal participation of men and women in the workforce.

Our company complied these issues in the workplace very sincerely, and therefore we can safely say that our employees are not victims of gender discrimination.

Going Concern

The Company has adequate resources to continue its business operation for foreseeable future and hence, the financial Statements have been prepared on going concern basis. As per the management's assessment there are no significant doubts about the Company's ability to continue as a going concern.

Communication with Shareholders

Accountable to:

- Shareholders
- Board of Directors
- Management

The Company encourages communication with shareholders throughout the year and welcomes their participation at shareholders meeting. The Company is transparent with the stakeholders, including the owners of the Company. Four times each year, EKCL reports to its shareholders regarding its business, financial position and earnings. These include:

- Quarterly and annual financial statements

- Annual General Meeting
- Price sensitive disclosure and other disclosure to the BSEC and Stock Exchange.

In additional information, the Company is under a legal and regulatory requirement to publish via the newspaper. EKCL believes in transparency and accountability to the society as a whole for the establishment of an efficient and effective Corporate Governance procedure.

Disclosure Regarding Variance between Quarterly Financial Performance & Annual Financial Statements

Statements of Quarterly Financial Statements is given separately. There were some variances in the financial results from quarter to quarter. But they are not of very significant or material nature.

Board's Statement to the effect that no bonus shares or stock dividend has been or shall be declared as interim dividend

The Board of Directors of the Company declares that, our Company has not declared any interim bonus shares or stock dividend for the financial year under review.

Minority Interests

In Compliance with condition number 1 (5) (xvi) of the Corporate Governance code 2018 of BSEC, the Board hereby confirms that the interests of the Minority Shareholders have been duly protected in the Company.

Unpaid or Unclaimed Dividend

In this regard, the Bangladesh Securities and Exchange Commission has issued a Directive on 14 January 2021 regarding the Unpaid or Unclaimed dividends of all listed companies. As per the directive issued, we have retained the list of recipients of unpaid or unclaimed dividend holders of our company and are in reserved condition. However, as directed, we did not transfer any fund to the Capital Market Stabilization Fund during the year under review, because we are not applicable to this law yet.

According to the financial year ended 30 June 2021, the total amount of unpaid or unclaimed dividend of our company stands at Taka 4,176,706.

Declaration by Managing Director and CFO

Declaration by Managing Director and Chief Financial Officer (CFO) on the Financial Statement of the Company is attached as Annexure-I.

Declaration by MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other company at the same time

The MD or CEO, CS, CFO and HIAC of the Esquire Knit Composite Limited did not hold any executive position in any other company at the same time.

The Pattern of Shareholding

The Shareholding of Directors, Managing Director, Chief Financial Officer (CFO), Company Secretary, Key Executives and their Spouses and Children are provided in Annexure-II.

The shareholding pattern is shown as on 30 June 2021 as per BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

Key Operating and Financial Data

The summarized Key Operating and Financial Data for 2020-2021 and immediately preceding five years is provided in Annexure-III.

Management Discussion and Analysis

Detailed discussion on the Operating and Financial Performance of the Company along with other disclosures as required under Corporate governance Code issued by Bangladesh Securities and Exchange Commission through Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018, has been Separately reported by the Managing Director as Annexure -IV.

Status of Corporate Governance Compliance Report

In accordance with the requirement of Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018, report on "Corporate Governance Compliance "is provided in Annexure-V.

Website

The company maintains a website namely www.esquireknit.com . All Disclosures, Audited Financial Statements and Annual Report are available of our company here.

Annexures forming part of this Report

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form part of this Report:

Annexure	Particulars
VI	Directors Declaration
VII	Report to the Audit Committee
VIII	Activities of Nomination and Remuneration Committee
IX	Involvement of Director in Other Organizations
X	Nomination and Remuneration Policy
XI	Dividend Distribution Policy
XII	Risk Management
XIII	Corporate Social Responsibility (CSR)
XIV	Directors Profile

Business Ethics

Esquire Knit now has become a reputed brand in Knit Garments Industry for delivering innovation, performance and fashion craze to its clients. The key element of long-term success is integrity and sincerity through performing the business fairly -a factor that contributes greatly in keeping long-standing affiliations with our valued clients.

All of our employees are instructed to behave decently during delivering their words & performing deeds based on Esquire knit's ethical principles.

We have designed our policy to hold our reputation as an excellent Company all the way through a fantastic client servicing and ethical business dealings. This is how we manage our business and maintain high standard all the time.

Our motto is to grow with our esteemed clienteles and stakeholders harmonizing a good acquaintance and also provide them nothing less than the best.

Our Board, Management and the employees strictly follow & support the regulatory guidelines, instructions and all applicable laws, rules and regulations of the concerned Authorities.

Health & Safety

Esquire Knit provides the best Health & Safety Policy to its employees/workers based on EKCL's Corporate Business Principles and the Management and Leadership Principles which is maintained by the whole Esquire Group and also committed to continual improvement the standards of the policy.

The Company ensures utmost safety in the entire business operations that meets or exceeds the requirements where all activities are operated considering the highest security and safety from all types of possible accidents as well as the protection of the people at work place.

For ensuring maximum safety, while working in the factory inside it is mandatory for every staff to be dressed up properly having necessary uniforms i.e., aprons, gloves, mask, helmet, boots etc. We commit to identify systematic hazards and manage them with appropriate risk assessments and subsequent actions to minimize the possible dangers. These approaches also reduce threats on the business protecting our shareholders' interests and so on.

Future Goal

At Present our company is more focusing on increasing its new markets by producing and exporting existing and new products. At the same time, one of the goals of the company is to control the costs and increase the Net Profit of the company and distribute it among the shareholders. Members of all levels of the company, including the members of the Board, are working tirelessly day to night to achieve this goal.

Appreciation

I am grateful to Almighty Allah for the success of the company in the year 2020-2021. The continued endeavors of the management and staff as well as timely support of the Board of Directors have substantially contributed to reach a newer height of success.

I express my deep appreciation to the management and all members of staff for their dedicated & efficient services, their loyalty and relentless efforts for the Company's improvement.

I also would like to express my gratitude to the Members of the Board for their continuous support and wisdom, without which the Company would not have been in its present position.

Again I take the opportunity of expressing my heartfelt gratitude to the Ministry of Commerce, Government of the Peoples' Republic of Bangladesh, Bangladesh Securities & Exchange Commission(BSEC), National Board of Revenue(NRB), Registrar of Joint Stock Companies & Firms(RJSC), Dhaka Stock Exchange Ltd.(DSE), Chittagong Stock Exchange Ltd.(CSE), the regulatory authority –Bangladesh Textiles Mills Association(BTMA) also other regulatory bodies who have supported us and extended their valuable co-operation and some Commercial Banks of Bangladesh namely Dutch-Bangla Bank Limited (DBBL), Eastern Bank Limited (EBL) and others for extending their co-operation and everyone in the Esquire Knit family for their valuable guidance, support & co-operation.

The Board would like to put on record its appreciation for the hard work and dedication of the employees of the Company that contributed significantly to its growth over the year. We look forward to their continued support, co-operation and guidance that are our constant source of encouragement in the days ahead.

I conclude by conveying my very sincere and special thanks to our respected Shareholders, valued customers/clients, well-wishers and external auditors for their support, assistance & patronage to facilitate our path towards the glory achieved so far by the Company.

We renew to them our promise to remain disciplined, compliant and result-oriented in all our endeavors and in return seek their co-operation.

May Allah SWT (Subhanahu Wa Ta'ala) bless us all.

On Behalf of the Board of Directors

Dated: 30 October 2021, Dhaka

Md. Mofazzal Hossain
Chairman

CORPORATE GOVERNANCE

Corporate Governance is the system by which Companies are directed and controlled. Boards of Directors are responsible of the governance of their companies. The shareholders' role in governance is to appoint the directors and the auditors and to satisfy themselves that an appropriate governance structure is in place. The responsibilities of the Board include setting the company's strategic aims, providing the leadership to put them into effect, supervising the management of the business and reporting to shareholders on their stewardship. Corporate governance is therefore about what the Board of a Company does and how it sets the values of the Company, and it is to be distinguished from the day-to-day operational management of the Company by full-time executives.

The Board of Directors of Esquire Knit Composite Limited believes that good corporate governance is vital to strengthen the Company's sustainability, organizational effectiveness and foster a high-performance culture within the organization. Corporate Governance is term that refers broadly to the rules, procedure and laws by which business are operated, regulated and controlled in order to ensure the interest of the stakeholders of a corporate body.

In accomplishment of the affairs of the company, the Board is guided by the Corporate Governance Principles as stipulated by BSEC notification No. BSEC/CMMRRCD/2006-158/2007/admin/80 dated 3 June 2018 and in compliance with the rules and regulations of the Companies Act 1994, Memorandum and Articles of Association of the Company and the service rules of the Company and other relevant applicable laws and regulations. The Board also remains responsible for efficient and effective implementation of the policies and strategies adopted from time to time.

Board of Director's

In line with the concept of good corporate management practice and the provisions of Memorandum of Articles of Associations, the Board of Directors holds the supreme authority of the Company. The Board is collectively responsible to the Company's shareholders for the success of the Company. The Board of Directors is reconstituted every year by the shareholders through retirement / re-election / election by one third of its sponsor's Directors.

Composition of the Board

The Board of Esquire Knit Composite Limited consists of 7(seven) Directors, comprising 1 (one) Non-Executive Director, 2 (two) Independent Directors with varied education and experience which provided a balancing character in decision making process.

The present members of the Board of Directors are as follows:

Director		Position
Mr. Md. Mofazzal Hossain	-	Chairman
Mr. Md. Ehsanul Habib	-	Managing Director
Mr. Arifur Rahman	-	Director
Mr. Md. Muddasar Hossain	-	Director
Mrs. Peara Begum	-	Director
Mr. Swapan Kumar Sarkar	-	Independent Director
Mr. Placid Gomes, FCA	-	Independent Director

Members

Mr. Md. Mustafizur Rahman	-	Chief Financial Officer (CFO)
Mr. Md. Monir Hossain	-	Company Secretary
Mr. Md. Rakibur Rahman	-	Head of Audit and Compliance

During the year under review the Board held 5(five) meeting to transact various agenda. The Board is re-constituted every year at each Annual General Meeting when one third of the sponsor's members retires and seeks re-election.

Members of the Board of Directors often travel abroad to bring into focus, the Company's image and acquire technological gains. Top management inaugurates/participates in seminars, training course, conference, and various cultural activities of the employees and workers which instill in them a sense of belongingness.

A director is liable to be removed if the conditions of the Article of Association and the provisions of the Companies act 1994 are not fulfilled.

Board Meetings and Attendance

During the year 5(five) Board Meetings were held. The attendance record of the Board Members is as follows:

Name of Directors	Position	Meeting Held	Attended the Meeting	Percentage
Mr. Md. Mofazzal Hossain	Chairman	5	5	100%
Mr. Md. Ehsanul Habib	Managing Director	5	5	100%
Mr. Arifur Rahman	Director	5	5	100%
Mr. Md. Muddasar Hossain	Director	5	5	100%
Mrs. Peara Begum	Director	5	5	100%
Mr. Placid Gomes, FCA	Independent Director	5	5	100%
Mr. Swapan Kumar Sarker	Independent Director	5	5	100%

Role & Responsibilities of the Board

The Board is the supreme authority of the company to oversee its operations through appropriate delegation, monitoring, control and reporting. The Directors hold the activities of the Company in accordance with law and in the interest of its shareowners and other stakeholders, keeping in view the long-term interest and aspirations of the Company, while also discharging Company's legal obligations to its shareowners.

Functioning of the Board

The Directors meet together for the dispatch of the business and regulate the meetings and proceedings according to the needs of the Company. Every Board Meeting is preceded by service of notice well ahead of scheduled time. Notice with agenda supported by working papers for every meeting of the Board are sent to all Directors well in advance as that they can come up with their considered views and can actively participate at the deliberations. During the meeting, the Board gets a thorough review of the performance of the Company by the Managing Director. All pertinent matters are discussed in details and decisions are taken based on through considerations. Questions arising at any meeting are decided by a majority of votes. However, there is a procedure supported by the Articles of Associations of the Company which allows taking care of any urgent matter through Resolution by Circulation. Such circular resolution is adopted by the Directors present in Bangladesh, without having to call a formal Board Meeting. To make it transparent, such resolutions passed by circulation are subsequently tabled immediately following Board meeting and included in the minutes accordingly.

Separate Role of the Chairman and Managing Director

The positions of Chairman and Managing Director are held by separate persons.

Mr. Md. Mofazzal Hossain - Chairman

The Chairman of the Company is responsible for the functions of the Board of the Company.

Mr. Md. Ehsanul Habib - Managing Director

The Managing Director of the company oversees everything in the company as per the direction of the Board and making the decision and delivery.

Independent Director

In compliance of the Bangladesh Securities and Exchange Commission Regulations on Good Governance, the Board of Directors as empowered by the Regulations, appointed Mr. Sawpan Kumar Sarker Ex. Additional Secretary of the Government of the People's Republic of Bangladesh. Mr. Sarker is a member of University of Bradford Alumni Association. He is also the members of Dhaka University Economics Department. Alumni Association (DUEDDA), Bangladesh Economic Association (BEA), JICA Alumni Association. He completed his M.S.S in Economics in the year of 1978 from Dhaka University of Dhaka. He completed Diploma in Government Financial management from University of ULSTER of North Ireland in the year of 2004. He joined in the Board of Directors of Esquire knit Composite Limited as an Independent Director as on 30 June 2016 and Mr. Placid Gomes, FCA, fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). He obtained Master degree in Accounting from the University of Dhaka. Currently he is working in garments-sweater division of Sky Apparels Limited. He Joined in the Board of Directors of Esquire Knit Composite Limited as an Independent Director on 30 June 2016. Previously he served at Khulna Power Company Limited a renowned listed Company as a Head of Finance & Accounts. He has extensive experience in Finance & Accounts arena around 16 Years.

Audit Committee

Composition of Audit Committee

The Board of Directors has constituted an Audit Committee of the Board consisting of three Directors.

The members of present Audit Committee are as follow:

Mr.Placid Gomes, FCA Independent Director	- Chairperson
Mr. Swapan Kumar arker Independent Director	- Member
Mrs. Peara Begum Director	- Member
Mr. Md. Monir Hossain Company Secretary	- Member Secretary

The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors from time to time. The Audit Committee shall also co-ordinate with the Internal and external Auditors as and when required. The Audit Committee ensures that adequate internal checks & balances supported by adequate MIS are in place for detection of errors frauds and other deficiencies. The other responsibilities include inter alia, not being limited to, the prevention of conflict of interest between the Company and its Director's officials, customers, suppliers, government and any other interest groups and detect or remove any scope of insider trading in the Company's compliance of requirements of BSEC and other agencies.

Nomination and Remuneration Committee (NRC)

The Board of Directors formed a Nomination and Remuneration Committee of the Board of three non-Executive Directors.

NRC Committee Members

Mr. Swapan Kumar Sarkar Independent Director	- Chairman
Mr. Placid Gomes, FCA Independent Director	- Member
Mrs. Peara Begum Director	- Member
Mr. Md. Monir Hossain Company Secretary	- Member Secretary

Management Committee

The Management Committee is led by the Managing Director, Mr. Md. Ehsanul Habib, who is appointed by the Board of Directors for a term of five years (renewable) with the approval of shareholders in the Annual General Meeting. The Management Committee comprises senior executive members of the Company. Within the limits of delegated authority and responsibility by the Board of Directors, Executive Management operates through further delegation of authority at every echelon of the line management.

The Management Committee operates within the frame work pf policy & planning strategies set by the Top management with parodic performance reporting for guidance.

The Management Committee is responsible for preparation of segment plans/sub-segment plans for every profit center with budgetary targets for every items of good & services and are held accountable for deficiencies, with appreciation for outstanding and exceptional performance. These operations are continuously carried out by the Management Committee through series of Committees, Sub-Committees, Adhoc Committees & Standing Committees assisting the line Management.

Relationship

Relationship with shareholders & Public

The Shareholders as owners are required to be provided the material information on the company's operation every quarter and annually, the latter at the Annual General Meeting. They are also provided with routine services by the Company affairs division in matters of their various queries, Share's transfer, dematerialization, rematerialize ion of shares, payment of dividends etc.

The Board is however responsible to the public for publication of any price sensitive information as per BSEC regulation. A qualified Secretary is in charge for all these responsibilities as Company Secretary.

Relationship with Government

In its role on accountability to the government, the Board of Directors ensure payment of all dues to government in the form of import duty, custom duty and port charges, VAT, corporate Taxes and other levels as and when they became due on the basis of actual operations and make sure to avoid corruption. This has enabled the Company to enhance its contribution to the National Exchequer on a progressive rate year after year.

Relationship with Financier/ Bankers

The Board oversees the financial transactions to the lenders without default. This has resulted in securing lower interest rates from them.

Relationship with Suppliers

As the Company has to import plant, machinery and spare parts and almost all the raw materials from abroad, it maintains cordial and mutually beneficial interest with its international as well as local suppliers. This has enabled the Company to avoid any legal disputes in international / local courts and enhanced the Company's image as a good customer.

Corporate Social Responsibilities (CSR)

The Board of Directors is also aware of the Corporate Social Responsibilities (CSR) especially in the areas of gender equality, race-religion, regional equality, non–employment of child labor, human rights, environmental pollution, social-marketing, social activities (promotion of sports & culture, health care and participation in charitable activities etc.)

Chief Financial Officer, Company Secretary and Head of Internal Audit and Compliance

The Company has appointed the following persons as Chief Financial Officer, Company Secretary and Internal Audit and Compliance of the Company as per requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission:

Mr. Md. Mustafizur Rahman	- Chief Financial Officer
Mr. Md. Monir Hossain	- Company Secretary
Mr. Md. Rakibur Rahman	- Head of Internal Audit and Compliance

Role of CFO, CS and HIAC

Role of Chief Financial officer

Esquire Knit Composite Limited has a Chief Financial Officer (CFO). He is a professional Accountant. He is responsible for accounting and financial activities of the Company. The Board of Directors clearly defined the roles, responsibilities and duties of the CFO. In compliance with the corporate governance code of the BSEC, the CFO attends meetings of the Board of Directors.

Role of Company Secretary

As part of statutory requirement, the Board of Directors of Esquire Knit Composite Limited has appointed a Company Secretary. He is responsible for dealing with various corporate matters of the Esquire knit Composite Limited and acts as officer of the Board, bridge in between Board and other Stakeholders, custodian of the Shareholders and also conducts the statutory functions pursuant to the applicable laws and regulations. The Board of Directors clearly defined the rules, responsibilities and duties of the Company Secretary.

Role of Head of Internal Audit & Compliance

Esquire Knit Composite Limited has a Head of Internal Audit and Compliance. He has completed his Chartered Accountant (CC) under the Institute of Chartered Accountants of Bangladesh (ICAB). The Board of Directors clearly defined respective roles, responsibilities and duties of the Head of Internal Audit & Compliance. In compliance with the corporate governance code of the BSEC, he attends meetings of the Board of Directors.

Subsidiary Company

Composition of the Board of Subsidiary Company

The Board of L' Esquire Limited consists of 5(five) Directors, comprising 1 (one) Director representing from Esquire Knit Composite Limited as Independent Director with varied experience which provided a balancing character in decision making process.

The present members of the Board of Directors are as follows:

Director	Position
Mr. Md. Ehsanul Habib	Chairman
Mr. Arifur Rahman	Managing Director
Mr. Mofazzal Hossain	Director
Mr. Md. Muddasar Hossain	Director
Mr. Swapan Kumar Sarkar (Independent Director of Esquire Knit Composite Limited)	Director

During the year under review the Board held 4(four) meeting to transact various agenda.

Activities of Subsidiary Company during the Year

Esquire Knit Composite Limited has one subsidiary company and according to the corporate governance guidelines, activities are also followed in the subsidiary company relating to: -

- Composition of the Board of Directors of Esquire Knit Composite Limited should be composed including the requirement to appoint independent director.
- Independent Director of Esquire Knit Composite Limited is also appointed in the Subsidiary Company.
- Minutes of Subsidiary Company are also placed in the Board Meeting of Esquire Knit Composite Limited for review.
- Reviewing the Financial Statements of Subsidiary Company in the Audit Committee Meeting of Esquire Knit Composite Limited.

Other Governance Apparatus

The Company, in its efforts for Corporate Good Governance Practices, uses a series of top-ranking professional service providers including Legal experts, bankers, Insurers and Technical experts who continuously assist the Board of Directors and the Executive management in property discharging their duties to all the shareholders, stakeholders, the Government and the Public as highlighted below:

Legal Advisor

In order to avail the best legal service for Good Corporate Governance, the Company has empaneled the following top ranking legal professionals:

Mr. Md. Sameer Sattar, Bar-at-Law - Legal Advisor

He taking care of long term basic/fundamental support for the Good governance of the Company.

Statutory Auditors

The role of the Statutory Auditors in certification of the financial statement is the most significant aspect of Corporate Governance and protection of interest of investors. As evident from the Annual Reports, the Company rigidly follows the code of International Accounting Standards (IAS) and International of Auditing (ISA) with legally required disclosures of Accounts and Financial Statements. This has been possible due to the high-level capability and integrity of M/S. Mahfel Huq & Co., Chartered Accountants whose unchallenging performance has played a very trustworthy role in the protection of interest of the investors.

Internal Audit and Control

Esquire Knit Composite Limited considers that internal audit is one of the important regular functions of the Company. The Company has an independent internal audit department under control of the Audit Committee of the Board. This department gives effort to bring a methodical and disciplined approach to evaluate and improve the effectiveness of the organizations risk management process, system of internal control and governance.

Compliance Auditors

The Compliance Auditors is responsible in certificate on Compliance of Conditions of Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards of Institute of Chartered Secretaries of Bangladesh.

M/S. Chowdhury Bhattacharjee & Co., Chartered Accountants is the Compliance Auditors of Esquire Knit Composite Limited appointed by its Shareholders in Annual General Meeting.

Compliances

EKCL has established procedures to ensure compliance with all applicable statutory and regulatory requirements. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

Dividend Policy (Dividend distribution Policy)

In accordance with the requirement of Bangladesh securities and Exchange Commission Notification No. BSEC/CMRRD/2006-158/207/Admin/80, dated 3 June 2018, is provided in Annexure – XI.

Shareholders' Relationship

Corporate Governance issuer include how major policy decisions are made in business corporations, how various stakeholders can influence the process, who is held accountable for performance and what performance standards are applied. In a nutshell power and influence are crucial in corporate governance. As shareholders, ownership structure has an impact on the balance of power among shareholders. Though sponsors usually hold majority shares required for ordinary regulations, public shareholders have a definite role and influence in the passing of special regulations required for changes the business object, sale of business/productive assets, merger and amalgamation, winding up or dissolution and amendments to Memorandum and Articles of Association for protection of minority interest up to 25.88% shareholdings.

This position of shareholders as on 30 June 2021 indicates that the sponsors of the company do not hold the required shareholding for passing special resolutions. This allows the public shareholders (individuals & institutions) to play an effective role in protecting their legal corporate rights.

The company holds regularly as per law the Annual General Meeting with adequate notice and disclosures in the Directors' Report and the Auditors' Report on Accounts/Notes and resolutions are passed with consensus and unanimity. All reasonable and practicable suggestions are implemented with good grace.

Special resolution is passed in General Meeting with due notice period. All enquiries are attended by the Company Secretary. Where necessary, Internal Audit Committee investigates matters of significant merit for consideration by the management Committee/Managing Director/Audit Committee of Board/Board of Directors the case may be.

Segment Report

The Company's operations are carried out on an aggregate basis and are managed as a single operating segment. Accordingly, the Company operates in one segment of developing, manufacturing and marketing of different types RMG for human.

Nature of Business

Esquire Knit Composite Limited is a cent percent export-oriented Company. It produces different types of Knit Garments through its six units namely-Knitting units, fabric dyeing units, printing units, embroidery units, industrial laundry and garments units and sells the same to foreign buyers.

Risk Perception

The Company management perceives investment risk within the national and international economic perspectives in relation to legal and moral requirements involving inter alia, intellectual property right, scientific invention, WTO Regulation, MFA etc. and monetary and fiscal investment policies and has prepared its production & marketing strategies to meet the challenges from these risks.

Secretarial Standard

Esquire try their best maintaining of the Secretarial Standard on meeting of the Board of Directors, Members(shareholders), Minutes and Dividend issued by the Institute of Chartered Secretariates of Bangladesh.

Corporate Socialization

In order to play a model role for Good Governance characteristics in the corporate sector, the Company has become members of country's leading Bangladesh Garments Manufacturers & Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA), Bangladesh German Chamber of Commers & Industry (BGCCI), Spain Bangladesh Chamber of Commerce and Industry, Bangladesh Association of Publicly Listed Companies (BAPLC), Central Depositary Bangladesh Limited (CDBL), Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). These memberships have provided scope to the Company for improvement of Corporate Governance Practices for the benefit of the shareholders/Stakeholders.

STATEMENT OF VALUE ADDED

For the year ended 30 June 2021

	2020-2021	2019-2020
Source of Fund		
Net Revenue	7,905,836,002	5,000,518,624
Less: Bought in Materials & Service	4,693,730,540	2,643,989,726
Add: Other Income	29,670,793	55,885,930
Valued Added (Available for distribution to stakeholders)	3,241,776,255	2,412,414,829
Applied in the following Ways:		
Employees		
Salaries, Wages, Gratuity and Other benefits	2,369,013,422	1,582,037,699
Contribution to workers profit participation & welfare fund	2,060,474	17,007,012
Government	54,852,714	30,664,224
Provider of Capital	468,320,859	477,005,639
Interest	265,977,109	274,661,889
Dividend	202,343,750	202,343,750
Retained by the Company	349,589,260	322,707,266
Depreciation	241,428,725	232,582,003
Retain Earnings	108,160,536	90,125,263

DECLARATION BY
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)

Annexure-i *to the directors' report*

Date: 30 June 2021

The Board of Directors
Esquire Knit Composite Limited
Esquire Tower, 21 Shaheed Tajuddin Ahmed Sarani
Tejgaon, Dhaka-1208, Bangladesh.

Subject: Declaration on Financial Statements for the year ended on 30 June 2021.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. D/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

01. The Financial Statements of Esquire Knit Composite Limited for the year ended on 30 June 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
02. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view:
03. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements:
04. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records:
05. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed: and
06. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainly related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

i. We have reviewed the financial statements for the year ended on 30 June 2021 and that to the best of our knowledge and belief:
   a) these statements do not contain any materially untrue statement or omit any material fact or contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii. There are to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Md. Ehsanul Habib
Managing Director

Md. Mustafizur Rahman
Chief Financial Officer (CFO)

THE PATTERN OF SHAREHOLDING

For the year ended 30 June 2021

Annexure-ii *to the directors' report*

The Shareholding Pattern of Esquire Knit Composite Limited Showing Parent/Subsidiary/Associated companies and other related parties as on 30 June 2021.

i. Shares held by Parent/Subsidiary/Associate Companies : NIL

Shares held by other related parties

Sl. No.	Name of the related parties	Number of Shares	% of Shares
1	Esquire Dying Industry Limited	29,581,343	21.93
2	Esquire Accessories Limited	1,214,677	0.90
3	Esquire Electronics Limited	5,848,010	4.34
	Total Shares held	**36,644,030**	**27.17**

ii. Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor Children

a. Shares held by Directors of the Board

Sl. No.	Name of the Directors and their spouse and minor children	Position of the Board	Number of Shares	% of Shares
1	Mr. Md. Mofazzal Hossain	Sponsor & Chairman	27,791,667	20.60
2	Mr. Md. Ehsanul Habib	Sponsor & Managing Director	15,032,960	11.14
3	Mr. Arifur Rahman	Sponsor & Director	7,925,000	5.87
4	Mr. Md. Muddasar Hossain	Sponsor & Director	7,925,000	5.87
5	Mrs. Peara Begum	Sponsor & Director	3,681,343	2.73
6	Mr. Swapan Kumar Sarker	Independent Director	NIL	0.00
7	Mr. Placid Gomes, FCA	Independent Director	NIL	0.00
	Total shares held		**62,355,970**	**46.21**

b. Shares held by Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor Children

Sl. No.	Name of the Member of the Board and their spouse and minor children	Position of the Company	Number of Shares
1	Mr. Md. Mustafizur Rahman	Chief Financial Officer	NIL
2	Mr. Md. Monir Hossain	Company Secretary	NIL
3	Mr. Md. Rakibur Rahman	Head of Internal Audit & Compliance	NIL

iii. Shares held by Executives of the Company : NIL

iv. Shareholders holding ten percent (10%) or more voting interest in the Company

Sl. No.	Name of the Shareholders	Number of Shares	% of Shares
1	Mr. Md. Mofazzal Hossain	27,791,667	20.60
2	Mr. Md. Ehsanul Habib	15,032,960	11.14
3	Esquire Dying Industry Limited	29,581,343	21.93
	Total Shares held	**72,405,970**	**53.67**

KEY OPERATING AND FINANCIAL DATA (STANDALONE)

(Five Years Comparative Statistics)

Annexure-iii *to the directors' report*

Revenue and results from operation

	2021-2020	2020-2019	2019-2018	2018-2017	2017-2016
					Amount in Taka
Total Revenue	7,905,836,002	5,000,518,624	5,919,576,583	4,841,134,840	4,453,547,322
Gross Profit	6,489,644,641	1,095,372,960	1,240,388,495	1,037,073,961	921,895,456
Gross Operating Profit	603,724,063	558,916,208	666,754,391	568,481,700	516,056,556
Net Operating Profit	337,746,954	284,254,319	442,530,063	426,381,080	397,787,026
Net Profit before tax	365,357,000	323,133,237	443,390,953	410,549,546	383,107,764
Net Profit after tax	301,859,226	266,003,303	383,607,218	343,968,575	312,146,695
Earnings per share (EPS)	2.24	1.97	3.37	3.44	3.12

Statement of financial position

	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
					Amount in Taka
Total Assets	14,496,303,312	11,967,952,448	10,296,574,740	7,566,834,897	7,291,501,702
Total Non-Current assets	8,176,938,032	5,538,701,226	5,326,047,982	4,214,057,754	3,965,773,507
Total Current Assets	6,319,365,280	6,429,251,222	4,970,526,758	3,352,777,143	3,325,728,195
Shareholders' Equity	8,662,233,922	6,827,436,987	6,763,777,435	4,927,141,548	4,583,172,974
NAV per share with revaluation reserve	64.21	50.61	50.14	49.27	45.83
NAV per share without revaluation reserve	36.48	35.88	35.41	29.4	25.96

Changes in financial position

	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
					Amount in Taka
Share capital	1,348,958,330	1,348,958,330	1,348,958,330	1,000,000,000	1,000,000,000
Revaluation surplus	3,739,289,135	1,986,590,489	1,986,590,489	1,986,590,489	1,986,590,489
Retained earnings	2,487,333,307	2,387,817,831	2,324,158,278	1,940,551,060	1,596,582,485

Statements of cash flow

	2021-2020	2020-2019	2019-2018	2018-2017	2017-2016
					Amount in Taka
Net cash flow from operating activities	(173,066,389)	290,429,710	230,817,660	520,577,824	99,316,567
Net cash flow from investing activities	(1,158,149,856)	(731,484,644)	(1,710,587,509)	(413,681,695)	(238,668,590)
Net cash flow from financing activities	287,760,442	1,300,013,236	2,270,258,719	(95,106,977)	150,241,215
Net Operating Cash Flow per share (NOCFPS)	(1.3)	2.13	2.16	5.21	0.99

Statements of Shareholding

	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Total Number of Shares	134,895,833	134,895,833	134,895,833	1,000,000,000	1,000,000,000
Sponsors	63,355,970	63,355,970	63,355,970	63,355,970	63,355,970
Institutions	54,007,107	54,007,107	53,710,367	36,644,030	36,644,030
General Public	17,532,756	17,532,756	17,829,495	-	-
Statements of Employees					
Number of Employees	8,418	8,272	8,281	7,980	7,680
Officers & Staff	1,435	1,490	1,522	1,466	1,466
Workers	6,983	6,782	6,759	6,514	6,214

MANAGEMENT'S DISCUSSION & ANALYSIS

Annexure-iv *to the directors' report*

Pursuant to Condition No. 1 (5) (xxv) of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission, the Management's Discussion & Analysis for the year ended 30 June 2021 of the Company are presented hereunder:

Accounting Policies and Estimation for Preparation of Financial Statements

Esquire Knit Composite Limited Follows International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) along with prevailing local rules and regulations applicable for preparation of financial statements. Detail description of accounting policies and estimation used for the Company are disclosed in the Notes No. 2 and 3 to the Separate financial statements.

Changes in Accounting Policies and Estimation

Esquire Knit has been following consistent policies and estimation and there are no such changes in accounting policies or estimation which has material impact on financial statements:

Comparative Analysis of Financial and Operational Performance

The Director's Report provides the analysis of financial performance and position during the year under review and also a detail comparison of financial performance and position as well as cash flows are presented as part of the financial statements including notes.

However, major areas of financial performance, financial position as well as cash flows with immediately preceding three years (Since the Company came to Initial Public Offer in 2018-2019) including effects of inflation are depicted here in below:

Amount in Taka

Particulars	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Financial Performance					
Revenue	7,905,836,002	5,000,518,624	5.919,576,583	4,841,134,840	4,453,547,322
Gross Profit	6,489,644,641	1,095,372,960	1,240,388,495	1,037,073,961	921,895,456
Net Profit before Tax	365,357,000	323,133,237	443,390,953	410,549,546	383,107,764
Net Profit after Tax	301,859,226	266,003,303	383,607,218	343,968,575	312,146,695
Financial Position					
Shares Outstanding	134,895,833	134,895,833	134,895,833	134,895,833	134,895,833
Shareholder's' Equity	8,662,233,922	6,827,436,987	6,736,777,435	4,927,141,548	4,583,172,974
Total Assets	14,496,303,312	11,967,952,448	10,296,574,740	7,566,834,897	7,291,501,702
Total Liability	14,496,303,312	11,967,952,448	10,296,574,740	7,566,834,897	7,291,501,702
Current Assets	6,319,365,280	6,429,251,222	4,970,526,758	3,352,777,143	3,325,728,195
Current Liabilities	3,413,228,747	2,660,125,114	2,196,030,510	2,025,442,977	
Net Cash Generated from Operating	3,413,228,747	290,429,710	230,817,660	520,577,824	99,316,567
Net Cash Used in Investing Activities	(1,158,149,856)	(731,484,644)	(1,710,587,509)	(413,689,695)	(238,668,590)
Net Cash Used in Financial Activities	287,760,442	1,300,013,236	2,270,258,719	(95,106,977)	150,241,215
Financial Ratio					
Current Ratio	1.85	2.42	2.66	1.66	1.47
Debt to Equity	0.52	0.58	0.36	0.33	0.37
Gross profit margin (In %)	17.91	21.91	20.95	21.42	20.7
Return on Equity (In %)	4	4.03	6.56	7.23	7.05
Return on Assets (In %)	2.28	2.39	4.29	4.63	4.45

Particulars	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Ordinary Shares Information					
Shares Outstanding	134,895,833	134,895,833	134,895,833	134,895,833	134,895,833
Face Value per Share	10	10	10	10	10
Dividend-Cash (In %)	15	15	15	0	0
Dividend-Stock (In %)	0	0	0	0	0
Dividend Payout (Cash + Stock) in "000	202,343,750	202,343,750	202,343,750	0	0
Net Asset value per Share with Revaluation Reserve	64.21	50.61	50.14	49.27	45.83
Net Asset value per Share without Revaluation Reserve	36.48	35.88	35.41	29.4	25.96
Net Operating Cash Flow per Share	(1.3)	2.13	2.16	5.21	0.99
Earnings per Share (Standalone)	2.24	1.97	3.37	3.44	3.12
Earnings per Share (Consolidated)	2.2	0	0	0	0

Comparison of Financial Performances with peer industry scenario

A comparison of financial performances, financial position as well as cash flows of Five Textiles Companies which are listed and in order of market capitalization as on 30 June 2021 are presented below:

Amount in Taka

Particulars	ESQUIREKNIT	MAKSONSPIN	MATINSPINN	ENVOYTEX	SQUARETEX
Financial Performance					
Revenue	7,905,836,002	5,320,285,273	5,021,072,086	8,665,304,750	11,924,704,664
Gross Profit	1,416,191,541	1,194,729,050	1,097,110,569	1,287,445,124	1,335,717,522
Net Profit before Tax	365,357,000	620,577,778	842,770,062	289,968,605	733,098,152
Net Profit after Tax	301,859,226	494,322,303	615,479,288	94,767,746	621,634,054
Earnings Per Share	2.24	2.07	6.31	0.56	3.15
Financial Position					
Shares Outstanding	134,895,833	238,232,538	97,490,000	167,734,767	197,252,000
Shareholders' Equity	8,662,233,922	4,787,272,655	5,248,595,867	6,338,511,185	7,305,661,916
Total Assets	14,496,303,312	10,153,187,121	8,276,232,803	18,649,603,520	15,418,897,924
Current Assets	6,319,365,280	5,658,136,611	3,445,062,876	8,141,718,567	8,523,673,196
Current Liabilities	3,413,228,747	4,015,975,302	2,770,341,122	7,333,401,457	5,207,495,826
NAV	36.48	20.09	53.84	37.79	37.04
Cash Flow					
Net Cash Generated from Operating Activities	3,413,228,747	668,806,720	38,543,671	(376,978,847)	1,112,289,948
Net Cash Used in Investing Activities	(1,158,149,856)	(223,310,383)	(324,021,406)	(432,311,698)	(584,615,257)
Net Cash Used in Financing Activities	287,760,442	(406,026,537)	373,168,102	807,805,552	591,164,389
NOCFPS	(1.3)	2.81	0.4	(2.25)	5.64
Market Capitalization	**5,490,260,403**	**4,669,357,744**	**5,196,217,000**	**4,931,402,149**	**9,369,470,000**

Annexure-iv *to the directors' report*

Comparison of Declaration of Dividend with peer industry

A three years Comparison of Declaration of Dividend of Five Textiles Companies which are listed as on 30 June 2021 are presented below:

Name of Company	Declaration Cash/Bonus (Stock Shares)	2020-2021	2019-2020	2018-2019	Total declaration for the last three years (%)
ESQUIREKNIT	Cash	15%	15%	15%	45%
MAKSONSPIN	Cash	11%	2%	2%	15%
MATINSPIN	Cash	40%	18%	15%	73%
ENVOYTEX	Cash	10%	5%	15%	30%
SQUARETEX	**Cash**	**20%**	**10%**	**20%**	**50%**

Risk and Concerns issues related to the financial statements

Esquire Knit has exposure to the Counterpart Risk, Financial Risk, Credit Risk, Liquidity Risk and Market Risk arising from the financial statements. The detail explanation of risk and concerns are explained in the Note 3.8 to the consolidated financial statements. Esquire Knit having sufficient and effective measures/ controls to mitigate the risk and concerns.

Future Plan or Forecast

The Management of Esquire Knit is very sincere in adoption of necessary feasible plans and strategy in respect of sustainability in its performances & financial position and continue to operate for foreseeable future.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Annexure-v *to the directors' report*

চৌধুরী ভট্টাচার্য্য এন্ড কোং
CHOWDHURY BHATTACHARJEE & CO.
CHARTERED ACCOUNTANTS

DHAKA OFFICE : 47/8, Indira Road, (Gr. Floor), Dhaka-1215
Phone: +88 02 48110567, Fax: +88 02 48110567
Mob: 01711-832387, 01711-115171, 01819-227413

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Esquire Knit Composite Limited
Certificate of Compliance
Under Condition # 1(5) (xxvii) of CGC

Report to the Shareholders' of Esquire Knit Composite Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Esquire Knit Composite Limited** for the year ended on 30 June, 2021. This Code relates to the Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 Dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

(a) The Company has complied except condition no: 1(4)(c) with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;

(b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The governance of the company is satisfactory except condition mentioned in clause (a).

Place: Dhaka
Dated: 12 December, 2021

Saptam Biswas, FCA
Enrollment No: 1615
Partner
Chowdhury Bhattacharjee & Co.
Chartered Accountants

Chowdhury Bhattacharjee & Co. Chartered Accountants Dhaka

E-mail: bimalcbc@gmail.com, saptamcbc@gmail.com, kalicch57@gmail.com

STATUS OF COMPLIANCE

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1	**Board of Directors**			
1.1	Board Size (minimum - 5 and maximum - 20)	√		Board of Directors comprises of 7 Directors including 02 Independent Directors
1.2	Independent Directors			
1.2 (a)	1/5th of total as Independent Director (ID)	√		
1.2 (b) (i)	Does not hold any share of less than 1% shares in the Company	√		Does not hold any share of the Company.
1.2 (b) (ii)	Not a Sponsor of the Company	√		Independent Directors have declared their compliances.
1.2 (b) (iii)	Who has not been an executive of the company	√		
1.2 (b) (iv)	Does not have other relationship	√		
1.2 (b) (v)	Not a Member or TREC, Director or Officer of any Stock Exchange	√		
1.2 (b) (vi)	Not a Shareholder/Director/Officer of any Member/TREC holder of Stock Exch.	√		
1.2 (b) (vii)	Not a partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm.	√		
1.2 (b)(viii)	Not an Independent Director in more than five listed Companies.	√		
1.2 (b)(ix)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan/advance to a Bank or a Non-Bank Financial Institution.	√		
1.2 (b)(x)	Not convicted for a Criminal Offence	√		
1.2 (c)	Appointed by the Board and approved by the shareholders in AGM.	√		
1.2 (d)	Post cannot remain vacant more than 90 days.	√		
1.2 (e)	Tenure of the Independent Director.	√		
1.3	Qualification of Independent Director			
1.3(a)	Independent Director shall be a knowledgeable individual.	√		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company.			N/A
1.(3)(b)(ii)	Should be a Corporate Leader/Business Leader.			N/A
1(3)(b)(iii)	Former official of government.	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law.			N/A
1(3)(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.	√		
1 (3) (c)	The independent director shall have at least 10(ten) years of experiences.	√		
1 (3) (d)	Relaxation in special cases.			No such deviation occurred.
1.4	Quality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The posts of Chairperson of the board and CEO are different individuals.	√		
1(4)(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(4)(c)	The Chairperson shall be elected from among the non-executive directors.		√	Chairman announced as non-executive director from 01 Oct 2021 vide Board meeting at 30 October 2021
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO.	√		
1(4)(e)	In absence of Chairperson of the Board etc.	√		
1.5	The Directors' Report to Shareholders			
1(5)(i)	Industry outlook and possible future developments in the industry.	√		
1(5)(ii)	Segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factor.	√		
1(5)(iv)	Discussion on Cost of Goods sold Gross profit Margin and Net Profit Margin.	√		
1(5)(v)	Discussion on continuity of any extraordinary activities and implications.			No such event arose.
1(5)(vi)	Detailed discussion and statement on related party transactions.	√		
1(5)(vii)	Utilization of proceeds from public/rights issues and/or through any others.	√		
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.			N/A
1(5)(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements.			No such event arose.
1(5)(x)	Remuneration to Directors including Independent Director.	√		
1(5)(xi)	Statement that financial statements prepared by the management of the issuer present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained.	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1(5)(xiv)	International Accounting Statement (IAS) or International Financial Reporting standard (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any	√		
	Departure there-from has been adequately disclosed.			
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	√		
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained.			No such event arose.
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized.	√		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the Year, the reasons there of shall be given.			Company has declared 15% Cash Dividend.

STATUS OF COMPLIANCE

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend paid as interim dividend.	√		
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details).	√		
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, CFO, HIAC and their spouses and minor children (name wise details).	√		
1(5)(xxiii) (c))0)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director in case of appointment or reappointment.	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas.	√		
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the board.	√		
1(5)(xxv)	**Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and**			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5)(xxv) (b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes.			N/A
1(5)(xxv) (c)	Comparative analysis and financial position as well as cash flew for current financial year with immediate preceding five years explaining reasons.	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe.	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements.	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation shall be explained to the shareholders in the next AGM	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(30) shall be disclosed as per Annexure-A	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed.	√		
1(6)	**Meeting of the Board of Directors**			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS).	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior...	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
2	**Governance of Board of Directors of Subsidiary Company**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary.	√		
2(b)	Independent Director of holding company also in the subsidiary company.	√		
2(c)	Minutes of subsidiary to be placed in the meeting of holding company.	√		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company.	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	√		
3	**Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary**			
3.1	**Appointment**			
3(1)(a)	Board shall appoint a MD or CEO, Company Secretary, CFO, and HIAC.	√		
3(1)(b)	The positions of the MD, CEO, CS, CFO & HIAC shall be filled by different individuals.	√		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board and be disseminated to the commission and exchange.	√		
3.2	**Requirement to attend Board of Directors' Meetings**			
3 (2)	MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board.	√		
3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance.	√		
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report.	√		
3(3) (c)	The certification of the MD/CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee**			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee	√		
5	**Audit Committee**			
5.1	**Responsibility to the Board of Directors**			
5(1) (a)	Company shall have an Audit Committee as a sub-committee of the Board.	√		
5(1) (b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company.	√		
5(1) (c)	Audit Committee shall report on its activities to the Board of Directors.	√		

STATUS OF COMPLIANCE

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5.2	**Constitution of the Audit committee**			
5(2) (a)	The Audit Committee shall be composed of at least 3 (three) members.	√		
5(2) (b)	Board shall appoint members of the Audit Committee who shall be non-executive director.	√		
5(2) (c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial.	√		
5(2) (d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold	√		
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		
5(2)(f)	Quorum of Audit Committee meeting, at least One independent director.	√		
5.3	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select Chairperson of the Audit Committee who will be ID.	√		
5(3)(b)	Absence of the Chairperson of the Audit Committee members to elect one.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	√		
5.4	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	√		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members whichever is higher.	√		
5.5	**Role of the Audit Committee**			
5(5)(a)	Oversee the financial reporting process.	√		
5(5)(b)	Monitor choice of accounting policies and principles.	√		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced.	√		
5(5)(d)	Performance of external auditors.	√		
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption.	√		
5(5)(f)	Review with the management, the annual financial statements before submission to the Board for approval.	√		
5(5)(g)	Review with the management, the Quarterly and half yearly financial statements before submission to the Board for approval.	√		
5(5)(h)	The review adequacy of internal audit function.	√		
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report.	√		
5(5)(j)	Review statement of all related party transactions submitted by the Mgt.	√		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors.	√		
5(5)(l)	Oversee determination of audit fees based on scope and magnitude.	√		
5(5)(m)	Oversee whether IPO proceeds utilized as per the published Prospectus.	√		
5.6	**Reporting of the Audit Committee**			
5.6 (a)	Reporting to the Board of Directors			

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests.			No such incidence arose.
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process.			No such incidence arose.
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation.			No such incidence arose.
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			No such incidence arose.
5.6 (b)	**Reporting to the Authorities**			
5.7	**Reporting to the Shareholders and General Investors**			
5(7)	Reporting to the Shareholders and General Investors	√		
6	**Nomination and Remuneration Committee (NRC)**			
6.1	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a NRC as a sub-committee of the Board.	√		
6(1)(b)	NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications	√		
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing.	√		
6.2	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an ID.	√		
6(2)(b)	All members of the Committee shall be non-executive directors.	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board.	√		
6(2)(d)	Board have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Board shall fill the vacancy within 180 days of such vacancy in the Committee.	√		
6(2)(f)	The Chairperson of the Committee may appoint/co-opt any external expert.	√		
6(2)(g)	The company secretary shall act as the secretary of the committee.	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	√		
6(2)(i)	No member of the NRC shall receive any remuneration/advisory, other than Director's fees or honorarium form the company.	√		
6.3	**Chairperson of the NRC**			
6(3)(a)	Board shall select 1 member of the NRC to be Chairperson of the Committee	√		
6(3)(b)	Absence of chairperson, the remaining members may elect one of them.	√		
6(3)(c)	Chairperson of the NRC shall attend the AGM.	√		
6.4	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	√		
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting.			To be complied if necessary.
6(4)(c)	Quorum of NRC meeting, presence of 2 or 2/3 members whichever is higher.	√		

STATUS OF COMPLIANCE

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
6(4)(d)	Proceedings of NRC meeting shall be recorded in the minutes and such minutes shall be confirmed in the next meeting.	√		
6.5	**Role of NRC**			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders.	√		
6(5)(b)(i)(a)	Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		
6(5)(b)(i)(b)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance.	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board.	√		
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement.	√		
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies.	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC at a glance in its annual report.	√		
7	**External or Statutory Auditors**			
7(1)	Issuer company shall not engage its external auditors to perform the following:	√		
7(1)(i)	Appraisal or valuation services or fairness opinions.	√		
7(1)(ii)	Financial information systems design and implementation.	√		
7(1)(iii)	Book keeping or other service related to the account ion records.	√		
7(1)(iv)	Broker-dealer services	√		
7(1)(v)	Actuarial services	√		
7(1)(vi)	Internal/special audit services.	√		
7(1)(vii)	Any services that the Audit Committee may determine.	√		
7(1)(viii)	Certification services on compliance of corporate governance as required under condition No 9(1).	√		
7(1)(ix)	Any other service that may create conflict of interest.	√		
7(2)	No partner or employees of the External/Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure.	√		
7(3)	Representative of External Auditors shall remain present in the AGM.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
8	**Maintaining a website by the company**			
8(1)	The company shall have an official website linked with that of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges.	√		
9	**Reporting and Compliance of Corporate Governance**			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding compliance of conditions of Corporate. Governance and such certificate shall be disclosed in the Annual Report	√		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors report whether the company has complied with these conditions or not.	√		

DIRECTORS DECLARATION

Annexure-vi *to the directors' report*

The Directors also Report that:

Statement of Directors on Financial Reports

The Directors in accordance with BSEC Notification NO. BSEC/CMMCD/2006-158/207/Admin/80 dated 3 June 2018 confirms compliance with the financial reporting framework for the following:

1. The financial statements together with notes thereon have been drawn up in conformity with the Companies Act 1994, Financial Institution Act 1993 and the Bangladesh Securities and Exchange Commission Rules 1987, the rules and regulations issued by the Bangladesh Bank from time to time and other applicable laws and regulations.

   These statements present fairly the Company's state of affairs, the result of its operation, cash flows and statement of changes in shareholders/ equity.
2. Proper books of accounts of the Company have been maintained.
3. Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
4. The International Accounting Standards as applicable in Bangladesh have been followed in preparation of the financial statements.
5. Internal Control System is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the ability of the Company to continue as a going concern.
7. There are no significant deviations in operating result compared to the last year.
8. The summarized key operating financial data of last five preceding years on annexed as "Comparative Statistics" in the annual Report.
9. The related party transaction has been disclosed in preparation of the financial statement.
10. The Pattern of Shareholding

Sd/-
Md. Mofazzal Hossain
Chairman

Sd/-
Md. Ehsanul Habib
Managing Director

Sd/-
Arifur Rahman
Director

Sd/-
Md. Muddasar Hossain
Director

Sd/-
Mrs. Peara Begum
Director

Sd/-
Swapan Kumar Sarker
Independent Director

Sd/-
Placid Gomes, FCA
Independent Director

REPORT OF THE AUDIT COMMITTEE

For the year 2020-2021

Annexure-vii *to the directors' report*

The Audit Committee

The Audit Committee of Esquire Knit Composite Limited is formed with members having relevant experience in the guidance by Bangladesh Securities and Exchange Commission to oversee the audit of Company's financial statements as well as adequacy of company's internal control. The Audit Committee comprises of members of the Board.

The Committee is empowered, among other things, to examine any matter relating to the financial affairs of the Company and to review all audit and inspection programs, internal control systems and procedures, accounting policies and adherence to compliance requirements. This would ensure that a sound financial reporting system is in place, which is well managed providing accurate, appropriate and timely inform to the Board of Directors and stakeholders.

The head of Internal Audit and Compliance has direct access to the Committee. The committee is directly reportable to the Board.

Composition of Audit Committee

The Audit Committee consists the following Members:

1. **Mr. Placid Gomes, FCA** - Chairperson
   Independent Director
2. **Mr. Swapan Kumar Sarker** - Member
   Independent Director
3. **Mrs. Peara Begum** - Member
   Director
4. **Mr. Md. Monir Hossain** - Secretary
   Company Secretary

Responsibility of Audit Committee

The Board of Directors of Esquire Knit Composite Limited is primarily responsible for ensuring that a proper and effective control system is in place to run the operations of the Company. It is meant to ensure smooth functioning of the company along with compliance of all internal and external rules and regulations.

An effective internal control also ensures that measure taken to minimize operational risk and detect errors in various operational areas to ensure timely rectification. Although a full-scale control system is not possible to establish, but it helps the Management to keep effective control over operations and minimize deviations as per as possible.

The Audit Committee among others is also responsible for:

Assisting the Board in its oversight of

i. the integrity and reporting of the Company's quarterly and reporting of the Company's quarterly, half yearly and annual financial statements.

ii. the qualifications, independence and performance of the Company's internal and external auditors.

Assisting the Board with respect to internal control, accounting policies, auditing and external reporting practices.

Overseeing the performance of the Company's internal audit function, independent audits and regulatory inspections.

Overseeing the Company's compliance with the rules of good corporate governance.

Internal Control and Compliance

The Company has a separate department for internal control and compliance. The department operate independently and has given responsibilities of audit department is under:

- to ensure that the Company operates within the principle, policies, framework and procedures formulated by the Audit Committee.
- to ensure the regulatory compliance in its day-to-day activities.
- to provide the Board and Management with detail information regarding business activities of the company.

REPORT OF THE AUDIT COMMITTEE

For the year 2020-2021

Annexure-vii *to the directors' report*

Meeting and Attendance

During the year 2020-2021, under review the Audit Committee of Esquire Knit Composite Limited met 4 (four) times on the dates:

Name of the Committee Member	Position of the committee	Meeting Held	Attended the Meeting	Percentage
Mr. Placid Gomes, FCA	Chairperson	4	4	100%
Mr. Swapan Kumar Sarker	Member	4	4	100%
Mrs. Paear Begum	Member	4	4	100%
Mr. Md. Saidur Rahman	Secretary (Ex)	4	4	100%

The proceedings of the meeting were appropriately recorded. No member of the Committee received any remuneration other than the Board Meeting attendance fees.

Functions and Activities

The main activities of the Audit Committee in the year under review were as follows:

Control Issue

- Reviewed Internal Control and Risk management system.
- Considered the effectiveness of the Company's Internal Controls over financial reporting.

Financial Results

- Reviewed reports from the Chief Financial Officer on the Quarterly, Half yearly and Annual Financial Statements, including other financial statements and disclosures prior to their publication.
- Reviewed the Annual Report, these reviews incorporated the accounting policies and key judgements and estimates underpinning the financial statements as disclosed in Notes to the Accounts.

Internal Audit Matters

- Received reports from the internal auditors.
- Monitored the performance of the internal audit function.
- Reviewed appropriate systems and controls are in place for effectiveness of internal audit function.
- Monitored Independence of Audit Work.

Governance and Compliance

- Reviewed compliance with existing laws and regulations.
- Reviewed financial of subsidiary.

External Audit Matters

- Reviewed the effectiveness and independence of the statutory Auditors.
- Recommend appointment, remuneration of the Statutory Auditor.
- Reviewed the Annual Audit Activities and Audit Report.

Acknowledgement

The members of the Audit Committee express their gratitude and thanks to the Board of Directors, Management and Internal Auditors and External Auditors for their cooperation while performing its duties and responsibilities.

On behalf of the Committee

Placid Gomes, FCA
Chairperson of the Audit Committee

Md. Monir Hossain
Secretary of the Audit Committee

ACTIVITIES AND OTHER DETAILS OF NOMINATION AND REMUNERATION COMMITTEE (NRC)

Annexure-viii *to the directors' report*

Formation and Composition of the Committee

The Board of Directors of Esquire Knit Composite Limited constituted the Nomination and Remuneration Committee as a sub-Committee of the Board. The Committee is independent of the Company's Executive management and is composed of three members including two independents and one non-executive Director by the Board.

Composition of Audit Committee

The Nomination and Remuneration Committee (NRC) consists the following Members:

1. Mr. Swapan Kumar Sarker
   Independent Director - Chairperson
2. Mr. Placid Gomes, FCA
   Independent Director - Member
3. Mrs. Peara Begum
   Director - Member
4. Mr. Md. Monir Hossain
   Company Secretary - Secretary

Meeting and Attendance

During the year 2020-2021, under review the Audit Committee of Esquire Knit Composite Limited met 5 (five) times on the dates:

Name of the Committee Member	Position of the committee	Meeting Held	Attended the Meeting	Percentage
Mr. Swapan Kumar Sarker	Chairperson	4	4	100%
Mr. Placid Gomes, FCA	Member	4	4	100%
Mrs. Paear Begum	Member	4	4	100%
Mr. Md. Saidur Rahman	Secretary (Ex)	4	4	100%

The proceedings of the meeting were appropriately recorded. No member of the Committee received any remuneration other than the Board Meeting attendance fees.

Terms of Reference (ToR) of the NRC Committee

The Board of Directors of the Esquire Knit Composite Limited sets out the Terms of Reference of the Committee in the line with the corporate governance code issued by the Bangladesh Securities and Exchange Commission. The responsibilities of the Committee includes the following:

- Formulate policy on qualifications criteria, positive attributes and independence of Directors and top -level executives.
- Oversee the Company's remuneration policy for the Directors and top-level executives and make appropriates recommendation to the Board.
- Assist the Board to select persons qualified to be a Director or hold top-level executive position fulfilling the pre -set nomination criteria and recommend for their appointment.
- Devise a policy on Board's diversity taking into consideration of age, gender, experience, ethnicity, educational background etc.
- Review the code of conduct of the Board on a periodic basis and recommended any amendments for the Board's consideration.
- Assist the Board to devise the criteria for evaluation of performance of Independent Directors and other Board Members.
- Develop, recommend and review annually the Company's human resources and training polices.

Nomination and Remuneration Policy

The Company has a written policy on nomination and appointment of Directors in the Board. The policy sets out the detail qualification and other eligibility norms for the members and the process of their nomination.; The policy is fair and non-discriminative.

All the Directors of the Board of Esquire Knit Composite Limited except the Director, Mrs. Peara Begum, Independent Director, Mr. Placid Gomes, FCA, and Independent Director, Mr. Swapan Kumar Sarker are executive directors. The Company pays no remuneration to the non-executive Directors other than the fees for attending the Board.

ACTIVITIES AND OTHER DETAILS OF NOMINATION AND REMUNERATION COMMITTEE (NRC)

Annexure-viii *to the directors' report*

The Company has a well- structured policy on selection, recruitment and promotion of the senior level executives which is duly authorized by the Board.

Activities carried out during the period

The Committee carried out the following activities in line with its Terms of Reference during the reporting period:

a. Evaluated the code of conduct for the Chairman and other Board Members and made appropriate recommendation.
b. Reviewed the Company's existing policy on remuneration to Directors and top executives.
c. Studied Company's human resource and training policies.
d. Conducted an assessment of the qualification and other details of the Independent Director and made appropriate recommendation to the Board.

On behalf of the Committee

Swapan Kumar Sarker
Chairperson of the NRC Committee

Md. Monir Hossain
Secretary of the NRC Committee

INVOLVEMENT OF DIRECTORS IN OTHER ORGANIZATIONS

Annexure-ix *to the directors' report*

Name of Directors	Positions of the Esquire Knit Composite Limited	Entities where they have interests
Md. Mofazzal Hossain	Chairman	Esquire Dyeing Industries Limited
		Esquire Electronics limited
		Esquire Testing Service (BD) Limited
		Esquire Plastic Limited
		Esquire Accessories Limited
		Esquire Customer Care Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt) Limited
		Synthia Multi-Fiber Limited
		L' Esquire Limited
		Sharp Media Limited
		MMH Textiles Limited
		Thakral Information System (Pvt) Limited
		Trust Solution Private Limited
		Thakral One Private Limited
		Esquire Travels Limited
Md. Ehsanul Habib	Managing Director	Esquire Dyeing Industries Limited
		Esquire Electronics limited
		Esquire Testing Service (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Esquire Customer care Limited
		L' Esquire Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Alpha Plastic & Packing Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic industries (Pvt) Limited
		Synthia Multi-Fiber Limited
		MMH Textiles Limited
		L' Esquire Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Bangladesh German University
		Best Life Insurance Company Limited
		Thakral Information System (Pvt) Limited
		Trust Solution Private Limited
		T.M Chemical limited
		Olive Tree Foods Limited
		Esquire Travels Limited
		Secures (Pvt) Limited
		Esquire Heavy Industries Limited
Mrs. Peara Begum	Director	Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Accessories Limited

INVOLVEMENT OF DIRECTORS IN OTHER ORGANIZATIONS

Annexure-ix *to the directors' report*

Name of Directors	Positions of the Esquire Knit Composite Limited	Entities where they have interests
Arifur Rahman	Director	Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Service (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Alpha Plastic & Packaging Limited
		Esquire Customer Care Limited
		L' Esquire Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt) Limited
		Synthia Multi-Fiber Limited
		MMH Textiles Limited
		Esquire Sourcing limited
		Sharp Media Limited
		Trust Solution Private Limited
		Esquire Travels Limited
		Esquire Heavy Industries Limited
Md. Muddasar Hossain	Director	Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Service (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Esquire Chemical Industries (Pvt) Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt) Limited
		L' Esquire Limited
		Syntha Multi-fiber Limited
		MMH Textiles Limited
		Esquire Customer care Limited
		Esquire Travels Limited
Swapan Kumar Sarker	Independent Director	He is not involved with any other company
Placid Gomes, FCA	Independent Director	He is not involved with any other company

EVALUATION OF QUARTERLY FINANCIAL STATEMENTS OF ESQUIRE KNIT COMPOSITE LIMITED

In compliance with the BSEC directives Esquire Knit Composite Limited prepared consolidated quarterly financial statements as per applicable accounting method and submitted the same to Dhaka Stock Exchange, Chittagong Stock Exchange and BSEC regularly. Quarterly consolidated Financial Statements are reviewed and approved by Audit Committee and Board of Directors respectively. All price sensitive information is published in at least two daily newspaper, one on-line news portal and also available in our web site.

Un-Audited First Quarter

During the period ended 30 September 2020, total profit after tax of the company recorded Taka 70.49 million which was Taka 98.58 million from the same period 30 September 2019.

Un-Audited Second Quarter

During the period ended 31 December 2020, total profit after tax of the company recorded Taka 80.53 million which was Taka 117.43 million from the same period 31 December 2019.

Un-Audited Third Quarter

During the period ended 31 March 2021, total profit after tax of the company recorded Taka 93.06 million which was Taka 116.56 million from the same period 31 March 2021.

Comparative quarterly financial performance is stated below:

Un- Audited Financial Position

Amount in Million

Particulars	2020-2021			2019-2020		
	31-Mar-21	31-Dec-20	30-Sep-20	31-Mar-20	31-Dec-19	30-Sep-19
Non-Current Assets	5,874.90	5,532.84	5,553,12	5,538.70	5,538.70	5,535.40
Current Assets	5,936.68	5,987.58	6,629.87	6,429.25	6,429.25	6,412.20
Total assets	11,811.60	11,520,42	12,161.03	11,967.95	11,967.95	11,947.60
Shareholders' Equity	6,872.98	6,981.40	6,897.35	6,827.44	6,827.44	6,826.10
Capital & Reserve	1,896.59	1,956.59	1,986.59	1,986.59	1,986.59	1,896.59
Non-Current Liabilities	2,386.11	2,260.75	2,270.95	2,480.39	2,480.39	2,480.44
Current Liabilities	2,552.49	2,278.27	2,992.60	2,660.13	2,660.13	2,640.17
NAV with Revolution Reserve	50.95	51.75	51.13	50.61	50.61	50.61
NAV without Revaluation Reserve	36.22	37.03	36.41	35.88	35.88	35.88

Amount in Million

Particulars	2020-2021			2019-2020		
	Period ended 31-Mar-21	Period ended 31-Dec-20	Period ended 30 Sep 2020	Period ended 31 March 2020	Period ended 31-Dec-19	Period ended 30-Sep 2019
Revenue	1,858.19	2,018.27	1,713.39	1,800.54	1,604.33	1,320.40
Less: Cost of Goods Sold	1,537.58	1,688,18	1,395.15	1,452.00	1,266.32	1,044.37
Gross Profit	320.61	330.1	318.24	348.54	338.01	276.03
Less: Operating expenses	139.14	158.5	163.11	155.34	131.23	127.84
Gross operating Profit	181.47	171.6	155.14	193.19	206.78	148.19
Less: Financial Expenses	75.89	72.09	61.32	54.23	76.51	31.63
Net operating profit	105.59	99.51	93.81	138.96	130.27	116.55
Non-operating Income	3,97	1,31	1.31	2.18	11.66	1.52
Profit before WPPF	109.55	100.82	95.12	141.14	141.92	118.08
Provision for WPPF	0.83	0.5	0.5	7.06	7.1	5.9
Profit before Income Tax	108.73	100.32	90.36	134.09	134.83	112.17
Less: Income tax expenses	15.67	19.79	19.87	17.53	17.4	22.6
Current Tax	12.63	10.52	4.74	16.94	13.71	7.92
Deferred Tax	3.04	9.27	15.13	0.58	3.7	14.67
Net Profit after tax	93.06	80.53	70.49	116.56	117.43	89.58
Earnings Per Share	0.69	0.6	0.52	0.86	0.87	0.66

MARKET VALUE ADDED STATEMENT

For the year ended on 30 June 2021

Market Value Added (MVA) reveals the Company's external performance evaluated by the market through the share price of the Company.

Market value added (MVA) is a calculation that shows the difference between the market value of a company and the capital contributed by all investors/shareholders. In other words, it is the market value of debt and equity minus all capital claims held against the company.

It is calculated as:

MVA = V - K

Were,

MVA - is the market value added of the Company.

V - is the market value of the Company, including the value of the Company's equity and debt (its enterprise value).

K - is the total amount of capital invested in the Company.

Key Takeaways

- MAVs are representations of value created by the actions and investments of a company's management.
- A heigh MAV is evidence that the value of management's actions and investments is greater than the value of the capital contributed by shareholders, where's a low MAV means just the opposite.
- MAVs should not be considered a reliable indication of management performance during strong bull markets, when stock prices raise in general.

The following statement illustrates how the Market Value Added (MAV) has been calculated for the year ended 30 June 2021 and 30 June 2020.

Amount in Taka

	30-Jun-21	30-Jun-20
Market Price per Share	40.7	21.9
Number of Shares	134,895,833	134,895,833
Market Value of the Company	5,490,260,403	2,954,218,742

NOMINATION AND REMUNERATION POLICY

Annexure-X *to the directors' report*

The Board of Directors ('the Board') of Esquire Knit Composite Limited ("the Company") approved renaming of its Nomination, Governance & Compensation Committee as "Nomination and Remuneration Committee" at the Board Meeting held on 30 November 2020 with immediate effect.

The Board, upon the recommendation of the Nomination and Remuneration Committee ("the Committee"), approved the Nomination and Remuneration Policy in terms of the Section 6 of the Corporate Governance Code issued the Bangladesh Securities and Exchange Commission (BSEC) to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. The Policy has been reviewed and revised by the Board at its Meeting held on 29 April 2021 based on recommendation of the Committee.

1. OBJECTIVE

The Nomination and Remuneration Committee shall act in accordance with Section 6 of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). The Key objective of the Committee shall be:

1.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personal and Senior Management.

1.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

1.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personal and Senior Management.

1.4 To provide to Key Managerial Personal and Senior Management reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.

1.5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.6 To devise a policy on Board diversity.

1.7 To develop a succession plan for the Board and for the Senior Management and to regularly review the plan;

1.8 To ensure the policy includes the following guiding principles:

1.8.1 The level and composition of remuneration is reasonable and significant to attract, retain and motivate Directors of the quality required to run the Company successfully,

1.8.2 Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and

1.8.3 Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

2. REVIEW AND INTERPRETATION

This Policy may be reviewed, amended or substituted by the Board on the recommendation of the Committee as and when required and where there are any statutory changes necessitating any change in the Policy. Any subsequent notifications, circulars, guidelines or amendments under the Act, the Listing Regulations and the BSEC's Notification as may be issued from time to time shall be applicable without any further modification or amendment in this Policy. Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neutral gender.

3. ROLE OF THE COMMITTEE

The Committee shall:

3.1 NRC shall be independent and responsible or accountable to the Board and to the shareholders;

3.2 NRC shall oversee, among others, the following matters and make report with recommendation to the Board:

3.2.1 formulating the for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the Directors, Top Level Executive (Key Managerial Personal and Senior Management) considering the following:

3.2.1.(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivation suitable directors to run the company successfully;

3.2.1.(b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks: and

3.2.1.(c) remuneration to directors, top level executive (Key Managerial Personal and Senior Management) involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

3.2.2 devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

3.2.3 identifying persons who are qualified to become directors and who may be appointed in top level executive (Key Managerial Personal and Senior Management) position in accordance with the criteria laid down, and recommended their appointment and removal to the Board;

3.2.4 formulating the criteria for evaluation of performance of independent directors and the Board:

3.2.5 identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and

3.2.6 developing, recommending and reviewing annually the company's human resources and training policies;

3.3 The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

3.4 Policy for appointment and removal of director, Key Managerial Personal and Senior Management

3.4.1 Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personal or Senior Management level and recommended to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as a Whole-time Director who has attained the age of eighty-five years.

d) A person shall be considered for appointment as an Independent Director on the Board of the Company, only if he/she discloses in writing his/her independence in terms of Section 1(2) and 1(3) of the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission.

3.4.2 Term / Tenure

a) Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time.

b) Independent Director: -

- An Independent Director shall hold office for a period of 3 (three) years, which may be extended for 1 (one) tenure only;
- Provided that a former independent director may be consider for reappointment for another one tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e., six years].

3.4.3 Evaluation

The Committee shall advise the process to carry out evaluation of performance of every Director, KMP and Senior Management Personnel and other employees at regular interval (yearly). Evaluation process shall be conducted for the Board as a whole, Board Committees and also for the Directors individually.

Performance evaluation of the KMPs, Senior Management Personnel and other employees shall be carried out by their respective reporting Executives and Functional Heads, based on the Key Results Area (KRA) set at the beginning of the financial year and reviewed at least once during the year to modify such KRAs, if required. Performance evaluation of the Independent Directors shall be carried out by the entire Board, except the Independent Directors being evaluated.

3.4.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.4.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to compliance of all applicable legislations.

3.5. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.5.1. General:

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of a Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. However, proportionate Insurance Premium paid for Group Mediclaim Policy or Group Personal Accident Policy shall be considered as part of the overall remuneration for the individual director/employee of the Company.

3.5.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the existing applicable rules.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, he shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by special resolution within two years from the date the sum becomes refundable.

3.5.3 Remuneration to Non- Executive / Independent Director:

a) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.

Provided that the amount of such fees shall not exceed the prescribed limits per meeting of the Board or Committee or such amount as may be decided by the Board of Directors from time to time.

3.5.4 Remuneration of other employees

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary, they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policy of motivation / reward / severance payments is applicable to this category of personnel as in the case of those in the management cadre.

3.5.5 Criteria for determining remuneration

While determining remuneration of the directors, the Committee shall ensure that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate such directors of the quality required to run the Company successfully; the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

4. CONSTITUTION OF THE NRC

4.1 The Committee shall comprise of at least three members including an independent director;

4.2 All members of the Committee shall be non-executive directors;

4.3 Members of the Committee shall be nominated and appointed by the Board;

4.4 The Board shall have authority to remove and appoint any member of the committee;

4.5 In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;

4.6 The chairperson of the Committee may appoint or co-opt any external expert and / or member (s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and / or member (s) of staff shall be required or valuable for the Committee;

4.7 The company secretary shall act as the secretary of the Committee;

4.8 The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required but at least once in a year.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his or her own interest is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the committee.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

10.4 Determining the appropriate size, diversity and composition of the Board;

10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.10 Recommend any necessary changes to the Board; and

10.11 Considering any other matters, as may be requested by the Board.

11. DUTIES OF THE COMMITTEE

The duties of the Committee in relation to remuneration matters include

11.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2 To approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a fixed pay reflecting short- and long-term performance objectives appropriate to the working of the Company.

11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4 To consider any other matters as may be requested by the Board.

11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETINGS

Proceedings of all meetings must be minted and signed by the Chairperson of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting. The Company reserves the right to modify the aforesaid Policy as and when required to adopt the best practices in the Industry and to comply with the requirements of the applicable regulations.

13. EXPLANATION OF TOP LEVEL EXECUTIVE (Key Managerial Personal and Senior Management)

Top level executive (Key Managerial Personal and Senior Management) includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.

DIVIDEND POLICY (DIVIDEND DISTRIBUTION POLICY)

Annexure-xi *to the directors' report*

This Policy will regulate the process of dividend declaration and its pay-out by Esquire Knit Composite Limited hereinafter referred to as "the Company") in accordance with the requirements prescribed under Directive No. BSEC/CMRRCD/2021-386/03 Dated 14 January 2021 of the Bangladesh Securities and Exchange Commission.

Preamble

Dividend is the payment made by a company to its shareholders, usually in the form of distribution of its profits. The company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. The objective of this policy is to ensure a regular dividend income for the shareholders and long-term capital appreciation for all stakeholders of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans.

As part of its responsibilities, the Company is required to disclose this Policy in its annual report as well as on its website.

Effective Date

The policy shall come into force from the date of approval of the Board of Directors i.e., May 20, 2021.

Scope

This Policy applies to payment of interim and final dividend by the Company to its shareholders.

Objective

To lay down a broad framework for consideration of the Board of Directors of the Company (the Board) while declaring/ recommending Dividends to its shareholders and/ or retaining or plough back of its profits. To set out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

Dividend

The Board may recommend Dividend while approving Final accounts, for any financial year (July to June), at its discretion, subject to the approval of the Members of the Company.

The Dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.

The Board may also declare Interim Dividends for any financial year, (July to June), at its discretion, to be paid to the Members of the Company. Before declaring Interim Dividend, the Board shall consider the quarterly or half yearly financial position of the Company for the payment of such Dividend.

The payment of Interim Dividends shall be made within 30 (thirty) days from the record date / book closure period.

The payment of annual or final Dividends shall be made within 30 (thirty) days from the date of approval at the Annual General Meeting of the Company to the shareholders entitled to receive the Dividend on the record date/book closure period as per the applicable law.

In case no Final Dividend is declared, Interim Dividend paid during the year, if any, will be regarded as Final Dividend in the Annual General Meeting.

Parameters

Dividend payout is contingent upon various factors and their combination thereof, which are enumerated below and the Board of Directors shall before decide the dividend consider these factors in the best interest of the Company and its shareholders. Circumstances under which the shareholder may not expect dividend. The shareholder may not expect dividend, inter-alia, in the following circumstances, subject to discretion of the Board:

- In event of loss or inadequacy of profit or Cash flow;
- Higher capital investments on account of expansion of business, etc. by the Company;
- Decision to undertake any acquisition, amalgamation, merger, takeover, etc. requiring significant capital outflow;
- Other business condition(s) in the opinion of the Board it would be prudent to plough back the profits of the Company;
- De-growth in the overall business;
- The Company has been prohibited to declare dividends by any regulatory authority;
- Any other extra-ordinary circumstances.

Financial Parameters

While determining the quantum of dividend the Board of Director shall, inter-alia, consider following financial parameters:

- Profit After Tax considering write-off of accumulated losses, exceptional and extraordinary items, if any;
- Accumulated reserves;
- Cash flow and treasury position keeping in view the total debt to equity ratio;
- Earnings Per Share;
- Dividend Payout during the previous years;
- Capital Expenditure;
- Contingent Liabilities;

Factors for declaration of dividend

The quantum of dividend is an outcome of due deliberation by the Board considering various Internal and External factors including but not limited to: -

Internal Factors

- Business Forecast (near to medium term);
- Earning stability;
- Availability;
- Accumulated Reserves;
- Working capital requirements of the Company;
- Capital Expenditure requirements of the Company;
- Investments in new line(s) of business;
- Expenditure on Research & Development of new products;
- Investment in technology;
- Acquisition of brands/businesses;

External Factors

- Statutory provisions, legal requirements, regulatory conditions or restrictions laid down under applicable laws;
- Prevailing macro-economic environment;
- Re-investment opportunities;
- Investor Expectations;
- Prevailing taxation structure including any amendments expected thereof.

Dividend will generally be declared once a year, after the approval of the Audited Financial Statement and shall be subject to approval/ confirmation of shareholders at the Annual General Meeting (AGM). In certain years and to commemorate special occasions, the Board may consider declaring special dividend for its shareholders. Considering the above factors, the Company would endeavor to declare a dividend (including any special dividend or a payout in the form of a one-time/special dividend) as may be decided by the Board of Directors from time to time.

Utilization of retained earnings

Subject to the applicable regulations, retained earnings may be applied for:

- Funding the organic and inorganic growth of the Company;
- Diversification of business;
- Capacity Expansion;
- Replacement of Capital Assets;
- Declaration of Dividend in future years;
- Issue of Bonus Shares;
- Buy-back of Shares/Capital Reduction;
- Other permissible purposes.

Parameters that shall be adopted with regard to various classes of shares

The Company has only one class of shares viz., Equity Shares of Face Value of Tk. 10 each. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of Dividend per share.

Disclosure

In terms of the requirements of Bangladesh Securities and Exchange Commission, this policy has been uploaded on the website of the Company viz., www.esquireknit.com and will also form a part of the Annual Report of the Company. In case the Company declares dividend on the basis of parameter in addition to the parameters stated in this Policy, such parameters will be disclosed on the website as well as Annual Report of the Company.

General

This Policy is subject to revision/amendments in accordance with the Directive as may be issued by the Bangladesh Securities and Exchange Commission from time to time on the subject matter. Accordingly, the Company reserves the right to alter, modify, add, delete or amend any of the provisions of this Policy. Notwithstanding anything contained herein but subject to the applicable Directive, the Board may, at their discretion revise, amend or modify the policy, which they in them absolute discretion may deem fit.

Disclaimer

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company shall pursue this Policy to pay, subject to the circumstances and factors enlisted herein above, which shall be consistent with the performance of the Company over the years. This document does not solicit investment in the Company's shares nor is it an assurance of guaranteed returns (in any form), for investments in the Company's shares.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made generally every year after taking into consideration all the relevant circumstances contained in this Policy as may be decided by the Board.

Change in directive

In case of any subsequent changes in the Directive of the Act or further rules and regulations / guidelines from the Bangladesh Securities and Exchange Commission including the Listing Regulations or any other regulations which makes any of the provisions of this Policy inconsistent, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in the Policy would be modified accordingly in due course to make it consistent with applicable laws.

RISK MANAGEMENT

Annexure-xii *to the directors' report*

Risk management refers to the practice of identifying potential risk in advance, analyzing those and taking precautionary steps to reduce/curb the risk. In the textiles industries, various risk is encompassing around it.

The risk may occur adverse effect to the Company's sales and profit etc. Mostly, the risk arises from falling demand for the product, shortage of power, shortage of worker, workers unrest and Raw material shortage along with other related risk such as Interest Rate Risk, Foreign Exchange Risk, Technology Risk, Market Risk, Political Risk and other regulatory Risk etc. The Company is aware of its risks concern and well prepared to meet those by systematic control.

Financial Risk Management

The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, has been established to identify and analyze the risk faced by the company, to set appropriate risk limits and controls and monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and company's activities. The company has exposure to the following risks from its use of financial instruments.

- Credit Risk
- Interest Rate Risk
- Currency Risk
- Liquidity/Funding Risk
- Market Risk
- Business Risk
- Operation Risk
- Raw Material Supply Risk
- Exchange Rate Risk
- Power Generation Risk

Credit Risk

Credit risk is the risk of a financial loss of the company if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables.

As the company is involved in 100 percent export-oriented business, all the sales are made against Letter of Credit (L/C). Letter of Credit provide guarantee against credit sales and minimize the credit Risk to an acceptable level. Bill's receivable arises due to the time difference between submission of bills to the bank for collection of proceeds and actual realization of the proceeds.

Interest Rate Risk

Esquire Knit enjoys Bank finance in the form of working capital as well as term loan. As a Bank fund borrower, the entity has to pay a significant amount of loan interests and charges. Bangladesh bank has moved to remove the interest rate ceiling on lending in the wake of a massive liquidity crisis in the financial market lettering the price to be determined by the functioning of demand-supply interaction. This measure may invite interest rate instability, which may create volatility in the profitability of business-like Esquire Knit.

Currency Risk

The company is exposed to currency risk on receiving of sales proceeds and payments made for raw material purchase as well. Maximum of the company's foreign currency transaction are denominated in USD.

Liquidity/Funding Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have significant 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, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast 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.

Market Risk

Market risk is the risk that any change in the market prices, such as foreign exchange rate and interest rates will affect the company's income or the value of its holdings of financial instruments. The object of market risk management is to manage and control market risk exposures within acceptable parameters.

In the past, in some occasion large buyers of different RMG exporters has decided to withdraw business, or has become bankrupt or were subject to regulatory injunction from importing from Bangladesh, creating a strong impact on the exporter. For Esquire single buyer concentration is not a major issue and they have longstanding relationship with overseas buyers. All of them regard Esquire knit as their global partners and the relationship can only be disrupted if Esquire Knit fails to perform its commitments. Also, because of its dominant position in the export market it is always sought after by many buyers.

Business Risk

Managing Compliance- Currently RMG buyers specially the large buyers are very demanding and constantly tightening the compliance criteria. Esquire Knit has been in the forefront of compliance among the RMG exporters in the county. They have compliant plants with effluent water treatment facility, childcare facility, adequate ventilation, spacious infrastructure lay out etc. Till now they were able to meet all the compliance challenge in their 30 years plus business experience and is likely to do, so in the coming years. Esquire Knit mitigates compliance risk since it is WRAP certified and passed other audits from Department of Environment (DOE) and overseas buyers.

Achievement of sales volume- Historically, Esquire Knit has been successful to achieve its sales target after expansion as most of its expansions are planned after receiving order indications from its buyers.

Operation Risk

Technology is a continuous process of development. Innovation of new and cost-effective technology may obsolete existing technology, which may cause negative impact on the business. The project is equipped with good machineries and technology to cope with the modern textile world. The management both in head office and production premises seem to be competent and maintain the standard level of quality and to run the operations effectively. However, in order to reduce the operational risk, the company is yet to ensure an external control mechanism. The company has minimum exposure to operational risk.

Raw Material Supply Risk

The company receives yarn, dyes & chemicals both from local as well as foreign suppliers. Import based supplies can be affected by any uncontrollable event or political barrier. Since inception the company did not face any such uncontrollable events, so far because of maintain in a good supply chain relationship with the suppliers of raw materials and in exceptional cases, it is confident to make alternative arrangement at shorter notice.

Exchange Rate Risk

Exchange rate risk arises from currency fluctuation in international trade. If Bangladeshi taka is devalued and/or foreign currency revalued than the price of imported raw materials will go up which will decrease the overall profit margin. As the company is dependent upon the import for yarn, dyes, chemicals & accessories and in future it will be the same, volatility of exchange rate will have an impact on profitability of the company. For last couple of years, Bangladeshi Taka found carrying floated value and expected to follow the same which exposed the company to significant exchange rate risk.

Power Generation Risk

The industrial bases of Bangladesh are mainly aided by natural gas-driven power generation which causes disruption occasionally and the weaving industry is not an exception. Smooth availability of gas will ensure the maximum functioning of the machineries. Esquire Knit uses natural gas to produce power from captive power plant. Currently a circular from government has emerged to arrange alternate of gas due to recent acute gas crisis. The company is connected with 15 PSI gas line and currently does not face any problem of gas pressure. So other things being constant, Esquire Knit does not foresee significant risk for power generation.

CORPORATE SOCIAL RESPONSIBILITY

Annexure-xiii *to the directors' report*

Corporate Social Responsibility (CSR) is a public-spirited cause that has been well introduced by the Companies own policy. Through the CSR there is a formation of a dynamic relationship between a company on one hand and the society and environment on other hand. CSR is traditionally driven by a moral obligation and humanitarian sprit. Esquire Knit has a heritage to be engaged in charities and humanitarian activities, along with a number of others social activities.

The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs.

Esquire Knit is an organization that strives to fulfill its social responsibility. It provides its employees with safe working conditions, fair policies regarding appointment and remuneration and ethical workplace standards. There is no bias towards age, gender, color or marital status in its employee policies.

The employees of Esquire Knit is specially trained in safety conditions at the workplace. It has specific health and safety standards, which are reviewed annually.

Esquire Knit undertakes strict quality control and research and development to provide products of the best quality to its customers.

It undertakes environmental reviews of its operations periodically and ensures that the environment is not adversely affected by its activities.

As our work forces are vital part for our success, we strive to create a working environment that promotes them towards team spirit, passion, engagement and achievement ensuring proper safety and security as well.

Apart from delivering various financial and non-financial benefits for their encouragement and motivation, the Company also provides the following facilities for their people:

Transportation Facilities for Working Employees

Esquire Knit has provided its employees Picking up and dropping off service by company's own vehicles.

Fair Price Shop

A one-stop grocery solution for all our employees, namely 'APON SHONGSHAR' was launched in 2019 that provides at least a 10% discount in all their products. Employees may also buy products in arrear and the due amount may be adjusted with their salary. Also, when they shop for taka 2,000/- to taka 2,500/- worth of products for consecutive three months from the shop, they are eligible for a health insurance worth taka 15,000/-.

Healthcare Assistance

Esquire Knit has appointed three MBBS Doctors and five Medical Assistants to care for the employees at their factory. The medical team provides first aid to employees and advices patients with complex illnesses. The team arranges regular medical check-up and blood donations for the employees. Due to all these activities of our medical team, the physical condition of the employees working in our factory is good.

Esquire Knit, with the help of their medical team, has started a Vaccine Registration Camp for the employees of the company as the government has started vaccinating the nation against the epidemic of Corona Virus. As a result, almost all the employees of our company have come under vaccination.

Newborn Baby Gift Hamper

Esquire Knit believes that, workplace is the second home of its employees. That's why since 2019 Esquire Knit has launched Newborn Baby Gift Hamper for its pregnant employees.

Celebration of Important Days

Esquire Knit believes in celebration. That's why, Esquire Knit celebrates all the important occasions with its employees, such as -Bengali New Year, Victory Day, Independence Day, International Mother Language Day, Women's Day, Mother's Day etc. And on a personal note, the company has recently started to celebrating its employees' birth days to keep their moral strong.

Providing Sanitary Napkin Discount

Over 62% of our employees is women; thus, their health and hygiene are immensely vital for the smooth operation of our business. We provide high quality sanitary napkins to all of our female employees, where the company provides 50% of the total cost, and the employee pays the rest. It encourages all its female employees to participate in this scheme, so that they may benefit from it the most.

Post-Eid Raffle Draw

Esquire Knit organizes a raffle draw among their employees after Eid. Not all employees get prizes but everyone enjoys it. This ensures their motivation in coming back to work right after the long vacations.

Plastic Household in Discount Price

As Esquire Plastic limited, sister concern of Esquire Knit, we offer all our employees with considerable amount of discount on all the plastic products that is produces by Esquire Plastics.

Electronics Items at Discounted Price

Esquire Knit has always been working to improve the quality of life of its employees. As a result, Esquire Knit has introduced a discount facility among its employees for the purchase of electronic products from its sister concern Esquire Electronics Limited. Under this facility, round the year, employees of Esquire Knit purchase various of electronic products including refrigerators, television at discounted prices, specially before Eid-Ul- Azha.

Discounted Skincare Products of Unilever

Through collaboration with Unilever, employees of Esquire Knit can also obtain discounted skincare merchandise available in the premise's supermarket.

Nano Dye Technology

The Nano Dye Technology is another initiative taken by Esquire Knit to ensure less hazardous, water efficient and environment friendly fabric dyeing process.

Bangladesh PaCT (Partnership for Cleaner Textiles)

IFC led Advisory Partnership for Cleaner Textile (PaCT) is a holistic program that support the entire textile value chain – spinning, weaving, wet processing and garment factories in adopting Cleaner Production (CP) practices and engages with brands, technology suppliers, industrial associations, financial institutions, government to bring about systemic and positive environmental change for the Bangladesh textile sector and contribute to the sector's long-term competitiveness and environmental sustainability..

Esquire Knit is an IFC-PaCT advisory services client since 2016. The factory underwent a Cleaner Production assessment, had invested in low cost and no cost resource efficiency measures including condensate recovery, insultation, energy efficient lighting, and trigger nozzles for water and compressed air lines. Esquire Knit has been a front runner in the PaCT Program, displaying enthusiasm for utilizing cutting edge technology, and takes part in panel discussions at various workshops and events.

In 2018, Esquire Knit signed up with IFC-PaCT to conduct rooftop solar pre-feasibility study to diversify energy source. We are playing a lead role with support from IFC-PaCT to promote cluster based industrial solar solutions.

Society (Social Development)

Keeping in mind sustainable development for all, Esquire Knit is committed and concerned to make generous contributions for social development through its Corporate Social Responsibility (CSR) initiatives; specially Education, Healthcare, Environment, Arts and Culture and Community Development.

Esquire Knit strongly believes that in participating in the development of the society, it is only helping itself and making its own effort for a better future.

DIRECTORS PROFILE

Annexure-xiv *to the directors' report*

Re-Appointment of Director

Mr. Md. Muddasar Hossain
Sponsor Director

Mr. Md. Muddasar Hossain is a Sponsor Director of Esquire Knit Composite Limited since inception in 2000. He is the youngest son of Mr. Md. Mofazzal Hossain, Chairman and Founder of Esquire Group. He studied in United Kingdom and obtained Bachelor's degree in Business Administration from there. After his graduation, he engaged himself in the electronics and garment business and quickly acquired the required knack to run the overall business.

He is also the Sponsor Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited, L' Esquire Limited, Esquire Testing Services (BD) Limited, Esquire Accessories Limited, Esquire Plastic Limited, Esquire Chemical Industries Limited, Meghna Plastic Industries (Pvt) Limited, New Dhaka Ceramic Industries (Pvt) Limited, Synthia Multi-fiver Limited, MMH Textiles Limited and Esquire Travels Limited.

Mrs. Peara Begum
Director

Mrs. Peara Begum is a Director of Esquire Knit Composite Limited from the very beginning. She is the wife of Mr. Md. Mofazzal Hossain, Founder and Chairman of the Esquire Group. Mrs. Peara Begum has long experience to run industrial unit successfully. She has contributed the Group through her leadership skill and managerial decision making. She has successful track record of managing business. She has been contributing a lot for the development of the group. Her contribution and enthusiasm behind the Esquire Group coming to this stage today is worth remembering.

She is also the Director of Esquire Dyeing Industries Limited, Esquire Electronics Limited and Esquire Accessories Limited.

Mrs. Pera Begum is a Member of the Audit Committee and Nomination and Remuneration Committee (NRC) of the company.

FINANCIALS

ESQUIRE KNIT COMPOSITE LIMITED AND ITS SUBSIDIARY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE 2021

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Esquire Knit Composite Limited and its Subsidiaries (the "Group"), as well as the separate financial statements of Esquire Knit Composite Limited ('the Company"), which comprise consolidated and separate Statement of Financial Position as at 30 June 2021 and consolidated and separate Statement of Profit or Loss and Other Comprehensive Income, consolidated and separate Statement of Changes in Equity and consolidated and separate Statement of Cash Flows for the year then ended, notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements is present fairly, in all material respects, the consolidated financial position of the Group and separate financial position of the Company as at 30 June 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue

Risk	Our response to the risk
The Group reported total revenue of BDT 7,930,127,442 as at 30 June 2021. Revenue increased by BDT. 2,905,317,377 which shows 59% higher revenue compared to last year. The Group is 100% export oriented, which includes deemed export. In addition, revenue is measured including cash incentives upon receipt of Proceed Realization Certificate (PRC) from the bank. Revenue recognition therefore is a material and judgmental issue. We focus on the risk of material misstatement in the recognition of revenue, as a result of both fraud and error, because revenue is material and is an important determinant of the company's profitability, which has a consequent impact on its share price performance.	We have tested the design and operating effectiveness of key controls focusing on the following: • Calculation of each revenue as per VAT Return and L/C documents on a sample basis; • segregation of duties in invoice creation and modification; and • Timing of revenue recognition. Our substantive procedures in relation to the revenue recognition comprises the following: • Obtaining supporting documentation for sales transactions recorded at the year-end date to determine whether revenue was recognized in the current period; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

[See note 24.00 to the financial statements]

2. Accounts Receivables

Risk	Our response to the risk
The company has BDT. 1,243,153,717 of trade receivables as at 30 June 2021. The company had 100% foreign buyers; therefore, the accounts receivable balance confirmation is a material issue.	For accounts receivables our key audit procedures included the following: • We sent accounts receivable balance confirmations to the customers on a sample basis; • We analyzed the aging of trade receivables; and • We obtained a list of total outstanding receivables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.

[See note 8.00 to the financial statements]

3. Capital work in progress

Risk	Our response to the risk
The Group's assets held under capital work in progress as on the closing date are amounted to BDT. 1,857,729,950, equivalent to 22% of total Non-Current assets. Due to the high volume of transactions, utilization of IPO proceeds, terms and valuation of these assets, it was considered significant to our audit.	Our audit procedures to address the risk of material misstatement relating to capital work in progress includes obtaining an understanding of the internal control over capital work in progress, assessing the risks of material misstatement. Our audit procedures to address the risk of material misstatement relating to Capital work in progress to the financial statements included: • Obtaining and assessing the movement of the capital work in progress; • Verifying the records to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work-in-progress; • Verifying the supporting documents with reference to the underlying contractor bills, work orders, certification of work performed by expert personnel, comparison of the progress and the costs incurred up-to-date with the budgets, policy and plan; • Reconciling the movement of capital work in progress from opening to closing, specifically verifying additions during the year and transferred to Property, Plant and Equipment during the year; • Verifying the dates on which the assets are moved from the capital work-in-progress account to the fixed assets so that the depreciation on fixed assets may be computed correctly, and; • Site visit and physical observations of the work on-going for capital work in progress.

[See note 5.00 to the financial statements]

4. Existence and Valuation of Inventories

Risk	Our response to the risk
The Group had inventory of BDT. 3,392,689,573 at 30th June 2021, held in Factory. The inventories include Yarn, Dyes, Chemical, Finishing Materials, Work-in-process, and Finished goods. Due to country wide lockdown at the year end, stock taking procedures could not be performed; therefore, we had to perform alternative audit procedures to confirm the inventory balance. Hence existence of inventories had been considered as key audit matter. Inventory value is measured at the lower of cost and net realizable value. As a result, the Management applies measurement such as absorption of several costs in determining the appropriate values for work in progress.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: • Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of warehouses. • 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; and Performing surprise stock counting and obtaining stock confirmations from factory to check the existence and reconciling the count results to the inventory listings to test the completeness of data;

[See note 7.00 to the financial statements]

5. Related party transaction

The Group has related party transactions as described in notes to the financial statements.	Our audit procedures amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. • Evaluated the transactions among the related parties and tested material accounts balances. • Evaluated the disclosures in the financial statements in compliance with IAS 24.

[See note 32.00 to the financial statements]

Other Matter

The Group comprises the parent, Esquire Knit Composite Ltd. and Subsidiary (L'Esquire Ltd.) The financial statements of the Subsidiary have been audited by Chowdhury Bhattacharjee & Co. Chartered Accountants.

The auditor of subsidiary expressed unmodified opinion on the financial statements as at 30 June 2021.

Reporting on Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Company 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.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate 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:

- 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.
- 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 Group's and 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 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated and separate financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Report on other Legal and Regulatory Requirements

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

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
(ii) 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;
(iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
(iv) the expenditure incurred, except as noted above, were to the purpose of company business

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2111141522AS712158

Dhaka, 30 October 2021

Consolidated Statement of Financial Position

As at 30 June 2021

Particulars	Notes	Amount in Taka	
		30-Jun-2021	30-Jun-2020
Assets			
Non-Current Assets		**8,402,276,382**	**5,538,701,226**
Property, plant and equipment	4	6,396,771,432	4,675,599,621
Capital work-in-progress	5	1,857,729,950	715,326,604
Investment in shares	6	147,775,000	147,775,000
Current Assets		**6,126,965,621**	**6,429,251,222**
Inventories	7	3,392,689,573	3,099,843,476
Accounts receivables	8	1,243,153,717	470,602,348
Other receivables	9	3,818,089	13,504,400
Advance, deposit and prepayments	10	646,601,248	858,868,308
Investment	11	98,507,093	260,034,065
Cash and cash equivalents	12	742,195,902	1,726,398,625
TOTAL ASSETS		**14,529,242,003**	**11,967,952,448**
EQUITY & LIABILITIES			
Shareholders' Equity		**8,656,636,257**	**6,827,436,987**
Share capital	13	1,348,958,330	1,348,958,330
Non-controlling Interest	13.01	360,425	-
Share Premium Account	14	1,086,653,150	1,104,070,338
Revaluation surplus	15	3,739,289,135	1,986,590,489
Retained earnings	16	2,481,375,217	2,387,817,831
Non Current Liabilities		**2,418,757,218**	**2,480,390,347**
Deferred Tax liabilities	17	272,861,923	191,187,753
Long term loan net of current maturity	18	2,144,471,932	2,275,685,650
Lease liability			
Finance lease obligation net of current maturity	19	1,423,363	13,516,944
Current Liabilities		**3,453,848,528**	**2,660,125,114**
Short term loan	20	1,479,436,051	984,070,652
Current portion of long term loan	18	638,302,027	465,013,712
Current portion of finance lease obligation	19	12,654,672	28,370,223
Unclaimed Dividend	21	4,176,706	2,305,611
Accounts payable	22	1,027,350,053	866,491,799
Liabilities for expenses	23	291,929,018	313,873,117
TOTAL EQUITY & LIABILITIES		**14,529,242,003**	**11,967,952,448**
Net Asset Value (NAV) per share with revaluation reserve		**64.17**	**50.61**
Net Asset Value (NAV) per share without revaluation reserve		**36.44**	**35.88**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report of even date

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2111141522AS712158

Dhaka, 30 October 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		30-Jun-2021	30-Jun-2020
Revenue	24	7,930,127,422	5,000,518,624
Less: Cost of Goods Sold	25	6,505,660,844	3,905,145,664
Gross profit		**1,424,466,578**	**1,095,372,960**
Less: Operating expenses	26	816,523,312	536,456,752
Gross operating profit		**607,943,266**	**558,916,208**
Less: Financial expenses	27	268,060,534	274,661,889
Net operating profit		**339,882,732**	**284,254,319**
Add: Non-Operating income	28	22,661,497	55,885,930
Profit before WPPF & WF		**362,544,229**	**340,140,249**
Less: Provision for contribution to WPPF & WF	23.01	2,060,747	17,007,012
Profit before tax		**360,483,482**	**323,133,237**
Less: Income tax expenses		63,586,178	57,129,934
Current Tax	23.02	54,941,118	30,664,224
Deferred Tax	17.02	8,645,060	26,465,710
Profit after tax		**296,897,304**	**266,003,303**
Other comprehensive income for the year, net of tax (Land Revaluation)		1,752,698,646	-
Total comprehensive income for the year, net of tax		**2,049,595,950**	**266,003,303**
Profit attributable to:			
Owners of the Company		296,897,304	266,003,303
Non-controlling Interest		(59,575)	-
		296,837,729	**266,003,303**
Total Comprehensive Income attributable to:			
Owners of the Company		2,049,595,950	266,003,303
Non-controlling Interest		(59,575)	-
		2,049,536,375	**266,003,303**
Earnings Per Share (EPS) - Basic	29.01	**2.20**	**1.97**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report of even date

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2111141522AS712158

Dhaka, 30 October 2021

Consolidated Statement of Changes in Equity

For the year ended 30 June 2021

Amount in Taka

Particulars	Share Capital	Share premium	Revaluation Surplus	Non-controlling Interest	Retained Earnings	Total Equity
Balance at 01 July 2020	1,348,958,330	1,086,653,150	1,986,590,489	-	2,387,817,831	6,810,019,799
Land Revaluation	-		1,752,698,646	-	-	1,752,698,646
Non-controlling Interest				360,425	-	360,425
Net profit for the year	-	-	-	-	295,901,136	295,901,136
Dividend paid	-	-	-	-	(202,343,750)	(202,343,750)
Balance at 30 June 2021	**1,348,958,330**	**1,086,653,150**	**3,739,289,135**	**360,425**	**2,481,375,217**	**8,656,636,257**
Balance at 01 July 2019	1,348,958,330	1,104,070,338	1,986,590,489		2,324,158,278	6,763,777,434
Net profit for the year	-	-	-		266,003,303	266,003,303
Dividend paid	-	-	-		(202,343,750)	(202,343,750)
Balance at 30 June 2020	**1,348,958,330**	**1,104,070,338**	**1,986,590,489**		**2,387,817,831**	**6,827,436,987**

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

Dhaka, 30 October 2021

Consolidated Statement of Cash Flows

For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		30-Jun-2021	30-Jun-2020
A. Cash flows from operating activities			
Cash receipts from customers		7,157,576,054	5,064,871,405
Cash receipt from other income		32,347,808	44,253,401
Payment to suppliers		(3,904,637,574)	(2,486,634,878)
Payment to others		(3,167,937,059)	(2,096,309,509)
Interest paid		(211,759,219)	(198,982,939)
Income tax paid		(47,450,430)	(36,767,770)
Net cash flow from operating activities		**(141,860,421)**	**290,429,710**
B. Cash flows from investing activities			
Acquisition of property, plant and equipment		(145,893,890)	(420,846,019)
Investment in capital work in progress		(1,142,403,346)	(24,389,228)
Advance paid to Valuka project		-	(115,512,474)
Advance paid for BGMEA Flat		-	-
Investment in shares		-	-
Investment in FDR		161,526,973	(170,736,921)
Net cash used in investing activities		**(1,126,770,264)**	**(731,484,644)**
C. Cash flows from financing activities			
Proceeds from share issue-L 'esq Ltd (Minority)		360,425	-
Share premium received		(17,417,188)	-
Dividend paid		(202,343,750)	(202,343,750)
Receipt of Long Term Loan		14,265,464	1,417,284,395
Receipt/(Repayment) of Short Term Loan		495,365,398	85,072,590
Net cash flow from/(used in) financing activities		**290,230,351**	**1,300,013,236**
D. Net cash surplus during the year (A+B+C)		(978,400,334)	858,958,303
E. Cash and bank balances at beginning of the year		1,726,398,625	868,495,847
Effect of movements in exchange rates on cash held		(5,802,389)	(1,055,526)
F. Cash and bank balances at the end of the year		**742,195,901**	**1,726,398,623**
Cash and bank balances			
Cash in hand		19,716,786	2,590,007
Cash at bank		722,479,116	1,723,808,618
Total		**742,195,902**	**1,726,398,625**
Net Operating Cash Flow Per Share (NOCFPS)	29	**(1.07)**	**2.13**

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

Dhaka, 30 October 2021

1.00 Incorporation and Business Activities

Reporting entity

Esquire Knit Composite Limited (EKCL) (herein after referred to as EKCL or the Company) was incorporated [C-39663(1631)/2000] as a Private Limited Company on 16 February 2000 under the Companies Act 1994 and the company commenced commercial operation in 2001.

1.01 Address of Registered Office and Factories:

The company has its registered office at 21 Shaheed Tajuddin Ahmed Sarani, (old: 30, Tejgaon I/A) Dhaka. Factory address of the company and it's subsidiary are as follows:

Esquire Knit Composite Limited	22/58, Kanchpur, Sonargaon, Narayanganj.
L' Esquire Limited	Jamrdia, Bhaluka, Mymansingh, Bangladesh

The company was converted into a public limited company on 22 January 2015.

Nature of business

Esquire Knit Composite Limited is a 100% export oriented Company. It produces different types of Knit garments through its six units namely, knitting units, fabric dyeing unit, printing, embroidery, industrial laundry and garments units and sells the same to foreign buyers including C&A buying KG, Best seller, Mascot, Tchibo, Esprit, Tee Jays, Celio, Next, etc.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of compliance

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.02 Other regulatory compliance

In addition to the above, EKCL is also required to comply and has complied with the following laws and regulations:
- The Income Tax Ordinance 1984;
- The Income Tax Rules 1984;
- The Value Added Tax and Supplementory Duty Act 2012;
- The Value Added Tax Rules, 2016;
- The Bangladesh Labor (Amendment) Act 2013;
- Customs Act 1969;
- Sale of Goods Act 1930;
- Negotiable Instrument Act 1881; and
- The Securities and Exchange Ordinance, 1969;
- The Securities and Exchange Rules, 1987; and
- Other applicable rules and regulations.

2.03 Basis of measurement

These financial statements have been prepared under the historical cost convention applying accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs).

2.04 Components of financial statements

The financial statements of the Company consist of the following components:
- Consolidated Statement of Financial Position;
- Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- Consolidated Statement of Changes in Equity;
- Consolidated Statement of Cash Flows; and
- Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information to the Consolidated Financial Satements.

2.05 Use of estimates and judgments

The preparation of the financial statements of the Company requires management to make and apply consistently the judgments, estimates and assumptions for records and balances that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.06 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (Tk/BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.07 Reporting period

These financial statements of the company cover a period of twelve months from 01 July 2020 to 30 June 2021.

3.00 Significant Accounting Policies

3.01 Property, plant and equipment (PPE)

3.1.1 Recognition and measurement

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with International Accounting Standard IAS-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct attributable cost of bringing the assets to its working condition for its intended use.

3.1.2 Subsequent costs

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

3.1.3 Depreciation

Depreciation is charged on property (except land), plant and equipment using 'straight line method' over the estimated useful life of each item of property, plant and equipment. Depreciation on addition to property, plant and equipment is charged from the date when the asset is put into use for commercial operation .Knit Composite Limited, considering the useful lives, decided to charge depreciation at 15% p.a. No depreciation is charged on the assets from the month in which such assets are disposed. The rates of depreciation varies from 5% to 13% p.a. based on useful lives and nature of the assets. Rates of depreciation are:

Particulars	Rate	
Building	5.00%	p.a.
Plant and Machinery	7.00%	p.a.
Furniture and Fixtures	10.00%	p.a.
Office Equipment	10.00%	p.a.
Motor Vehicle	13.00%	p.a.
Software & IT	10.00%	p.a.

3.02 Inventories

3.2.1 Nature of inventories

Inventories consist of yarn, dyes, chemical, packing materials, accessories, sewing thread, printing & embroidery materials, stores and spare parts, etc.

3.2.2 Valuation of inventory

Inventories are valued in accordance with IAS- 2: Inventories i.e. at cost or estimated net realizable value whichever is lower. The cost of inventories includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion of the sale. When the inventories are used, the carrying amount of those inventories are recognized as expenses in the period in which the related revenue is recognized.

3.03 Advance, deposit and prepayments

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

3.04 Cash and cash equivalents

Cash and bank balances comprise cash in hand and cash at bank which are held and available for use by the company without any restriction.

3.05 Accounts receivable and other receivables

Accounts receivables are carried at original invoice amount. EKCL is a 100% export oriented company and all the sales/exports are done through L/C by banks. Receivables are considered as good and realizable. Other receivable represents accrued interest on FDR.

3.06 Accounts payable and other payables

These liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

3.07 Loans and borrowings

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.08 Income tax expense

Income tax expenses comprise current tax and deferred tax. Income taxes are recognized in statement of profit or loss and other comprehensive income except to the extent that relates to items recognized directly in equity or in other comprehensive income.

3.8.1 Current Tax

Taxation is provided in accordance with fiscal regulations applicable. The company taxation is under final settlement of tax liability under section 82C of the Income Tax Ordinance 1984 except other income. Income tax has been deducted at source under section 53BB of the Income Tax Ordinance 1984 on export from 1 July 2020 to June 30, 2021.

3.8.2 Deferred Tax

Deferred tax has been recognized in accordance with the provision of IAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets / liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income / expense is recognized in the statement of profit or loss and other comprehensive income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.09 Revenue recognition

i. Export Revenue

In accordance with the provisions of the IFRS-15 "Revenue from Contracts with Customers"; revenue from contracts with customers represents the amount that reflects the considerations to which entity expects to be entitled in exchange for goods supplied and service provided to customers during the period. Revenue from contracts with customers is recognized in the statement of Profit or Loss and Other comprehensive income when the performance obligation (supply of promised goods and services) is satisfied. Performance obligation is satisfied at a point in time when customer obtains the control of goods and services. Revenue from export is recognized at ex-factory date.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
b. The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
c. The amount of revenue can be measured reliably;
d. It is probable that the economic benefits associated with the transaction will flow to the company; and
e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

ii. Cash Incentive

Cash incentive income is recognized when Proceed Relialization Certificate (PRC) received from the bank against realization of cash incentive.

3.10 Financial expenses

Financial expenses comprise interest expense on long term loan, short term loan, finance lease and other borrowings, bank commission and charges etc. All such costs are recognized in the statement of profit or loss and other Comprehensive Income except those are capitalized in accordance with IAS 23.

3.11 Statement of Cash flows

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

3.12 Foreign currency transactions

The financial statements are presented in Bangladeshi taka (Tk./BDT), which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities in foreign currencies as on the reporting date are converted into Bangladeshi taka at the closing rate. Exchange gain or loss is recognised in Statement of Profit or Loss and Other Comprehensive Income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

3.13 Leases

Leases in terms of which the company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. The interest rate implicit in the lease has been used to calculate the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.14 Earnings Per Share (EPS)

The company presents basic and diluted (when dilution is applicable) Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding and for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for this financial statements as there was no dilutive potential ordinary shares during the relevant periods.

3.15 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. There are no material events that had occured after the reporting period to the date of issue of these financial statements, which could affect the figures presented in the financial statements.

3.16 Provision

A provision is recognized on the date of financial position if, as a result of past events, the company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.17 Employee Benefit

i. Workers' profit participation fund and welfare fund

This represent 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labour (Amendment) Act 2013 (Bangladesh Labour Law, 2006) and is payable to workers as defined in the said law.

ii. Gratuity

Regular confirmed employee of the company who have completed minimum 5 (five) years of continuous service from the date of joining are eligible to gratuity payment at the time of separation of employment with the company

3.18 Interest Income

Interest income is accrued at the applicable interest rate on bank deposits in the period in which it is incurred.

3.19 Finance costs

Finance costs comprise interest expenses on bank loan and other borrowings and are recognised as expenses in the period in which they are incurred using applicable interest rate.

3.20 Revaluation surplus

This represents the difference between book value and revalued amount of land and land development. As per IAS 16: Property, Plant and Equipment, revaluation is done with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The fair value of land was determined from market-based evidence by an appraisal as on July 20,2020 by Masih Muhith Haque & Co. which is a professionally qualified valuer.

3.21 Impairment

(a) Financial assets

Accounts receivable and other receivable are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effects on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) 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 exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

3.22 Comparative information

Comparative information has been disclosed in respect of year 2018-19 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements. Last year figures have been rearranged where considered necessary to conform to current years presentation.

3.23 Compliance with Financial Reporting Standards as applicable in Bangladesh:

IASs	Title	Remarks
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
32	Financial Instruments: Presentation	Complied
33	Earnings per Share (EPS)	Complied
34	Interim Financial Reporting	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied

IFRS	Title	Remarks
1	First-time Adoption of International Financial Reporting Standards	Complied
7	Financial Instruments: Disclosures	Complied
9	Financial Instruments	Complied
10	Consolidated Financial Statements	Complied
12	Disclosure of Interests in Other Entities	Complied
13	Fair Value Measurment	Complied
15	Revenue from Contracts with Customer	Complied
16	Leases	Complied

3.24 General

i. Figures have been rounded off to the nearest Taka.

ii. Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information *(continued)*

As at and for the year ended 30 June 2021

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
4.00 Property, plant and equipment			
(A) Cost/ Revaluation			
i) Freehold assets			
Opening balance		6,837,515,173	6,416,669,154
Add: Addition during the year		1,971,621,647	420,846,019
		8,809,136,819	6,837,515,173
ii) Leasehold assets			
Opening balance		99,420,368	99,420,368
Add: Addition during the year		-	
		99,420,368	99,420,368
Total (A)		8,908,557,187	6,936,935,541
(B) Accumulated depreciation			
i) Freehold assets			
Opening balance		2,214,040,447	1,993,885,990
Add: Charged during the year		238,022,289	220,154,457
		2,452,062,737	2,214,040,447
ii) Leasehold assets			
Opening balance		47,295,472	34,867,926
Add: Charged during the year		12,427,546	12,427,546
		59,723,018	47,295,472
Total (B)		2,511,785,755	2,261,335,919
(C) Written Down Value (A-B)		**6,396,771,432**	**4,675,599,621**

A schedule of property, plant and equipment is given in **Annexure-A**.

5.00 Capital work-in-progress			
Opening balance		715,326,604	690,937,377
Add: Addition during the year	5.01	1,266,536,912	225,606,345
		1,981,863,516	916,543,721
Less: Transferred to Property, Plant & Equipment		124,133,566	201,217,117
		1,857,729,950	**715,326,604**
5.01 Addition during the year			
BSCIC-Doom project			-
Advance for construction -Valuka project		-	-
Valuka Project		1,003,695,748	206,987,526
Machineries in work in process-Unit-7		-	600,000
Machineries in work in process		260,246,678	18,018,819
Building materials in transit		2,542,886	-
Warehouse- Kunchpur		-	-
		1,266,485,312	**225,606,345**

A schedule of capital work in progress addition during the year is given in **Annexure-B.**

6.00 Investment in shares		
Esquire Accessories Limited	10,275,000	10,275,000
Esquire Electronics Limited	37,500,000	37,500,000
Investment in ICL Unit Fund	100,000,000	100,000,000
	147,775,000	**147,775,000**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020

7.00 Inventories

		Quantity		30.06.2021 Taka	30.06.2020 Taka
		30.06.2021	30.06.2020		
Yarn (kg)		2,304,588	2,649,002	837,871,652	850,671,540
Dyes (kg)		215,529	210,191	242,337,642	246,474,278
Chemical (kg)		1,316,954	1,418,353	130,155,983	152,827,600
Finishing Materials	7.01	-	-	740,178,282	719,805,656
Materials in transit	7.02	-	-	129,872,558	93,448,584
Spare parts and consumable items	7.03	-	-	245,213,080	159,905,869
Work in process	7.04	-	-	791,466,248	679,717,479
Finished goods (pcs.)	7.05	1,267,708	1,021,663	275,594,128	196,992,470
				3,392,689,573	**3,099,843,476**

A schedule of inventories is given in **Annexure-C**.

7.01 Finishing Materials

Packing materials	402,155,744	307,681,222
Accessories	238,053,367	319,207,604
Sewing Thread	97,243,478	65,892,910
Printing & Embroidery materials	2,725,693	27,023,920
	740,178,282	**719,805,656**

A schedule of finishing materials is given in **Annexure-C**.

7.02 Materials in transit

	Quantity			
	30.06.2021	30.06.2020		
Yarn (kg)	17,636	11,679	46,750,272	36,423,974
Dyes (kg)	13,256	8,779	21,671,763	5,014,245
Chemical (kg)	18,272	12,181	23,908,132	4,201,668
Machine	-	-	13,714,896	36,301,748
Finishing Materials	-	-	10,446,115	8,159,222
Spare Parts	-	-	13,381,380	3,347,727
			129,872,558	**93,448,584**

7.03 Spare parts and consumable items

Spareparts & Consumable items	245,213,080	159,905,869
	245,213,080	**159,905,869**

A schedule of spare parts and consumable items is given in **Annexure-D**.

7.04 Work in Process

	Quantity			
	30.06.2021	30.06.2020		
Knitting (kg)	89,549	77,869	23,709,465	23,474,718
Finished Fabric (kg)	1,101,933	1,296,392	565,861,073	437,679,725
Cutting (Pcs)	3,892,789	3,395,162	101,423,962	119,322,308
Embroidery (Pcs)	4,336	3,770	1,302,084	1,531,864
Printing (Pcs)	7,546	6,798	2,651,908	3,083,613
Sewing (Pcs)	1,096,381	1,038,240	96,517,755	94,625,250
			791,466,248	**679,717,479**

A schedule of work in process is given in **Annexure-E**.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020

7.05 Finished Goods (pcs.)

	Quantity			
	30.06.2021	30.06.2020		
Opening	1,021,663	979,950	196,992,470	146,992,471
Add: Production during the year	39,025,299	18,126,428	6,536,380,483	5,715,106,439
	40,046,962	19,106,378	6,733,372,953	5,862,098,910
Less: Delivered during the year	38,779,254	18,084,715	6,459,326,582	5,665,106,439
	1,267,708	**1,021,663**	**274,046,370**	**196,992,470**

8.00 Accounts receivables

	1,243,153,717	**470,602,348**

A schedule of account receivable is given in **Annexure-F.**

Disclosure as per Schedule XI, Part I, Para (F) of the Companies Act 1994:

I. Debt considered good in respect of which the company is fully secured

The debtors occurred in the ordinary course of business are considered good and secured against confirmed L/C.

II. Debt considered good for which the company hold no security other than the debtors' personal security

There is no such debt in this respect as on 30 June 2021.

III. Debt considered doubtful or bad

The company does not make any provision for doubtful debts as on 30 June 2021, because of the fact that sales/export are being made on 100% confirmed L/C basis with fixed maturity dates.

IV. Debt due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2021.

V. Debt due by Common Management

There are no amount due from sister company under common management as on 30 June 2021.

VI. The maximum amount due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2021.

Aging of accounts receivable

The aging of gross trade receivables as at the statement of financial position date was:

Past due 0-90 days	1,243,153,717	470,602,348
Past due 91-180 days	-	-
Past due 181 -365 days	-	-
Past due more than 365 days	-	-
	1,243,153,717	**470,602,348**

9.00 Other receivables

Cash incentive	3,372,700	12,480,200
Accrued interest on FDR	445,389	1,024,200
	3,818,089	**13,504,400**

10.00 Advance, deposit and prepayments

Advance	10.01	571,007,182	794,679,821
Deposit	10.02	66,441,233	54,682,360
Prepayments	10.03	9,152,833	9,506,127
		646,601,248	**858,868,308**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
10.01 Advance			
Advance against Land		-	2,500,000
Advance to creditors		476,304,571	631,029,047
Advance against salaries		11,401,705	3,200,941
Advance for commercial Flat -BGMEA COMPLEX		-	53,806,000
Advance Income Tax	10.1.1	83,300,906	104,143,833
		571,007,182	**794,679,821**

A schedule of advance given to creditors is given in **Annexure-G**.

10.1.1 Advance Income Tax			
Opening balance		104,143,833	67,376,063
Add: Addition during the year	10.1.1.1	47,450,430	36,767,770
		151,594,263	104,143,833
Less: Adjustment for assessment year-2018-19		38,510,645	-
Less: Adjustment for assessment year-2019-20		29,782,712	-
		83,300,906	**104,143,833**
10.1.1.1 Advance Income Tax addition			
Advance Income Tax on Car		2,582,500	1,470,500
Advance Income Tax on FDR Interest		3,976,414	5,464,873
TDS on Import Stage		2,964,804	2,387,804
TDS on Export Proceeds		37,926,712	27,444,594
		47,450,430	**36,767,770**
10.02 Deposit			
Guarantee margin & LC margin		2,892,017	2,062,456
Security deposit	10.2.1	12,691,354	12,691,354
FBPAR & margin account	10.2.2	50,857,861	39,928,549
		66,441,233	**54,682,360**
10.2.1 Security deposit			
Rural Electrification Board (REB) for electricity		7,295,517	7,295,517
Security Deposit-BSCIC		1,455,000	1,455,000
PIL Bangladesh Ltd		400,000	400,000
Mobile phone		60,000	60,000
Lease rental		691,260	691,260
Titas Gas Transmission & Distribution Company Limited for gas		2,789,577	2,789,577
		12,691,354	**12,691,354**
10.2.2 FBPAR & margin account			
FBPAR A/C with DBBL -in Dollar (78)		11,102,459	17,687,939
FBPAR A/C with DBBL -in Dollar (63)		7,429,461	21,126,550
FBPAR A/C with DBBL -in EURO		144,633	136,804
Margin A/C with EBL -in Dollar		32,104,705	904,800
Margin A/C with EBL -in EURO		76,603	72,456
		50,857,861	**39,928,549**
10.03 Prepayments			
Insurance premium		**9,152,833**	**9,506,127**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020

10.04 Aging of advance, deposit & prepayment

The aging of advance, deposit & prepayment as at the statement of financial position date was as follows:

Past due 0-90 days	571,007,182	794,679,821
Past due 91-180 days	37,926,712	36,767,770
Past due 181 -365 days	24,976,000	14,729,363
Past due more than 365 days	12,691,354	12,691,354
	646,601,248	**858,868,308**

10.05 The details breakup of advance, deposit and prepayment as per requirement of Schedule XI, part I, para (J) of the Companies Act, 1994 stated below:

Advance, deposit and prepayments exceeding 6 months	37,667,354	27,420,717
Advance, deposit and prepayments not exceeding 6 months	37,926,712	36,767,770
Other advance, deposit and prepayments less provision	66,441,233	54,682,360
Advance, deposit and prepayments considered good and secured	493,164,244	736,796,521
Advance, deposit and prepayments due by Other Officers (against Salary)	11,401,705	3,200,941

11.00 Investment

Investment in FDR	11.01	98,507,093	260,034,065
		98,507,093	**260,034,065**

11.01 Investment in FDR

Bank Name	A/C No	Principle	Term (Months)	Maturity Date		
Dutch Bangla Bank Limited	506.0001926	2,923,858	12	29.12.2020	3,471,740	3,315,102
	504.0017552	2,793,573	12	28.02.2021	3,310,822	3,161,047
	504.0019071	10,865,251	12	06.07.2020	13,010,638	12,396,987
	504.0019148	21,730,503	12	14.07.2020	26,021,277	24,793,975
	504.0020915	21,228,452	12	10.03.2021	25,312,492	24,118,620
	504.0021052	10,592,585	12	19.03.2021	12,630,440	12,034,721
	504.0008214	10,332,957	12	28.06.2020	12,319,956	11,840,419
	504.0025965	2,051,913	12	15.06.2020	2,429,728	2,340,215
					98,507,093	**94,001,085**
Uttara Finance and Investment Limited	11724/19	50,000,000	11.5	28.07.2020	-	54,778,014
	11725/19	50,000,000	11.5	28.07.2020	-	54,778,014
	11842/19	30,000,000	11	19.09.2020	-	32,310,905
	11858/19	22,500,000	11	30.09.2020	-	24,166,048
					-	**166,032,980**
					98,507,093	**260,034,065**

These FDRs have been liened with Dutch Bangla Bank Limited for maintenance of margin for L/C liabilities and bank guarantees.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
12.00 Cash and cash equivalents			
Cash in hand	12.01	19,716,786	2,590,007
Cash at bank	12.02	722,479,116	1,723,808,618
		742,195,902	**1,726,398,625**
12.01 Cash in hand			
Head Office		13,563,899	905,000
Factory		6,152,887	1,685,007
		19,716,786	**2,590,007**

12.02 Cash at bank

Bank Name	Branch	A/C Type	A/C No.		
Dutch Bangla Bank Ltd.	Local office	FCAD($)	101.117.163	49,179,088	11,954,248
Dutch Bangla Bank Ltd.	Local office	FCAD(€)	101.119.20	5,581	5,298
Dutch Bangla Bank Ltd.	Local office	FCAD($)	101.110.0006900	398,039,467	1,187,900,000
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	101.110.36941	85,467	108,185
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	101.120.5645	521,803	25,705,564
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	101.120.5692	423,146	85,808
Eastern Bank Ltd.	Principal	FCAD($)	101.305.3310	58,003	75,071
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	107.120.484	407,987	849,071
BRAC Bank Ltd.		CD	1505203551787001	139,873,894	475,843,305
Jamuna Bank Ltd.	Mohakhali	CD	102.100.15098	2,065	999,755
NCC Bank CD A/C	Baridhara	CD	107.021.000.1597	22,757	23,667
One Bank Ltd.	Agrabad, Ctg.	CD	003.105.0001366	267,284	204,619
Al -Arafa Islami Bank ltd		CD	0141020047786	15,000	-
Bank Asia		CD	62733000256	206,556	-
Dutch Bangla Bank Ltd.		CD	107.110.0031497	1,886,117	2,305,611
Shahajalal Islamic Bank		CD	40331100000679	2,355	-
South Bangla Ariculture		CD	001.011.1005482	14,655	-
United Commercial Bank		CD	781.101.000002124	593,569	-
United Commercial Bank		FCAD	0781184000000267	56,349,212	-
UCBL -FACD in USD A/C			0781181000000193	7,362,473	-
HSBC		CD	001-011576-011	41,415	41,415
Dutch Bangla Bank Ltd.		CD	101.120.0007676	2,290,589	-
One Bank Ltd.		CD	0031020009947	15,758	15,758
Dutch Bangla Bank Ltd.	Local office, Dilkusha	FC (USD)		-	17,687,939
One Bank Ltd.	Mirpur		110039901005	3,306	3,306
				722,479,116	**1,723,808,618**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
13.00 Share capital		
Authorized capital		
200,000,000 Ordinary shares of Tk.10 each	**2,000,000,000**	**2,000,000,000**
Issued, subscribed and paid-up capital		
134,895,833 Ordinary shares of Tk.10 each fully paid	**1,348,958,330**	**1,348,958,330**

Details of the shareholdings are as under:

Name of Shareholders	% held	No. of shares		30.06.2021	30.06.2020
		30.06.2021	30.06.2020	Taka	Taka
Md. Mofazzal Hossain	21.34%	28,791,667	28,791,667	287,916,670	287,916,670
Md. Ehsanul Habib	11.14%	15,032,960	15,032,960	150,329,600	150,329,600
Arifur Rahman	5.87%	7,925,000	7,925,000	79,250,000	79,250,000
Md. Muddasar Hossain	5.87%	7,925,000	7,925,000	79,250,000	79,250,000
Mrs. Peara Begum	2.73%	3,681,343	3,681,343	36,813,430	36,813,430
Esquire Dyeing Industries Ltd.	21.93%	29,581,343	29,581,343	295,813,430	295,813,430
Esquire Accessories Ltd.	0.90%	1,214,677	1,214,677	12,146,770	12,146,770
Esquire Electronics Ltd.	4.34%	5,848,010	5,848,010	58,480,100	58,480,100
General Public and Institution	25.87%	34895833	34,895,833.00	348,958,330	348,958,330
	100%	**134,895,833**	**134,895,833**	**1,348,958,330**	**1,348,958,330**

The company increased its authorised capital from 1,500 million to 2,000 million by passing a special resolution in the company's Extra Ordinary General Meeting (EGM) held on 22 December 2016.

Summarized financial information for subsidiary as per paragraph B10 of IFRS-12 is given in **Annexure-J.**

13.01 Non-controlling Interest	**No.of Shares**	**Taka**	**Taka**
Share Capital of L'Esquire Ltd	42,000	420,000	
Add: Retained loss		(59,575)	
Total		**360,425**	**-**

14.00 Share premium		
Share premium	1,151,041,650	1,151,041,650
Less: IPO Expense	64,388,500	46,971,312
	1,086,653,150	**1,104,070,338**

In 2018-19, total amount of share share premium tk 1,151,041650 (20,833,332 shares @ Tk 35 premium for Eligible Investor & 14,962,501 shares @ Tk 30 premium for General Public) was received as share premium in respect of issued to share holder through IPO

15.00 Revaluation surplus		
	3,739,289,135	**1,986,590,489**

16.00 Retained earnings		
Opening balance	2,387,817,831	2,324,158,278
Add: Net profit after tax for the year	295,901,136	266,003,303
Less: Cash dividend	202,343,750	202,343,750
	2,481,375,217	**2,387,817,831**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
17.00 Deferred Tax liabilities			
Deferred tax liabilities have been recognized and measured in accordance with the provisions of IAS 12: Income Taxes.			
Deferred tax liabilities related to Profit and Loss A/C	17.01	117,058,209	108,413,149
Deferred tax Liabilities related to other comprehensive income		155,803,714	82,774,604
		272,861,923	**191,187,753**

17.01 Deferred tax liabilties

As at 30 June 2021	Carrying amount Taka	Tax base Taka	Taxable temporary difference Taka
Deferred tax liabilities related to Profit and Loss A/C			
Property, plant and equipment excluding land	2,297,036,147	1,321,551,071	975,485,076
Applicable tax rate			12.00%
Deferred tax liability			**117,058,209**
Deferred tax Liabilities related to other comprehensive income			
Revaluation reserve for land	3,895,092,849	Nil	3,895,092,849
Applicable tax rate			4.00%
Deferred tax liability			**155,803,714**

As at 30 June 2020	Carrying amount Taka	Tax base Taka	Taxable temporary difference Taka
Deferred tax liabilities related to Profit and Loss A/C			
Property, plant and equipment excluding land	2,482,781,377	1,579,338,469	903,442,908
Applicable tax rate			12%
Deferred tax liability			**108,413,149**

	Carrying amount Taka	Tax base Taka	Taxable temporary difference Taka
Deferred tax Liabilities related to other comprehensive income			
Revaluation reserve for land	2,069,365,092	Nil	2,069,365,092
Applicable tax rate			4.00%
Deferred tax liability			**82,774,604**

17.02 Deferred Tax Expenses

Deferred Liabilities at the end of the period		117,058,209	108,413,149
Deferred Liabilities at the beginning of the period		108,413,149	81,947,439
Deferred Tax expenses		**8,645,060**	**26,465,710**

18.00 Long term loan net of current maturity

International Finance Corporation	18.01	1,180,900,000	1,180,900,000
Jamuna Bank Limited	18.02	26,598,619	27,634,414
Dutch Bangla Bank Limited-Term Loan	18.03	1,532,164,948	1,532,164,948
IDLC Finance Limited		43,110,391	-
		2,782,773,959	2,740,699,362
Less: Current portion of long term loan		638,302,027	465,013,712
Deutsche Investitions- und Entwicklungsgesellschaft MbH		-	-
Dutch Bangla Bank Limited		602,734,255	450,265,712
Jamuna Bank Limited		15,495,492	14,748,000
IDLC Finance Limited		20,072,280	-
		2,144,471,932	**2,275,685,650**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
18.01 International Finance Corporation	**1,180,900,000**	**1,180,900,000**

Particulars of the term loans are given below.

(Amount in USD)

Bank Name	Loan Account	Particulars	Outstanding as on 30.06.2021
International Finance Corportion	IFC	Long term loan for Expansion project	Limit: 14000000 Tenor: 8 period/years Interest Rate: 3.50(LIBOR+Margin)

Collateral: A first ranking registered Mortgage on all land and Buildings of the Company. A first raking hypothecation on all present and future movable assets(other than current assets and stocks) of the Company by executing a deed of the hypothecation. Personal joint and several first demand payment guarantee from the Sponsors.Joint and several first demand payment guarantee from the Companies.

18.02 Jamuna Bank Limited	**26,598,619**	**27,634,414**

Details of the term loan with Jamuna Bank Limited are as under:

Bank Name	Facilities	Particulars
Jamuna Bank Limited	Term Loan	Limit: 30,000,000 Tenor: 60 months Pricing: 9.00% p.a.
Jamuna Bank Limited	Term Loan	Limit: 20,000,000 Tenor: 60 months Pricing: 9.00% p.a.

Collateral: Security cheque covering the Term Loan amount with letter of approach duly signed by the authorized person. Personal Guarantee of all the Directors of the company, supported by duly signed individual personal net worth statement. Corporate Guarantee of Shah Garments Limited, supported by MOA, AOA and Board resolution.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
18.03 Dutch-Bangla Bank Limited	**1,532,164,948**	**1,532,164,948**

Details of the banking facilities with Dutch Bangla Bank Limited are as under:

Bank Name	Facilities	Particulars
Dutch-Bangla Bank Limited	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 2250,000,000 Tenor: 120 days (Usance) Pricing: 0.30% 1st Qtr. & 0.20% Subs Qtr. PAD-EDF @ 6 months LIBOR+2.5.50 p.a. EDF interest As per Bangladesh Bank Circular
	Export Cash Credit	Limit: 80,000,000 Tenor: 180 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 270,000,000 Pricing: 9.00% p.a.
	Letter of Credit(Sight/Usance/UPAS)	Limit: 600,000,000, Sub Limit 150,000,000, Pricing: 0.30% 1st Qtr. & 0.20% Subs Qtr. PAD @ 9.00% p.a.
	Letter of Credit(Sight/Usance/UPAS)-Machinery	Limit: 150,000,000, Pricing: 0.30% 1st Qtr. & 0.20% Subs Qtr. PAD @ 9.00% p.a
	Term Loan - Specific	Limit: 150,000,000, Tenor: 1.5 Years Pricing: 8.75% p.a.
	Loan against trust receipt (LTR)	Limit: 100,000,000 Tenor: 120 days Pricing: 9.00% p.a.
	Letter of Guarantee	Limit: 10,000,000 Pricing: 0.55% per quarter.
	Loan against Cash Incentive-Renewal	Limit: 40,000,000 Tenor: 180 days Pricing: 9.00% p.a.
	Short Term Loan	Limit: 75,000,000 Tenor: 90 days Pricing: 9.00% p.a.
	Bill of Discount	Limit: 150,000,000 Tenor: 180 days Pricing: 9.00% p.a.

Collateral: Registered mortgage of 94 decimal land, building thereon at kanchpur, Narayanganj (Note: among 94 decimal land 60 decimal land is in the name of New Dhaka Ceramic Industries Limited and mortgage to the Dutch Bangla Bank Limited). Charge created with RJSC shall continue. Registered Hypothecation on Pari-Passu basis with Eastern Bank Limited on all current assets and stocks both present and future, belonging to the borrower duly insured with Bank's mortgage clause. Registered Hypothecation on Pari-Passu basis among Dutch Bangla Bank Limited and Eastern Bank Limited over listed plant, machinery, spare parts, accessories, electrical equipment's etc. (present and future) excluding the listed machinery under DEG financed. Registered Hypothecation of 1st priority fixed and floating charge with RJSC against registered hypothecation on pari-passu basis with Eastern Bank Limited and DEG over all movable assets both present and future of the borrower, including but not limited to the plant, machinery and equipment's of the company duly insured with Bank's mortgage clause. Personal Guarantee jointly and severally of the directors of the company. Personal Guarantee of all the directors of Fashion Paradise Ltd., Esquire Dyeing Industries Ltd. Corporate Guarantee of Fashion Paradise Limited, Esquire Electronics Limited and Esquire Dyeing Industries Limited with duly adopted board resolution.

19.00 Finance lease obligation net of current maturity

IDLC Finance Limited	7,619,878	34,528,703
IPDC Finance Limited	4,348,674	7,358,464
	11,968,552	41,887,167
Less: Current portion of finance lease obligation-IDLC	5,468,220	25,376,679
Less: Current portion of finance lease obligation-IPDC	2,993,544	2,993,544
	8,461,764	
Net chnages of Lease assets of L'Esquire Ltd	(2,083,425)	28,370,223
	1,423,363	**13,516,944**

IDLC Finance Limited

Esquire Knit Composite Limited entered into lease agreement with IDLC Finance Limited from the year 2016 to 2021 for vehicles. Esquire Knit Composite Limited pays fixed monthly installments which comprise principal and interest in return.

IPDC Finance Limited

Particulars of the above lease finance(vehicle) are given below.

Name of the lender	Name of Facilities	Particulars
IPDC Finance Limited	Lease Finance	Limit: 8,700,000 Tenor: 60 months Pricing: 14.00% p.a.
IPDC Finance Limited	Lease Finance	Limit: 2,750,000 Tenor: 60 months Pricing: 14.00% p.a.

Collateral: The Security arrangements will include but are not limited to:
1. Registration & Comprehensive Insurance of the vehicles in favor of IPDC. 2. Personal Guarantee of all sponsor Directors of the Lessee(s). 3. Cross Corporate Guarantee of the Lessee(s) (Supported by Board Resolution and undertaking to amend MEMART by incorporating the clause empowering to provide corporate guarantee, if not Legally enforceable by MEMART). 4. Security cheque. 5. Post-Dated cheques (PDCs) for monthly rental payment. 6. Demand Promissory Note along with Letter of Continuation. 7. Other usual charge documents.

Details of Lease Agreement

Lease From	Purpose	Finance Amount	Lease Term	Monthly Rental	Rental Paid	Future Payment
IDLC	Vehicle	29,000,000	5 Years	565,310	25,727,528	3,272,472
IPDC	Vehicle	10,550,000	5 Years	249,462	3,191,536	7,358,464
		39,550,000		814,772	28,919,064	10,630,936

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
20.00 Short term loan			
Dutch Bangla Bank Limited	20.01	929,802,980	722,657,856
Eastern Bank Limited	20.02	16,206,792	3,212,628
United commercial Bank Limited	20.03	64,060,332	-
Bank Asia limited		255,752,188	-
Uttara Finance Limited		-	153,758,501
IFIL		103,290,000	-
IPDC Finance Limited		110,323,760	104,441,667
		1,479,436,051	**984,070,652**
20.01 Short Term Loan Dutch Bangla Bank Limited			
Export cash credit		72,334,052	91,153,720
Loan Trust Receipts (LTR)		2,741,194	20,660,035
Forced loan		-	-
Loan against EDF		-	165,768,648
Overdraft	20.1.1	275,542,296	279,585,708
PAD-Foreign cash		23,132,011	-
Bills purcahse			-
Short term loan-EMI		164,515,902	165,489,745
Other loans		391,537,525	-
		929,802,980	**722,657,856**

20.1.1 Overdraft

Name of the Bank	Branch	Account #		
Dutch Bangla Bank Ltd.	Kawran Bazar	954.440.1000.000.37	193,100,555	279,583,708
Dutch Bangla Bank Ltd.	Kawran Bazar	954.417.000.0188	81,917,938	-
Dutch Bangla Bank Ltd.	Dilkusha	1014010000262	2,000	2,000
Dutch Bangla Bank Ltd.	Kawran Bazar	101.120.5645	521,803	-
			275,542,296	**279,585,708**

Collateral: Registered Mortgage (1st pari-passu with other lenders: EBL, DBBL, & DEG) on factory Land (81 decimal) and Building of expansion unit of Esquire Knit Composite Ltd., at Kanchpur, Sonargaon, Narayangonj. 1st Registered Mortgage & Registered Power of Attorney on 197.00 Decimal land building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite Limited.

Particulars such as the terms & conditions of the above short term loans are same as stated under Note # 17.3.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
20.02 Eastern Bank Limited		
Overdraft	16,206,792	(1,685,973)
Time loan normal	-	4,155,705
Loan against EDF	-	742,896
	16,206,792	**3,212,628**

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
Eastern Bank Limited	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 200,000,000 Tenor: 180 days Pricing: 0.20% PQ.
	Acceptance[Within Line # 1]	Limit: 200,000,000 Tenor: 180 days Pricing: 0.20% PQ.
	Sight Letter of Credit-I (Financed through EDF) [Within Line # 1]	Limit: (100,000,000) Tenor: 180 days Pricing: 0.20% PQ.
	EDF Loan [Within Line # 1]	Limit: (100,000,000), As per Bangladesh Bank Circular
	Sight Letter of Credit-II [Within Line # 1]	Limit: (30,000,000) Tenor: 180 days Pricing: 0.20% PQ.
	Import Loan	Limit: (27,000,000) Tenor: 180 days Pricing: 9.00% p.a.
	Sight Letter of Credit-III [Within Line # 1]	Limit: (10,000,000) Tenor: 360 days Pricing: 0.20% PQ.
	Time Loan	Limit: (9,000,000) Tenor: 360 days Pricing: 9.00% p.a.
	Packing Credit	Limit: 20,000,000 Tenor: 120 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 20,000,000 Tenor: 360 days Pricing: 13.00% p.a.
	Letter of Guarantee	Limit: (5,000,000) Tenor: Up to 5 years Pricing: 0.30% per Minimum tk. 2500

Collateral: Registered Mortgage (1st pari-passu with other lenders: EBL, DBBL, & DEG) on factory Land (81 decimal) and Building of expansion unit of Esquire Knit Composite Ltd., at Kanchpur, Sonargaon, Narayangonj. 1st Registered Mortgage & Registered Power of Attorney on 197.00 Decimal land building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite Limited.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
20.03 United Commercial Bank Ltd.			
	Branch / **A/C #**		
Overdraft	**0781749000000347**	12,945,782	-
Time loan normal		41,382,491	-
Export Cash credit		9,732,060	-
		64,060,332	**-**

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
United Commercial Bank Ltd.	**Back to Back LC (Usance/sight under EDF Including acceptance liability)**	Limit: 650,000,000 Tenor: 120 days Pricing: 0.25% PQ.
	Letter of Credit(Sight/Usance/UPAS)	Limit: 200,000,000 Tenor: 180 days Pricing: 9.00% PQ.
	Letter of Credit(Sight/Usance/UPAS)-Machinery	Limit: 200,000,000 Tenor: 360 days Pricing: 9.00% PQ.
	Loan against trust receipt (LTR)	Limit: 50,000,000 Tenor: 120 days Pricing: 9.00% PQ.
	Bill of Discount	Limit: 100,000,000 Tenor: 120 days Pricing: 9.00% PQ.
	FBPD/OBU Discounting	Limit: 100,000,000 Tenor: 21 days Pricing: 9.00% p.a.
	Time Loan	Limit: 5,000,000 Tenor: 120 days Pricing: 9.00% p.a.
	Packing Credit	Limit: 40,000,000 Tenor: 90 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 50,000,000 Tenor: 360 days Pricing: 9.00% p.a.

Collateral: Registered Mortgage (1st pari-passu with other lenders: EBL, DBBL, & DEG) on factory Land (81 decimal) and Building of expansion unit of Esquire Knit Composite Ltd., at Kanchpur, Sonargaon, Narayangonj. 1st Registered Mortgage & Registered Power of Attorney on 197.00 Decimal land building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite Limited.

21.00 Unclaimed Dividend	**4,176,706**	**2,305,611**
22.00 Accounts payable		
Import liability and other creditors A schedule of import liability and other creditors is given in **Annexure-H.**	**1,027,350,053**	**866,491,799**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
23.00 Liabilities for expenses			
Directors' remunerations		60,774,255	30,774,255
Salary and wages		20,940,259	24,702,693
Gas Bills		19,424,948	15,951,849
Electricity		3,478,969	3,241,809
Telephone bill		10,173	4,004
Tax & VAT		5,832,545	5,832,545
WPPF payable	23.01	-	24,836,974
Wasa bill		16,000	14,344
Provision for Income Tax	23.02	116,783,783	130,136,025
Provision for Head office Floors		1,837,169	1,837,169
Financial Interest amd lease liability		56,229,437	75,678,950
Dividend payable		2,660,481	-
Audit fees		897,000	862,500
Head office rent		3,044,000	
		291,929,018	**313,873,117**
23.01 WPPF payable			
Opening Balance		24,836,974	8,645,818
Add: Addition during the year		2,060,747	17,007,012
		26,897,722	25,652,831
Less: Payment during the year		26,897,721	815,857
		1	**24,836,974**
23.02 Provision for Income Tax			
Opening balance		130,136,025	99,471,801
Add: Provision made for the year		54,941,118	30,664,224
		185,077,143	130,136,025
Less: Adjustment for assessment year-2018-19		38,510,648	-
Less: Adjustment for assessment year-2019-20		29,782,712	-
		116,783,783	**130,136,025**
Income Tax provision		**Taka**	
Export		47,580,765	
Non operating income		7,360,354	
		54,941,118	
24.00 Sales			
Export sales		**7,930,127,422**	**5,000,518,624**
Disclosure as per Schedule XI, Part II, Para 8 (e) of the Companies Act 1994:			
i. The quantity of the company's export of knit garments in pieces:		54,260,425	59,052,272
ii. Foreign currency earned against export on FOB Basis:			
	In USD	93,667,010	59,051,944
	In BDT	**7,930,127,422**	**5,000,518,624**

iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees and .....consultancy fees.

iv. The value of export for the year ended on 30 June 2021.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
25.00 Cost of Goods Sold			
Cost of materials consumed	25.01	3,958,097,088	2,107,481,040
Cost of direct labor	25.02	2,173,893,719	1,373,421,204
Prime cost		**6,131,990,806**	**3,480,902,244**
Factory overheads	25.03	564,020,463	524,243,420
Cost of Goods put into Process		**6,696,011,270**	**4,005,145,664**
Opening Work -in- process		679,717,479	629,717,479
Closing Work- in- process	25.04	(791,466,248)	(679,717,479)
Cost of Goods Manufactured		**6,584,262,501**	**3,955,145,664**
Opening Finished Goods		196,992,470	146,992,470
Cost of Goods Available for Sale		**6,781,254,972**	**4,102,138,134**
Closing Finished Goods	25.05	(275,594,128)	(196,992,470)
		6,505,660,844	**3,905,145,664**
25.01 Raw Materials Consumption			
Yarn	25.1.1	2,886,132,929	1,302,424,875
Dyes	25.1.2	136,158,338	96,180,085
Chemical	25.1.3	267,970,550	207,675,352
Finishing Materials	25.1.4	667,835,271	501,200,730
		3,958,097,088	**2,107,481,040**

25.1.1 Yarn Consumption	Quantity in kg			
	2020-21	**2019-20**		
Opening	2,649,002	2,644,818	850,671,540	812,210,449
Add: Purchase during the year	9,432,790	4,823,331	2,870,885,965	1,340,885,965
	12,081,792	7,468,149	3,721,557,504	2,153,096,414
Less: Closing stock	2,304,588	2,649,002	837,871,652	850,671,540
	9,777,204	**4,819,147**	**2,883,685,852**	**1,302,424,875**

25.1.2 Dyes Consumption	Quantity in kg			
	2020-21	**2019-20**		
Opening	210,191	179,426	246,474,278	210,632,661
Add: Purchase during the year	210,191	179,426	132,021,702	132,021,702
	420,382	358,852	378,495,980	342,654,363
Less: Closing stock	215,529	210,191	242,337,642	246,474,278
	204,853	**148,661**	**136,158,338**	**96,180,085**

25.1.3 Chemical Consumption	Quantity in kg			
	2020-21	**2019-20**		
Opening	1,418,353	1,090,520	152,827,600	115,204,020
Add: Purchase during the year	1,957,537	2,044,158	245,298,932	245,298,932
	3,375,890	3,134,678	398,126,532	360,502,952
Less: Closing stock	1,316,954	1,418,353	130,155,983	152,827,600
	2,058,936	**1,716,325**	**267,970,550**	**207,675,352**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
25.1.4 Finishing materials Consumption		
Opening	719,805,656	582,798,489
Add: Purchase during the year	688,207,897	638,207,897
	1,408,013,553	1,221,006,386
Less: Closing stock	740,178,282	719,805,656
	667,835,271	**501,200,730**

Disclosure as per requirement of Schedule XI, Part II, Para 8

Raw Materials, Spare Parts, Packing Materials and Capital Machinery

Items	Purchase	
	Import	Local (BBLC)
Yarn	362,256,914	238,129,223
Dyes & Chemical	122,203,298	81,955,622
Packing Materials	76,357,239	65,909,496
Accessories	140,556,917	129,586,043
Store & Spare-Parts	75,803,974	16,906,041
	777,178,343	**532,486,425**

25.02 Cost of direct labor		
Workers wages	1,390,989,119	732,967,240
Workers overtime	294,591,099	177,568,750
Daily labor	7,646,941	7,660,728
Salary	474,599,625	449,157,552
Festival bonus and Provident Fund	6,066,934	6,066,934
	2,173,893,719	**1,373,421,204**
25.03 Factory overheads		
Gas and electricity	202,754,921	157,785,566
Insurance premium	16,000,624	11,895,143
Tiffin expenses for workers	10,765,538	12,177,304
Spare Parts Consumption	105,385,332	129,933,381
Vehicle running (Oil and fuel)	14,397,529	12,402,036
Local conveyance	3,604,573	4,613,522
Telephone & Mobile bills	1,449,430	1,046,400
Depreciation	209,662,516	194,390,068
	564,020,463	**524,243,420**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020

25.04 Work in Process

	Quantity			
	2020-21	2019-20		
Knitting (kg)	89,549	686,024	23,709,465	23,474,718
Finished Fabric (kg)	1,101,933	1,382,420	565,861,073	437,679,725
Cutting (Pcs)	3,395,163	5,220,221	101,423,962	119,322,308
Embroidery (Pcs)	4,336	3,770	1,302,084	1,531,864
Printing (Pcs)	7,546	6,798	2,651,908	3,083,613
Sewing (Pcs)	1,096,381	1,038,240	96,517,755	94,625,250
			791,466,248	**679,717,479**

25.05 Finished Goods (pcs.)

	Quantity			
	2020-21	2019-20		
Opening	1,021,663	979,950	196,992,470	146,992,470
Add: Production during the year	39,025,299	28,118,402	6,536,380,483	3,883,959,580
	40,046,962	29,098,352	6,733,372,953	4,030,952,050
Less: Delivered during the year	38,779,254	28,076,689	6,459,326,582	3,833,959,580
Closing stock	**1,267,708**	**1,021,663**	**274,046,371**	**196,992,470**

A detail of cost of materials consumed is given in **Annexure-C.**

26.00 Operating expenses

Office & administrative expenses	26.01	307,818,298	273,901,945
Selling & distribution expenses	26.02	508,705,014	262,554,806
		816,523,312	**536,456,752**

26.01 Office & administrative expenses

Director remuneration	30,070,000	30,070,000
Salary & allowances	168,539,953	157,757,675
Contribution to employees provident fund	2,082,883	3,781,808
Vehicle maintenance	1,325,226	1,425,229
Vehicle running expenses	8,525,752	10,451,676
Entertainment	2,143,290	1,465,218
Insurance premium	868,770	1,550,661
Printing expenses	261,504	322,844
Stationery expenses	3,808,118	2,612,104
Telephone, mobile & internet	3,656,950	3,688,146
Floor rent	3,044,000	3,044,000
Travelling & conveyance	941,008	1,450,805
Bank charges	20,226,753	6,712,927
License, renewal & registration	6,013,210	7,285,678
Utility expenses	1,923,950	1,642,034
Audit fees	897,000	862,500
Central Fund	2,225	1,445,956
Exchange loss/(gain)	11,717,479	(1,216,709)
Depreciation	40,787,319	38,191,935
Miscellaneous expenses(AGM expenses)	982,908	1,357,458
	307,818,298	**273,901,945**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
26.02 Selling & distribution expenses		
Inspection & certificate issue expenses	103,623,717	473,561
Export permission	26,593,612	42,783,553
Foreign Travel for marketing	506,759	6,097,446
Sample and courier expenses	146,212,581	85,417,723
Bank charges on export proceeds	157,100,740	92,722,060
Freight charges on export	40,797,376	11,121,405
C&F expenses on export	17,443,830	10,982,498
Carriage outward on export	16,426,400	12,956,560
	508,705,014	**262,554,806**
27.00 Financial expenses		
Interest on Short term loan	97,628,748	125,876,569
Interest on Long term loan	159,097,677	145,325,852
Interest on Finance lease	11,334,110	3,459,468
	268,060,534	**274,661,889**
28.00 Non operating income	**22,661,497**	**55,885,930**
29.00 Net Asset Value (NAV) Per Share		
Total assets	14,529,242,003	11,967,952,448
Total Liabilities	(5,872,605,746)	(5,140,515,459)
Net Asset Value (NAV) (A)	8,656,636,257	6,827,436,989
Revaluation reserve	(3,739,289,135)	(1,986,590,489)
Net Asset Value (NAV) without revaluation reserve (B)	4,917,347,122	4,840,846,500
Weighted Average Number of shares (C)	134,895,833	134,895,833
Net Asset Value (NAV) per share with revaluation reserve (A÷C)	**64.17**	**50.61**
Net Asset Value (NAV) per share without revaluation reserve (B÷C)	**36.44**	**35.88**

29.01 Earnings Per Share (EPS)

The calculation of consolidated basic earnings per share based on profit attributable to the equity holders of the Company and weighted average number of ordinary shares outstanding is as follows:

Earning attributable to ordinary shareholders (Taka)	296,897,304	266,003,303
Weighted Average Number of shares	134,895,833	134,895,833
Earnings Per Share (Taka)	**2.20**	**1.97**

30.00 Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flows	(141,860,421)	290,429,710
Weighted Average Number of shares	134,895,833	134,895,833
Net operating cash flows per shares	**(1.07)**	**2.15**

Caculation of Weighted Average Number of shares

Particulars	Formula	No of shares	No of shares
Allotment of Existing shares	100000000/365*365	100,000,000	100,000,000
Allotment of new shares	34895833/365*365	34,895,833	34,895,833
Allotment date: Februray 07,2019			
Weighted Average Number of shares		**134,895,833**	**134,895,833**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
31.00 Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:		
Reconciliation of net profit with cash flow from operating activities		
Net profit after tax for the year	295,901,136	266,003,303
Adjustment for non-cash items:		
Depreciation	250,449,836	232,582,003
Deferred Tax Adjustment	8,645,060	26,465,710
Changes in Working Capital:		
(Increase)/decrease in Inventory	(292,846,097)	(430,193,553)
Decrease in Accounts receivable	(762,865,057)	52,720,252
(Increase)/decrease in Advance deposit and Payments	218,069,451	63,956,536
Increase in Accounts payable	160,858,254	(50,015,811)
Decrease in Accrued Expenses	(20,073,003)	128,911,271
Net cash flow from operating activities	**(141,860,421)**	**290,429,710**

32.00 Related party disclosures

i) Related party transactions **(Amount in Taka)**

Name	Nature of relationship	Nature of Transaction	Opening Balance	Purchase	Payment	Outstanding as on 30.06.2021 (Receivable)/ Payable
Esquire Accessories Limited	Common Management	Purchase	757,925	244,559,855	210,013,457	35,304,323
Esquire Electronics Limited	Common Management	Purchase	148,778	40,000,000	40,013,583	135,195
Esquire Dyeing Industries Limited	Common Management	Dyeing	201,240,128	132,855,945	287,543,440	46,552,633
Esquire Testing Services (BD) Limited	Common Management	Fabric testing fees	971,233	3,535,471		4,506,704
Pinnacle Construction Management Ltd.		Contractor	(515,717,275)	312,009,268		(203,708,007)
Esquire Plasitc Ltd	Common Management	Purchase	196,174	4,509,784	4,705,957	0
						(117,209,152)

ii) Particulars of Directors of Esquire Knit Composite Limited as at 30 June 2021

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Ehsanul Habib	Managing Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Plastic & Packaging Limited
		Esquire Customer Care Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceranic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Bangladesh German University
		Best Life Insurance Company Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		T.M Chemical Limited
		Olive Tree Foods Limited
		Esquire Travels Ltd.
		Securex (Pvt) Ltd.
		L'Esquire Ltd
		Esquire Heavy Industries Ltd.
Md. Mofazzal Hossain	Chairman	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Sharp Media Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		Esquire Travels Ltd.

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Mrs. Peara Begum	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Accessories Limited
Arifur Rahman	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Packaging Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Trust Solution Private Limited
		Esquire Travels Ltd.
Md. Muddasar Hossain	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		L'Esquire Ltd
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Esquire Chemical Industries Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Customer Care Limited
		Esquire Travels Ltd.

33.00 Capital expenditure commitment

Details of capital expenditure commitment as of 30 June 2021 are as under:

Particulars	Total Cost value estimated	Paid till 30.06.21	to be paid
Valuka Project	1,500,000,000	1,210,683,274	289,316,726

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
34.00 Disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994			
Number of employee		**No. of Employee**	**No. of Employee**
Factory:			
Textile and Apparels:			
Number of full-time employee (Officers & Staff)		1,216	1,260
Number of full-time employee (Workers)		6,983	6,782
Head Office:			
Number of full-time employee (Officers & Staff)		219	230
Number of full-time employee (Workers)		-	-

All the aforesaid employees engaged by the Company for the whole year or part thereof individually received a total salary of Tk. 70,055 or above.

35.00 Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994			
Directors are also executives of the company. Their executive compensation for the year ended on 30 June 2021 is given below:			
Managing Director's remuneration and benefit	35.01	6,000,000	6,000,000
Other Directors' salary and benefit	35.02	24,000,000	24,000,000
Other key management personnels' salary and benefit	35.03	25,995,319	25,995,319
		55,995,319	**55,995,319**
35.01 Managing Director's remuneration and benefit			
Salary		6,000,000	6,000,000
35.02 Other Directors' salary and benefit			
Salary		24,000,000	24,000,000
35.03 Other key management personnels' salary and benefit			
Salary		19,951,685	19,951,685
Allowance		590,274	590,274
Bonus		3,530,615	3,530,615
Providend fund		1,922,745	1,922,745
		25,995,319	**25,995,319**

Board Meeting attendance fees have been provided to the directors of the company for the year.
The Directors of the company did not take any benefit from the company other than the remuneration and -

a. Expense reimbursed to the managing agent –	Nil
b. Commission or other remuneration payable separately to a managing agent or his associate –	Nil
c. 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 such concerns with the company -	Nil
d. 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 year -	Nil
e. Any other perquisites or benefit in cash or in kind stating –	Nil
f. Other allowances and commission including guarantee commission - 1) Pensions 2) Gratuities 3) Payment from Provident Fund 4) Compensation for loss of office 5) Consideration in connection with retirement from office	Nil

	Amount in Taka	
	30-Jun-2021	30-Jun-2020

36.00 Disclosure as per Schedule XI, Part II, Para 7of the Companies Act 1994

Particulars		
Textiles:		
Installed Capacity (Kg)	8,030,000	8,030,000
Actual Production (Kg)	6,088,892	5,969,502
Utilization	75.83%	74.34%
Apparels:		
Installed Capacity (Pcs)	49,920,000	49,920,000
Actual Production (Pcs)	34,690,032	33,696,000
Utilization	69.49%	67.50%

37.00 Transaction in foreign currency

C & F value of import		
Finishing Materials	7,689,252	8,494,767
Yarn	16,155,253	22,310,481
Dyes & Chemicals	4,546,032	6,232,779
Capital Machinery	671,136	671,136
	29,061,672	**37,709,163**
FOB Value of Export (USD)	**93,667,010**	**59,051,944**

38.00 Financial risk management

The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

*Credit Risk
*Interest Rate Risk
*Currency Risk
*Liquidity/funding risk
*Market risk

38.01 Credit risk

Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables.

As the company is involved in 100% export oriented business, all the sales are made against Letter of Credit (L/C). L/Cs provide guarantee against credit sales and minimise the credit risk to an acceptable level. Bills receivable arises due to the time difference between submission of bills to the bank for collection of proceeds and actual realisation of the proceeds.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Accounts receivables	8.00	1,243,153,717	470,602,348
Advance, deposit and prepayments	10.00	646,601,248	858,868,308
Cash & Bank Balances	12.00	742,195,902	1,726,398,625
		2,631,950,867	**3,055,869,281**

The maximum exposure to credit risk for trade and other receivables as at the statement of financial position date by geographic regions was:

Domestic	2,336,049,731	2,533,303,768
Foreign	295,901,136	522,565,513
	2,631,950,867	**3,055,869,281**

38.02 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to managing liquidity (cash and cash equivalents) 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, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast 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.

The following are the contractual maturities of financial liabilities of the company:

As on 30 June 2021

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	639,725,390	-	639,725,390
Finance Lease obligation	14,078,035	-	14,078,035
Short term loan	1,479,436,051	887,661,630	591,774,420
Provision for income tax	184,988,739	184,988,739	-
Liabilities for expenses	174,632,350	174,632,350	-
Accounts payable	1,027,350,053	1,027,350,053	-
	3,520,210,618	**2,274,632,772**	**1,245,577,846**

As on 30 June 2020

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	194,242,023	-	194,242,023
Finance Lease obligation	18,580,271	-	18,580,271
Short term loan	898,998,063	539,398,838	359,599,225
Provision for income tax	99,471,801	99,471,801	-
Liabilities for expenses	87,795,656	87,795,656	-
Accounts payable	916,507,610	916,507,610	-
	2,215,595,423	**1,643,173,904**	**572,421,519**

38.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

In the past, in some occasion large buyers of different RMG exporters has decided to withdraw business, or has become bankrupt or were subject to regulatory injunction from importing from Bangladesh, creating a strong impact on the exporter. For EKCL single buyer concentration is not a major issue and they have longstanding relationship with overseas buyers. All of them regard EKCL as their global partners and the relationship can only be disrupted if EKCL fails to perform its commitments. Also, because of its dominant position in the export market it is always sought after by many buyers.

38.04 Currency risk

The company is exposed to currency risk on receiving of sales proceeds and payments made for raw materials purchase as well. Maximum of the company's foreign currency transactions are denominated in USD.

i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

	30.06.2021 USD	30.06.2020 USD
Foreign currency denominated assets		
Accounts Receivable	14650354.45	5546285.78
FBPAR A/C with DBBL-in USD(78)	14,650,354	208,461
FBPAR A/C with Dutch Bangla Bank Limited (USD)	87,612	248,987
FBPAR A/C with Dutch Bangla Bank Limited (Euro)	1,630	1,630
Margin A/C with Eastern Bank Limited (USD)	378,593	10,664
Margin A/C with Eastern Bank Limited (Euro)	863	863
Dutch Bangla Bank Limited FCAD (USD account)	579,942	140,887
Dutch Bangla Bank Limited FCAD (Euro account)	63	63
DBBL FCAD-in Dollar	4,693,862	14,000,000
Eastern Bank Limited (USD account)	684	885
	35,043,958	**20,158,726**
Foreign currency denominated liabilities		
DBBL-EDF	(2,193,651)	(1,953,667)
EBL-EDF	(532,888)	(8,755)
DEG Loan-II	(14,000,000)	(14,000,000)
Accounts Payable	(11,777,303)	(10,248,277)
	(28,503,842)	**(26,210,699)**
Net exposure	**6,540,116**	**(6,051,974)**

	30.06.2021 Taka	30.06.2020 Taka
The following rate has been applied:		
Taka/USD	84.80	84.85
Taka/EURO	100.86	95.40

38.05 Business Risk

Managing Compliance – Currently RMG buyers specially the large buyers are very demanding and constantly tightening the compliance criteria. EKCL has been in the forefront of compliance among the RMG exporters in the county. They have compliant plants with effluent water treatment facility, childcare facility, adequate ventilation, spacious infrastructure lay out, etc. Till now they were able to meet all the compliance challenge in their 30 year plus business experience and is likely to do so in the coming years. EKCL mitigates compliance risk since it is WRAP certified and passed other audits from Department of Environment (DOE) and overseas buyers.

Achievement of sales volume – Historically, EKCL has been successful to achieve its sales target after expansion as most of its expansions are planned after receiving order indications from its buyers.

38.06 Interest Rate Risk

EKCL is enjoying banks finance in the form of working capital as well as term loan. As a bank fund borrower, the entity has to pay a significant amount of loan interests and charges. Bangladesh Bank has moved to remove the interest rate ceiling on lending in the wake of a massive liquidity crisis in the financial market letting the price to be determined by functioning of demand-supply interaction. This measure may invite interest rate instability, which may create volatility in the profitability of business like EKCL. It is the company risk of gain or losses on assets and liabilities due to changes in interest rates

	30.06.2021 Taka	30.06.2020 Taka
Exposure of Interest Rate Risk		
Fixed Rate Bearing		
Term Loan	2,796,851,994	2,782,586,529
Short Term Loan	1,479,436,051	984,070,652

38.07 Operation Risk

Technology is a continuous process of development. Innovation of new and cost effective technology may obsolete existing technology, which may cause negative impact on the business. The project is equipped with good machineries and technology to cope with the modern textile world. The management both in head office and production premises seem to be competent and maintain the standard level of quality and to run the operations effectively. However, in order to reduce the operational risk, the company is yet to ensure an external control mechanism. The company has minimum exposure to operational risk.

38.08 Raw Material Supply Risk

The company receives yarn, dyes & chemicals both from local as well as foreign suppliers. Import based supplies are likely to be affected by any uncontrollable event or country risk to transaction or political barrier. Since inception the company did not face any such uncontrollable events so far because of maintaining good supply chain relationship with the suppliers of raw materials and in exceptional cases, it is confident to make alternative arrangement at shorter notice.

38.09 Exchange Rate Risk

Exchange rate risk arises from currency fluctuation in international trade. If Bangladeshi Taka is devalued and/or foreign currency revalued than the price of imported raw materials will go up which will decrease the overall profit margin. As the company is dependent upon the import for yarn, dyes, chemicals & accessories and in future it will be the same, volatility of exchange rate will have an impact on profitability of the company. For last couple of years, Bangladeshi Taka found carrying floated value and expected to follow the same which expose the company to significant exchange rate risk.

38.10 Power Generation Risk

The industrial bases of Bangladesh are mainly aided by natural gas-driven power generation which causes disruption occasionally and the weaving industry is not an exception. Smooth availability of gas will ensure the maximum functioning of the machineries. EKCL uses natural gas to produce power from captive power plant. Currently a circular from government has emerged to arrange alternate of gas due to recent acute gas crisis. The company is connected with 15 PSI gas line and currently does not any problem of gas pressure. So other things being constant, EKCL does not foresee significant risk for power generation.

39.00 Date of Authorisation

The Board of directors has authorised these financial statements for issue on 30 October 2021.

Chairman	Managing Director	Director	Company Secretary	Chief Financial Officer

Schedule of Property, Plant and Equipment

As at 30 June 2021

(Annexure-A)

Name of the assets	Cost			Rate (%)	Depreciation			Written Down Value as on 30.06.2021
	Balance as on 01.07.2020	Addition During the period	Balance as on 30.06.2021		Balance as on 01.07.2020	Charges for the period	Balance as on 30.06.2021	
a. Freehold assets								
Land & Land development	123,453,152		123,453,152	-	-	-	-	123,453,152
Building	1,221,060,029		1,221,060,029	5%	477,239,629	61,053,001	538,292,630	682,767,398
Plant & Machinery	3,128,136,547	124,133,566	3,252,270,113	7%	1,546,638,673	148,609,515	1,695,251,268	1,557,018,845
Furniture and Office Equipment	234,165,150	21,760,324	255,925,474	10%	153,779,752	25,115,697.51	178,901,650	77,023,824
Motor Vehicle	28,894,445		28,894,445	13%	28,894,445		28,894,445	-
Software & IT	32,440,757		32,440,757	10%	7,487,949	3,244,075.70	10,732,024	21,708,733
Sub-Total	**4,768,150,079**	**145,893,890**	**4,914,043,969**		**2,214,040,447**	**238,022,289**	**2,452,072,017**	**2,461,971,952**
b. Revalued assets								
Land & Land Development	2,069,365,092	1,825,727,757	3,895,092,849	-	-	-	-	3,895,092,849
Sub-Total	**2,069,365,092**	**1,825,727,757**	**3,895,092,849**		**-**	**-**	**-**	**3,895,092,849**
c. Leasehold assets								
Motor Vehicle	99,420,368		99,420,368	13%	47,295,472	12,427,546	59,723,018	39,697,350
Sub-Total	**99,420,368**	**-**	**99,420,368**		**47,295,472**	**12,427,546**	**59,723,018**	**39,697,350**
Grand total as on 30 June 2021	**6,936,935,539**	**1,971,621,647**	**8,908,557,186**		**2,261,335,919**	**250,449,836**	**2,511,795,035**	**6,396,762,151**
Grand total as on 30 June 2020	**6,516,089,520**	**420,846,019**	**6,936,935,539**		**2,028,753,916**	**232,582,003**	**2,261,335,919**	**4,675,599,621**

Break-up of Land and Land Development:

Land acquisition cost	83,297,266
Land development cost	40,155,886
	123,453,152

Allocation of depreciation:

Factory overhead	209,662,516
Office & Administrative Expenses	40,787,319
	250,449,836

Note: Land and land development has been revalued on 20 July 2020 by an independent valuer

i) Name of Valuer : Masih Muhith Haque & Co. Chartered Accountants

ii) Valuation method : Estimated Net Realizable Value Method (the market approach).

iii) Date of Capitalization: Revaluation surplus capitalized on 20 July 2020

Addition of Capital work in Progress

As at 30 June 2021

1. Machineries in Transit **(Annexure-B)**

LC Number	Country of Origin	Items	PI #	Supplier	Amount in USD	Amount in Taka
2102-2101-0023	China	LED LIGHT	BDLE2021-001	Foshan Jontech Trading Co. Ltd.	24,298	2,542,886
			Total		**24,298**	**2,542,886**

2. Expansion project -Valuka

Particulars	Total Cost	Cost incurred
Valuka Building construction	1,900,000,000	1,857,729,950
Total	**1,900,000,000**	**1,857,729,950**
Grand Total	**1,902,060,449**	**1,860,272,836**

Store Ledger Summary

As at 30 June 2021

(Annexure - C)

Sl #	Particulars	Opening		Purchase		Issue/Consumption		Closing Balance	
		Qty	BDT	Qty	BDT	Qty	BDT	Qty	BDT
Raw material									
1	Yarn	2,649,002	850,671,540	9,432,790	2,870,885,965	9,777,204	2,883,685,853	2,304,588	837,871,652
2	Dyes	210,191	246,474,278	65,573	132,021,702	60,235	136,158,338	215,529	242,337,642
3	Chemical	1,418,353	152,827,600	1,957,537	245,298,932	2,058,936	267,970,550	1,316,954	130,155,983
Finishing Materials									
4	Packing materials	-	307,681,222	-	239,254,532	-	144,780,010	-	402,155,744
5	Accessories	-	319,207,604	-	410,531,533	-	491,685,770	-	238,053,367
6	Sewing Thread	-	65,892,910	-	31,350,568	-		-	97,243,478
7	Printing & Embroidery materials	-	27,023,920	-	7,071,264	-	31,369,491	-	2,725,693
WIP and Finished Goods									
8	Work in Process	-	679,717,479	-	-	-	-	-	791,466,248
9	Finished goods	-	196,992,470	-	-	-	-	979,950	274,046,371
10	Materials in transit	-	93,448,584		-	-	-		129,872,558
	Sub-Total	**4,277,546**	**2,939,937,607**	**11,455,899**	**3,936,414,496**	**11,896,375**	**3,955,650,011**	**4,817,021**	**3,145,928,736**
Factory overhead (Repair and Maintenance)									
1	Spare parts & consumable items	-	159,905,869	-	184,265,216	-	98,958,005	-	245,213,080
2								-	-
	Sub-Total	**-**	**159,905,869**	**-**	**184,265,216**	**-**	**98,958,005**	**-**	**245,213,080**
	Grand Total	**4,277,546**	**3,099,843,476**	**11,455,899**	**4,120,679,712**	**11,896,375**	**4,054,608,017**	**4,817,021**	**3,391,141,815**

Spare Parts Items

As at 30 June 2021

(Annexure - D)

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
1	Air Conditioner	BOTTLE	8	45,516	7	33,343
2	Air Conditioner	PCS	14	51,900	13	38,019
3	Air Conditioner	SET	7	383,296	6	280,782
4	Ball Bearing	PCS	1,948	2,403,603	1,771	1,760,752
5	Timing Belt	MTR	57	13,754	51	10,076
6	Timing Belt	PCS	664	955,391	604	699,869
7	Toothed Belt	PCS	360	1,061,238	327	777,407
8	V-Belt	PCS	2,281	1,088,071	2,074	797,063
9	Common (All)	KG	6	1,981	5	1,451
10	Common (All)	LBS	598	1,490,281	544	1,091,701
11	Common (All)	PCS	3,570	408,305	3,245	299,103
12	Common (All)	SET	15	15,949	14	11,684
13	Band Knife M/C	SET	14	6,681	13	4,894
14	Common M/C (Cutting)	PCS	4,119	828,641	3,745	607,018
15	FK Spreading Machine 590	PCS	17	3,423	15	2,507
16	FK Top Cut 9 M/C	PCS	135	605,951	123	443,887
17	Manual M/C	PCS	3,704	12,902,643	3,368	9,451,794
18	Spreader M/C (Brio 100)	PCS	305	1,335,551	277	978,354
19	VT-7000 M/C	BOX	1,106	704,994	1,005	516,441
20	VT-7000 M/C	PCS	1,126	1,666,739	1,024	1,220,965
21	VT-MX M/C	PCS	851	3,011,527	774	2,206,085
22	VT-MX M/C	PAIR	7	35,701	6	26,152
23	Automatic Tubular Emb M/C	PCS	946	523,892	860	383,776
24	Laser Cutter M/C	PCS	40	325,410	36	238,378
25	MG M/C	MTR	14	14,478	13	10,606
26	MG M/C	PCS	4,175	765,243	3,796	560,577
27	MG M/C	SET	8	3,269	7	2,395
28	Sunstar M/C	PCS	914	159,011	831	116,483
29	Tajima M/C	PCS	2,862	368,708	2,602	270,096
30	Auto Brass M/C	PCS	29	4,691	26	3,436
31	Biancalani Dryer Machine	PCS	9	497,529	8	364,463
32	Corino Slitting Machine	PCS	455	397,750	414	291,370
33	Dozzatex M/C	PCS	7	72,064	6	52,791
34	Egalizing Dryer M/C	PCS	8	839,402	7	614,901
35	Ferraro Compacting M/C	FEET	94	37,804	85	27,693
36	Ferraro Compacting M/C	PCS	149	1,446,863	136	1,059,895
37	Ferraro Compacting M/C	ROLL	15	426,416	14	312,370
38	Ferraro Compacting M/C	SET	7	711	6	521
39	Fongs M/C (F/D)	PCS	62	84,947	56	62,228
40	Fongs M/C (F/D)	SET	57	77,004	52	56,409
41	Lafer Compacting M/C	PCS	18	865,246	16	633,834
42	Lafer Sueding M/C	MTR	517	261,535	470	191,587
43	Mario Crosta(Brassing) M/C	MTR	87	71,466	79	52,352
44	Mario Crosta(Brassing) M/C	PCS	8	14,214	7	10,412
45	NPL M/C	PCS	30	853	27	625
46	NPL M/C	SET	12	853	11	625
47	Q Sun M/C	PCS	25	52,591	23	38,526

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
48	Robolab M/C	PCS	1,021	798,925	928	585,250
49	Santex M/C	FEET	78	2,587	71	1,895
50	Santex M/C	PCS	113	209,262	103	153,295
51	Sclavos M/C	PCS	1,399	1,730,069	1,272	1,267,357
52	Sclavos M/C	SET	84	35,578	76	26,063
53	Slitting M/C	FEET	112	85,875	101	62,908
54	Slitting M/C	MTR	142	23,417,236	129	17,154,228
55	Slitting M/C	PCS	255	4,961,427	232	3,634,479
56	Slitting M/C	SET	79	266,731	72	195,393
57	Smartex M/C	FEET	90	7,113	82	5,210
58	Smartex M/C	PCS	124	90,570	113	66,347
59	Soft Flow Dyeing M/C	PCS	81	225,239	73	164,998
60	Soft Flow Dyeing M/C	SET	79	24,895	72	18,237
61	Stenter M/C	COIL	76	21,101	69	15,458
62	Stenter M/C	FEET	122	16,426	111	12,033
63	Stenter M/C	MTR	711	292,752	647	214,454
64	Stenter M/C	PCS	1,875	1,249,232	1,705	915,121
65	Tube Tex M/C	FEET	227	105,507	207	77,289
66	Tube Tex M/C	PCS	220	9,229,307	200	6,760,902
67	Tube Tex M/C	SET	81	170,708	73	125,051
68	Ultra Soft M/C	PCS	92	61,058	83	44,728
69	Washing M/C	PCS	78	91,151	71	66,772
70	Bartack M/C	PCS	75	510	68	373
71	Bartack M/C	SET	75	4,544	68	3,329
72	Button Hole & Stitch M/C	PCS	1,624	564,005	1,477	413,161
73	Button Hole & Stitch M/C	SET	82	35,542	75	26,036
74	Common (Garments)	PCS	795	301,274	722	220,697
75	Common (Garments)	POT	76	4,268	69	3,126
76	Feet of the Arm M/C	PCS	73	1,263	66	925
77	Feet of the Arm M/C	SET	78	14,226	71	10,421
78	Finishing Section	PCS	607	413,790	551	303,121
79	Finishing Section	SET	79	137	72	100
80	Flat Lock M/C	PCS	2,928	917,053	2,661	671,784
81	Flat Lock M/C	SET	121	89,706	110	65,714
82	Flat Seamer M/C	PCS	102	13,751	93	10,074
83	Fusing M/C	PCS	73	46,355	66	33,957
84	Kancai M/C	PCS	82	8,034	75	5,885
85	Kancai M/C	SET	93	75,347	85	55,195
86	Needle (Garments)	PCS	95	376	86	276
87	Needle (Garments)	PKT	7,712	1,234,787	7,011	904,540
88	Over Lock M/C	PCS	3,445	894,512	3,132	655,272
89	Over Lock M/C	SET	98	41,059	89	30,077
90	Pattern Cutting M/C	PCS	75	5,690	68	4,168
91	Plain M/C	PCS	5,155	293,756	4,687	215,190
92	Plain M/C	SET	139	61,197	127	44,829
93	Rib Cutter M/C	PCS	3,271	579,890	2,974	424,797
94	Rib Cutter M/C	SET	294	149,684	267	109,651
95	Snap Button M/C	PCS	75	27,503	68	20,147

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
96	Snap Button M/C	SET	72	-	65	-
97	8 Needles Cord Knitting Machin	PCS	72	-	65	-
98	Fukuhara M/C	PCS	855	1,254,925	777	919,291
99	Jack	PCS	5,391	680,700	4,901	498,645
100	Mayer & Cie M/C	BOX	76	107	69	78
101	Mayer & Cie M/C	PCS	4,187	1,686,930	3,806	1,235,755
102	Mayer & Cie M/C	PKT	78	5,216	71	3,821
103	Mayer & Cie M/C	SET	113	21,576	103	15,805
104	Needle (Knitting)	PCS	214,468	999,301	194,971	732,035
105	Orizo M/C	FEET	-	-	-	
106	Orizo M/C	PCS	39	1,748,738	35	1,281,033
107	Orizo M/C	SET	2,165	130,449	1,968	95,560
108	Pailung M/C	PCS	70	1,281,484	63	938,747
109	Re-winder M/C	PCS	1,494	330,324	1,358	241,978
110	Santoni Machine	PCS	205	85,129	187	62,361
111	Shima Shiki M/C	LTR	82	27,100	74	19,852
112	Shima Shiki M/C	PCS	263	1,159,670	239	849,513
113	Shima Shiki M/C	SET	1,343	41,065	1,221	30,082
114	Sinker	PCS	70	799,134	63	585,403
115	Stoll M/C	KG	28,408	79,380	25,826	58,150
116	Stoll M/C	LTR	70	125,612	63	92,017
117	Stoll M/C	SET	181	29,472	164	21,590
118	Photo Copier	PCS	63	87,243	58	63,910
119	Injection Moulding M/C SA-3	PCS	70	107,173	63	78,509
120	Label Cutting(Hy-2080) M/C	PCS	83	108,662	76	79,600
121	Label Printer(PT-6/2) M/C	PCS	89	226,826	81	166,161
122	Thermal Printer(SP4011-R) M/C	PCS	90	47,039	82	34,459
123	Alpha-8 26 Station 12Color M/C	PAIR	72	68,731	65	50,349
124	Alpha-8 26 Station 12Color M/C	PCS	61	533,391	56	390,734
125	Auto M/C	PCS	122	549,279	111	402,372
126	Caynne Quartz Flash "D" M/C	PCS	250	229,760	228	168,310
127	Caynne Quartz Flash "E" M/C	PCS	88	144,175	80	105,615
128	Challenger M/C	PCS	65	651,381	59	477,167
129	Chamelion M/C (Manual)	PCS	74	246,384	67	180,488
130	Diamond Back M/C	PCS	131	233,381	119	170,963
131	Exposer M/C (Manual)	PCS	84	195,520	76	143,228
132	Gas Dryer M/C	PCS	126	157,193	114	115,151
133	Hit Press M/C	PCS	74	221,206	67	162,044
134	Motif Setter Machine	SET	92	126,845	84	92,920
135	Performa-18 Colour Auto M/C	PCS	174	380,768	159	278,930
136	Takana Quartz Flash (CE03) M/C	PCS	392	237,094	356	173,682
137	Value Jet 1638 Printer (Sublim)	PCS	109	1,428,267	99	1,046,273
138	Rubber & Seal Items	COIL	120	7,950	109	5,824
139	Rubber & Seal Items	FEET	63	44,427	58	32,545
140	Rubber & Seal Items	LBS	773	24,011	702	17,589
141	Rubber & Seal Items	PCS	283	2,353,962	258	1,724,388
142	Rubber & Seal Items	SET	16,216	461,216	14,742	337,862
143	Tools	BOX	115	436,498	104	319,755

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
144	Tools	PAIR	153	357,870	139	262,156
145	Tools	PCS	230	1,744,204	209	1,277,712
146	Tools	PKT	1,025	35,200	932	25,786
147	Tools	SET	92	129,767	84	95,061
148	Boiler	KG	60	343,317	54	251,496
149	Boiler	LBS	448	333,078	407	243,995
150	Generator (Gas)	PCS	226	1,328,230	205	972,991
151	Valve	PCS	251	853,363	228	625,128
152	S.S.M. M/C	PCS	190	34,344	173	25,159
153	Tong Gang M/C	PCS	62	346,844	56	254,079
154	Automobile	LTR	46	264,835	42	194,004
155	Automobile	ML	765	8,531,282	695	6,249,565
156	Automobile	MTR	-	43,638	-	31,967
157	Automobile	PCS	198	442,186	180	323,922
158	Automobile	POT	7	6,521	6	4,777
159	Computer Accessories	COIL	20	553,111	18	405,180
160	Computer Accessories	PCS	541	1,886,992	492	1,382,310
161	Computer Accessories	PKT	136	198,822	124	145,647
162	Medical Equipment	SET	29	225,683	26	165,323
163	Medicine	BOTTLE	-	52,042	-	38,124
164	Medicine	BOX	-	12,461	-	9,128
165	Medicine	PCS	-	4,512,500	-	3,305,619
166	Medicine	TUBE	-	51,719	-	37,887
167	Auxilary Contructor	PCS	497	431,757	452	316,282
168	Balast	PCS	134	148,871	122	109,055
169	Cable	COIL	463	2,116,987	421	1,550,793
170	Cable	FEET	743	72,339	675	52,992
171	Cable	KG	209	627,340	190	459,556
172	Cable	MTR	563	1,418,163	512	1,038,871
173	Cable Socket	PCS	47,531	690,753	43,210	506,009
174	Capacitor	PCS	4,313	501,984	3,921	367,727
175	Charger Battery	PCS	936	95,321	851	69,827
176	Circuit Breaker	PCS	41	1,392,904	37	1,020,368
177	Common (Electrical)	FEET	54	403	49	295
178	Common (Electrical)	KG	78	85,818	71	62,865
179	Common (Electrical)	MTR	1,562	125,414	1,420	91,871
180	Common (Electrical)	PCS	9,581	706,160	8,710	517,296
181	Common (Electrical)	PKT	375	207,949	341	152,332
182	Common (Electrical)	SET	98	38,926	89	28,515
183	Converter	PCS	78	1,123,191	71	822,791
184	Cooling Fan	PCS	437	522,978	397	383,106
185	Cut Out	PCS	541	38,059	492	27,880
186	DB Board	PCS	232	127,475	211	93,381
187	Electric Bulb	PCS	1,563	960,838	1,421	703,859
188	Electronic Card	PCS	21	977,894	19	716,354
189	Fuse	PCS	10,668	509,762	9,698	373,425
190	Holder	PCS	937	98,738	852	72,330
191	Holder	SET	427	189,105	388	138,528

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
192	Inverter	PCS	4	1,385,356	4	1,014,838
193	Magnetic Contructor	PCS	68	2,289,767	62	1,677,362
194	Meter	PCS	134	1,491,673	122	1,092,721
195	Motor	PCS	281	670,383	255	491,087
196	Overload Relay	PCS	289	1,708,670	263	1,251,681
197	Plug (Electrical)	PCS	438	320,971	398	235,126
198	Plug (Electrical)	PKT	166	14,770	151	10,820
199	Relay	PCS	763	393,900	694	288,550
200	Relay Base	PCS	44	16,505	40	12,091
201	Saddle Clamp	PCS	4,752	1,576,149	4,320	1,154,604
202	Saddle Clamp	PKT	-	19,799	-	14,504
203	Socket (Electrical)	PCS	209	238,789	190	174,924
204	Solenoide Valve	PCS	94	215,662	85	157,982
205	Starter	PCS	780	12,954	709	9,490
206	Switch	PCS	195	977,110	177	715,779
207	Tape (Electrical)	FEET	11,386	464,771	10,351	340,467
208	Tape (Electrical)	MTR	3,235	8,361	2,941	6,125
209	Tape (Electrical)	PCS	7,954	1,066,491	7,231	781,255
210	Tape (Electrical)	ROLL	107	11,841	97	8,674
211	Tape (Electrical)	SET	7	2,007	6	1,470
212	Timer	PCS	45	110,470	41	80,924
213	Transformer	PCS	35	139,527	32	102,210
214	Tube Light	PCS	988	950,067	898	695,969
215	Warning Light	PCS	92	104,117	84	76,271
216	Fire Fighting Equipment	COIL	-	7,873,824	-	228,115
217	Fire Fighting Equipment	PCS	695	6,873,822	632	5,035,398
218	Fire Fighting Equipment	SET	21	1,347,418	19	987,047
219	Band	PCS	361	482,014	328	353,098
220	Channel	PCS	386	55,414	351	40,593
221	Elbow	PCS	254	988,263	231	723,949
222	Flanges	PCS	243	873,643	221	639,984
223	Nipple	PCS	215	95,397	195	69,883
224	Nut	PCS	-	10,101	-	7,400
225	Nut Bolt	PCS	-	212,564	-	155,713
226	Pipe	FEET	6,380	804,302	5,800	589,189
227	Plug	PCS	343	7,811	312	5,722
228	Reducer	PCS	134	114,857	122	84,138
229	Socket	PCS	4,631	215,458	4,210	157,833
230	Tee Socket	PCS	353	205,482	321	150,525
231	Union Socket	PCS	138	70,038	125	51,306
232	Hardware	COIL	21	604,399	19	442,751
233	Hardware	LBS	3	1,721	3	1,261
234	Hardware	KG	354	7,788,095	322	2,042,411
235	Hardware	LTR	15	303,874	14	222,602
236	Hardware	PKT	-	6,973,822	-	
237	Hardware	POT	136	418,616	124	306,656
238	Hardware	ROLL	20	168,604	18	123,510
239	Hardware	SET	58	23,327	53	17,088

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
240	Paint & Vernish	PCS	232	94,131	211	68,955
241	Paint & Vernish	PKT	276	10,592	251	7,759
242	Sanitary	GM	6,073	523,319	5,521	383,356
243	Sanitary	KG	105	19,072	95	13,971
244	Sanitary	LTR	100	175,253	91	128,381
245	Sanitary	PCS	1,696	674,956	1,542	494,437
246	Sanitary	PKT	21	2,323	19	1,701
247	Sanitary	SET	212	67,624	193	49,537
248	Laboratory Instrument	BOX	74	67,245	67	49,260
249	Laboratory Instrument	LTR	673	25,813	612	18,909
250	Laboratory Instrument	PAIR	70	19,063	64	13,964
251	Laboratory Instrument	PCS	1,131	1,889,420	1,028	1,384,089
252	Laboratory Instrument	PKT	29	47,516	26	34,808
253	Laboratory Instrument	ROLL	463	469,277	421	343,767
254	Oil & Lubricants	DRUM	31	4,167,244	28	3,052,702
255	Oil & Lubricants	PCS	2,079	1,220,813	1,890	894,303
256	Other Material	BOX	1,596	1,180,623	1,451	864,862
257	Other Material	MTR	-	1,368,055	-	1,002,164
258	Other Material	YDS	-	1,549,053	-	1,134,754
259	Pack & Package	MTR	1,002	1,298,256	911	951,034
260	Pack & Package	PCS	1,276,772	1,804,585	1,160,702	1,321,943
261	Pack & Package	ROLL	5,985	1,328,308	5,441	973,048
262	Supplies Items	BOOK	935	5,615,785	850	2,648,732
263	Supplies Items	PCS	34,320	2,943,489	31,200	2,156,244
264	Supplies Items	SHEET	11,468	9,531,554	10,425	6,982,312
265	Supplies Items	BOX	457	2,098,671	415	1,537,376
266	Supplies items	KG	2,860	426,227	2,600	312,231
267	Supplies items	PKT	2,234	329,371	2,031	241,280
268	Supplies items	POT	20	352,137	18	257,957
269	Supplies items	SET	-	619,104	-	453,523
270	Supplies Items	PCS	101,545	8,289,491	92,314	6,072,443
271	Supplies Items	REAM	96	2,492,928	87	75,889
272	Supplies Items	ROLL	387	3,312,888	352	229,205
		Total		**245,213,080**		**159,905,869**

Work- in- Process

As at 30 June 2021

(Annexure - E)

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	23,474,718	1,398,467,648	1,398,232,901	23,709,465
Finished Fabric	437,679,725	1,227,700,266	1,099,518,918	565,861,073
Cutting	119,322,308	1,235,489,335	1,253,387,681	101,423,962
Embroidery	1,531,864	368,745,913	368,975,692	1,302,084
Printing	3,083,613	360,400,113	360,831,818	2,651,908
Sewing	94,625,250	4,704,458,419	4,702,565,914	96,517,755
Total	**679,717,479**			**791,466,248**

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	686,024	6,460,703	7,057,179	89,549
Finished Fabric (kg)	1,382,420	8,015,651	8,296,137	1,101,933
Cutting (Pcs)	5,220,221	33,401,160	35,226,218	3,395,163
Embroidery (Pcs)	3,770	1,988,336	1,987,770	4,336
Printing (Pcs)	6,798	4,881,210	4,880,462	7,546
Sewing (Pcs)	1,038,240	30,948,477	30,890,336	1,096,381

Work in Process

As at 30 June 2020

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	97,693,995	1,216,058,824	1,290,278,102	23,474,718
Finished Fabric	257,799,760	909,407,604	729,527,639	437,679,725
Cutting	174,008,958	915,177,285	969,863,935	119,322,308
Embroidery	1,445,737	567,301,405	567,215,278	1,531,864
Printing	2,444,292	831,692,568	831,053,247	3,083,613
Sewing	96,324,736	4,276,780,381	4,278,479,867	94,625,250
Total	**629,717,479**			**679,717,479**

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	512,255	5,618,003	5,444,234	686,024
Finished Fabric (kg)	1,000,891	6,679,709	6,298,179	1,382,420
Cutting (Pcs)	3,892,789	24,741,600	23,414,168	5,220,221
Embroidery (Pcs)	43,770	3,181,338	3,221,338	3,770
Printing (Pcs)	173,511	8,834,769	9,001,482	6,798
Sewing (Pcs)	979,950	28,134,979	28,076,689	1,038,240

Accounts Receivable and Aging

As at 30 June 2021

(Annexure - F)

Sl. No.	Parties	Total	0-3 Months	3-6 Months	More than 1 Year
1	AVON COSMETICS LTD. (CONNOR) - [$] - Dr.	7,659,549	7,659,549	-	-
2	Best Seller Fashion - Dr. [$]	47,750,181	47,750,181	-	-
3	Bluestem Global Sourcing Limited - Dr [$]	2,696,100	2,696,100	-	-
4	C & A Buying KG [$] - Dr.	253,655,030	253,655,030	-	-
5	CARREFOUR IMPORTS SAS [$] - Dr.	42,091,316	42,091,316	-	-
6	Celio Sourcing Ltd- [$]- Dr	31,978,083	31,978,083	-	-
7	Caran BV	6,335,337	6,335,337	-	-
8	ESOTIQ & HENDERSON S.A. - [$] - Dr.	334,660	334,660	-	-
9	Esprit Macao Commercial Offshore Ltd. [$]- Dr.	33,378,540	33,378,540	-	-
10	Fynch-Hatton Textile - Dr[$]	7,030,789	7,030,789	-	-
11	GIORDANO CORP LTD - [$] - Dr.	5,022,016	5,022,016	-	-
12	GUESS Eur Sagl - Dr. [$]	38,779,580	38,779,580	-	-
13	GramTech Knit Dyeing & Finishing Ltd	109,331	109,331	-	-
14	Hoflers APS [$] - Dr.	69,052,143	69,052,143	-	-
15	Impress Newtex Composite Textile Ltd-Dr	20,618,797	20,618,797	-	-
16	HTMS International FZE - Dr [$]	14,236,732	14,236,732	-	-
17	LIDL [Top Grade Int. Enterprise Ltd.] - Dr. [$]	347,947,338	347,947,338	-	-
18	Mascot International- Dr [$]	54,858,349	54,858,349	-	-
19	Michael Kors [USA] - Dr [$]	31,226,736	31,226,736	-	-
20	Masco Industries	2,885,814	2,885,814	-	-
21	Next Limited - Dr. [$]	41,477,289	41,477,289	-	-
22	P & C [Peek Und Cloppenburg] - Dr. [$]	6,317,536	6,317,536	-	-
23	Pentex Limited - Dr [$]	51,048,009	51,048,009	-	-
24	RNA RESOURCES GROUP LIMITED - LANDMARK - [$] - Dr.	7,317,312	7,317,312	-	-
25	ROSS PROCUREMENT,INC. - [$] - Dr.	6,622,973	6,622,973	-	-
26	Rose Garden Apparels	181,613	181,613	-	-
27	SEIDENSTICKER GMBH - [$] - Dr.	1,435,861	1,435,861	-	-
28	Ted Bernhardtz - Dr. [$]	2,751,282	2,751,282	-	-
29	Tasniah Fabrics Ltd	7,821,953	7,821,953	-	-
30	Victory Time International (Puma) - Dr [$]	57,073,731	57,073,731	-	-
31	Impress Newtex Composite Textile Ltd-Dr	24,841,906	24,841,906		
32	Masco Industries	2,704,030	2,704,030		
33	Tasniah Fabrics Ltd	7,423,206	7,423,206		
34	Zaheen Knitwear	1,702,498	1,702,498		
35	Radical Design Ltd	177,530	177,530		
	Total	**1,243,153,717**	**1,236,543,153**	-	-

Schedule of Advance Given to Creditors

As at 30 June 2021

(Annexure - G)

Sl. No.	Name of the creditors	Nature of Transaction	Balance	3-6 Month	6-12 Month	Exceeding 1 year
1	A. Hak Engineering - Cr.	Service	590,000	590,000	-	-
2	ALUMINIUM MULTI LINK -Cr.	Electrtical Items	700,000	700,000	-	-
3	Adury Knit Composite Ltd-Cr.	Service	2,400,244	2,400,244	-	-
4	Adury Fashion & Print Ltd - Cr [$]	Service	488,234	488,234	-	-
5	Arabi Fashion Limited - Cr.	Accessories	278,816	278,816	-	-
6	Asgar Trading(Cr)	Service	5,009,273	2,504,637	2,504,637	-
7	Badsha Enterprise - Cr.	Accessories	284,881	284,881	-	-
8	Bangladesh Steel Re-Rolling Mills Ltd. - Cr.	Consulatncy	848,546	848,546	-	-
9	B.Brothers Garments Co.Ltd. - Cr.	Accessories	288,584	288,584	-	-
10	Bogra Knit Garments Industries Ltd. - Cr.	Accessories	1,290,185	1,290,185	-	-
11	Bureau Veritas (Bnagladesh) Private Limited	Accessories	313,600	313,600	-	-
12	Chaity Composite Ltd.-Cr	Insurance	1,157,357	1,157,357	-	-
13	Cleanco Services Ltd. - Cr.	Accessories	2,338,945	701,684	1,637,262	-
14	Consumer Testing Labrotires, Ltd. - Cr.	Accessories	154,906	154,906	-	-
15	Control Data System - Cr	Service	75,890	75,890	-	-
16	CREATIVE ENGINEERS LTD. - Cr.	Service	1,140,000	684,000	456,000	-
17	Cross Freight Ltd. - Cr.	Service	2,816,357	1,126,543	1,689,814	-
18	Dana Engineers International Ltd. - Cr.	Service	1,150,121	1,150,121	-	-
19	DBL Ceramics Limited - Cr.	Chemicals	10,021,482	-	10,021,482	-
20	Delcot Limited - [$] - Cr.	Accessories	10,670,000	650,000	10,020,000	-
21	Electro-Mechanical Control Services	Accessories	1,000,000	400,000	300,000	300,000
22	Esquire Knit Composite Ltd (C&F) - Cr	Accessories	17,011,719	6,804,688	5,103,516	5,103,516
23	Euro Bengal International Ltd. - [$] - Cr.	Consultancy	1,570,186	628,075	471,056	471,056
24	Explore Knitwear - Cr.	Chenicals	2,260,481	904,193	678,144	678,144
25	Farha Engineering - Cr.	Service	2,158,998	863,599	647,699	647,699
26	Fast React Systems Limited. Cr.	Service	1,855,638	742,255	556,691	556,691
27	Global Brand Pvt. Ltd. - Cr.	Service	884,762	353,905	265,429	265,429
28	GPH Ispat Ltd. - Cr.	Chemicals	46,862,388	18,744,955	14,058,716	14,058,716
29	Harris & Menuk Pvt. Ltd. - Cr.	Service	1,992,110	796,844	597,633	597,633
30	Home Creations Ltd. - Cr.	Service	8,536,942	3,414,777	2,561,083	2,561,083
31	Industrial Automation & Engineering Co. - Cr.	Accessories	3,766,590	1,506,636	1,129,977	1,129,977
32	INNOVATIVE PRODUCT NETWORK - Cr.	Accessories	12,491,709	4,996,683	3,747,513	3,747,513
33	ITS Labtest BD. Ltd.-Cr.	Service	12,329,181	4,931,672	3,698,754	3,698,754
34	JAMAL & SON'S - Cr.	Accessories	16,399,809	6,559,924	4,919,943	4,919,943
35	Kai World Transport - Cr.	Accessories	11,694,095	4,677,638	3,508,229	3,508,229
36	Lubricants Asia Limited - Cr.	Accessories	10,671,846	4,268,738	3,201,554	3,201,554
37	Mangrove Motors - Cr.	Accessories	44,500	17,800	13,350	13,350
38	Mostofa Machineries - Cr	Accessories	75,000	30,000	22,500	22,500
39	National Polymer Industries Ltd.-Cr	Accessories	5,849,064	2,339,626	1,754,719	1,754,719
40	Nemrac Design Ltd.- [$] - Cr.	Accessories	496,288	198,515	148,886	148,886
41	Pacific Associates Ltd. - Cr.	Accessories	2,589,059	1,035,624	776,718	776,718
42	Panwin Design Ltd - Cr	Accessories	4,519,299	1,807,719	1,355,790	1,355,790

Schedule of Advance Given to Creditors

As at 30 June 2021

Sl. No.	Name of the creditors	Nature of Transaction	Balance	3-6 Month	6-12 Month	Exceeding 1 year
43	Pinnacle Construction Management Ltd. - Cr.	Accessories	203,708,007	81,483,203	61,112,402	61,112,402
44	Power Property Care Service Ltd. - Cr.	Accessories	2,000	800	600	600
45	RR-Imperial Electricals Ltd. - Cr.	Service	16,788,421	6,715,368	5,036,526	5,036,526
46	Sabur Construction - Cr	Accessories	10,636,524	4,254,610	3,190,957	3,190,957
47	Schenker Logistics (Bangladesh) Ltd.- Cr	Accessories	15,778,854	6,311,541	4,733,656	4,733,656
48	Tex Excellence Corporation - Cr	Accessories	7,598,322	3,039,329	2,279,497	2,279,497
49	Universal Procurement Systems Pte Ltd. -Cr	Service	4,664,114	1,865,646	1,399,234	1,399,234
50	Vision Tex Co.-Cr.	Accessories	2,405,082	962,033	721,524	721,524
51	Waterchem Technology - Cr	Accessories	1,971,519	788,608	591,456	591,456
52	Zeal Tex Services - Cr.	Accessories	157,250	62,900	47,175	47,175
53	Scarlet Services-Cr.	Chemicals	184,945	73,978	55,484	55,484
54	Schenker Logistics (Bangladesh) Ltd.- Cr	Service	95,126	38,050	28,538	28,538
55	SGS Bangladesh Ltd. - Cr.	Service	1,560,448	624,179	468,134	468,134
56	Sharp Accessories -Cr	Accessories	49,349	19,739	14,805	14,805
57	Skylink Logistics Ltd. - Cr.	Service	141,982	56,793	42,595	42,595
58	Sporty Wheels Ltd. - Cr.	Service	1,100,000	440,000	330,000	330,000
59	Sunstar Co. Ltd. - Cr.	Accessories	255,000	102,000	76,500	76,500
60	Tangon Garments Ltd. - Cr.	Accessories	499,000	199,600	149,700	149,700
61	Tex Excellence Corporation - Cr	Accessories	958,000	383,200	287,400	287,400
62	Tex Shinining Engineering - Cr	Accessories	90,000	36,000	27,000	27,000
63	Tiles World -Ideal -Cr.	Accessories	238,530	95,412	71,559	71,559
64	Tootal Quality Resources Ltd.-Cr.	Chemicals	187,900	75,160	56,370	56,370
65	Trade Zentrum - Cr.	Accessories	9,915	3,966	2,975	2,975
66	Ultimate Information Technology - Cr	Accessories	20,000	8,000	6,000	6,000
67	Z3 Corporation - Cr.	Service	127,200	50,880	38,160	38,160
	Total		**476,304,571**	**189,403,086**	**156,615,339**	**130,286,145**

Schedule of Accounts Payable

As at 30 June 2021

(Annexure - H)

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
1	4-Tex Trims. Cr. [$]	Accessories	72,122	72,122	-	-
2	A & T Flat Knit Industry - [$] - Cr.	Accessories	2,117,544	2,117,544	-	-
3	A. K. Tex International. Cr. [$]	Accessories	1,409,481	1,409,481	-	-
4	A.R International - [$] - Cr.	Accessories	1,790,060	1,790,060	-	-
5	A.S.F.Fiber Mills Ltd. - [$] - Cr.	Yarn	13,410,260	13,410,260	-	-
6	AARA International Co- [$] Cr	Yarn	8,758,923	8,758,923	-	-
7	ADAMJEE KNIT FABRICS - [$] - Cr.	Accessories	1,970,973	1,970,973	-	-
8	Adury Fashion & Print Ltd - Cr [$]	Accessories	4,784,148	4,784,148	-	-
9	ADZI Trims Ltd. Cr. [$]	Accessories	370,875	370,875	-	-
10	AFFAN INTERLININGS LTD. - [$] - Cr.	Accessories	366,336	366,336	-	-
11	Albi Enterprise [$] - Cr.	Accessories	565,083	565,083	-	-
12	Alien Weaving Factory Limited - [$] - Cr.	Accessories	543,695	543,695	-	-
13	AL-MODINA GARMENTS - Cr.	Accessories	735,927	735,927	-	-
14	Alpha Plastic Packaging. Cr. [$]	Accessories	21,936,830	21,936,830	-	-
15	ALPS & EVE - [$] - Cr.	Accessories	486,895	486,895	-	-
16	American & Efird (Bangladesh) Ltd - [$] - Cr	Accessories	532,904	532,904	-	-
17	Anhui Yifeng Mesh Co. Ltd. Cr. [$]	Accessories	2,231,300	2,231,300	-	-
18	APS Packing	Accessories	165,487	165,487	-	-
19	Arif Knitspin Ltd. - [$] - Cr.	Yarn	2,318,844	2,318,844	-	-
20	Asia Composite Mills Ltd [$] Cr	Yarn	60,537,778	60,537,778	-	-
21	Asia Linkage. Cr. [$]	Accessories	1,745,734	1,745,734	-	-
22	Avalon Packaging - [$] - Cr.	Accessories	2,006,609	2,006,609	-	-
23	Badsha Textile Ltd. - [$] - Cr.	Yarn	20,766,672	20,766,672	-	-
24	Baig Trimming Ltd. Cr. [$]	Accessories	260,958	260,958	-	-
25	BAIKAI INDUSTRY (VIETNAM) CO., LTD. [$] - Cr.	Accessories	596,080	596,080	-	-
26	Banga Plastic International Ltd. - [$] - Cr.	Accessories	356,160	-	356,160	-
27	BAS PRINTS [$] - Cr.	Accessories	468,384	468,384	-	-
28	Bengal Plastics Ltd-Unit-3. Cr. [$]	Accessories	318,486	318,486	-	-
29	Bengal Tex [$] - Cr.	Accessories	216,129	216,129	-	-
30	BENGAL WINDSOR THERMOPLASTICS LTD - [$] - Cr.	Accessories	767,246	767,246	-	-
31	Broadway Printing Ind's - [$] - Cr.	Accessories	1,835,398	1,835,398	-	-
32	BTS. Cr. [$]	Accessories	794,715	794,715	-	-
33	Checkpoint System BD Ltd [$]-Cr	Accessories	3,038,932	3,038,932	-	-
34	Chishtia Sizing Mills - [$] - Cr.	Accessories	1,170,100	1,170,100	-	-
35	CHT GERMANY GMBH - Cr.	DNC	933,258	933,258	-	-
36	CHT TURKEY KIMYA SAN. VE TIC. A.S. - Cr. [$]	DNC	1,227,264	-	1,227,264	-
37	Clotex-Labelon(BD) Limited. Cr. [$]	Accessories	49,475	49,475	-	-
38	Coats Bangladesh Ltd. [$] - Cr.	Accessories	120,331	120,331	-	-
39	Crony Apparels Ltd. - [$] - Cr.	Accessories	239,144	239,144	-	-
40	Cytrax Business International. Cr. [$]	DNC	2,791,800	2,791,800	-	-
41	DB Tex Ltd. - [$] - Cr.	Accessories	288,002	288,002	-	-
42	Dekko Accessories Ltd.[$]-Cr	Accessories	660,370	-	660,370	-
43	Delcot Limited - [$] - Cr.	Spare Parts	1,315,988	1,315,988	-	-
44	Didar Fabrics. Cr. [$]	Accessories	146,768	146,768	-	-
45	DONGGUAN FUYUAN GARMENT CO LTD - [$] - Cr.	Accessories	281,066	281,066	-	-
46	DOWAS-LAND DYEING AND FINISHING IND'S LTD.-[$]-Cr.	Accessories	742,907	-	742,907	-
47	Dystar Singapore PTE Ltd - [$] Cr.	DNC	1,693,880	1,693,880	-	-
48	EMINENCE SOURCING. - [$] - Cr.	Accessories	3,126,676	3,126,676	-	-
49	Enayetpur Spinning Mills Ltd. - [$] - Cr.	Yarn	4,958,881	4,958,881	-	-
50	Epyllion Limited - Cr. [$]	Accessories	1,861,689	1,861,689	-	-
51	Erum BD Ltd - Cr [$]	Accessories	2,814,077	2,814,077	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
52	Esquire Accessories Ltd.-[$]-Cr.	Accessories	25,304,323	25,304,323	-	-
53	Esquire Dyeing Industries Ltd.- [$] - Cr.	Accessories	26,552,633	26,552,633	-	-
54	Esquire Electronics Ltd		135,195		135,195	
55	Esquire Testing (Bd) ltd		4,506,704		4,506,704	
56	Etasia BD Ltd. - [$] - Cr.	Accessories	379,743	379,743	-	-
57	Ever Chem Corporation. Cr. [$]	DNC	756,700	-	756,700	-
58	EVERTEX INK - [$] - Cr.	DNC	589,750	589,750	-	-
59	EYE Accessories Ind. Ltd. Cr. [$]	Accessories	123,190	123,190	-	-
60	Fabitex Industries Ltd. - [$] - Cr.	Accessories	176,374	176,374	-	-
61	Fariha Knit Tex Ltd. [$] - Cr.	Accessories	928,724	928,724	-	-
62	FASHION ACCESSORIES & PACKAGES. - [$] - Cr.	Accessories	123,302	123,302	-	-
63	Fashion Syndicate BD. - [$] - Cr.	Accessories	2,333,501	-	2,333,501	-
64	Fashion Trims. Cr. [$]	Accessories	3,739,718	3,739,718	-	-
65	Fortune Top Inc - [$] Cr	DNC	2,934,758	2,934,758		-
66	FR Traders. Cr. [$]	Accessories	2,623,879	-	2,623,879	-
67	Fujian Baikai Elastic Weaving Co. Ltd. Cr. [$]	Accessories	1,087,403	1,087,403	-	-
68	Fujian SBS Zipper Science & Techn. Co. Ltd-[$]- Cr	Accessories	1,245,113	1,245,113	-	-
69	Giant Textiles Ltd. - [$] - Cr.	Accessories	142,110	142,110	-	-
70	GMS Trims Limited. Cr. [$]	Accessories	697,399	697,399	-	-
71	Hangzhou Ruitan Textile Co. Ltd. Cr. [$]	Accessories	2,246,578	2,246,578	-	-
72	HANGZHOU YOUCHEN IMPORT & EXPORT CO. LTD - [$]- Cr.	Accessories	1,400,342	1,400,342	-	-
73	Huntsman (Singapore) PTE Ltd [$] -Cr.	DNC	419,336	419,336	-	-
74	IBRAHIM KNIT GARMENTS (PVT.) LTD. - [$] - Cr.	Accessories	365,573	-	365,573	-
75	IDT Global Labels Bangladesh Ltd. - [$] - Cr.	Accessories	402,871	402,871	-	-
76	Int'L TRIMMINGS & LABELS (BD) PVT. LTD. Cr. [$]	Accessories	2,532,839	2,532,839	-	-
77	J. H. Accessories International. Cr. [$]	Accessories	860,734	860,734	-	-
78	J.H.M Cotton Ltd. - Cr.	Accessories	312,713	312,713	-	-
79	JB. Enterprise [$] - Cr	Accessories	385,592	385,592	-	-
80	Jiangsu Golden Autum Elastic Fabric Co Ltd [$] Cr.	Accessories	785,714	785,714	-	-
81	Jiangsu One Touch Business Service - [$] - Cr.	Accessories	360,434	360,434	-	-
82	K. M. Accessories. [$] Cr.	Accessories	355,953	355,953	-	-
83	K.C. Apparels Ltd. (Dyeing Unit) - Cr.	Accessories	550,568	550,568	-	-
84	Kamal Yarm Ltd. [$] - Cr.	Yarn	2,849,280	-	2,849,280	-
85	Kazi Knit Wear Ltd.	Accessories	3,337,304	3,337,304	-	-
86	KCTEX INTERNATIONAL LTD. - [$] - Cr.	Accessories	5,804,680	5,804,680	-	-
87	KDS Accessories Ltd (Unit-2) [$] - Cr	Accessories	432,439	432,439	-	-
88	LATIF KNITTING MILLS LTD. - Cr.	Accessories	316,322	316,322	-	-
89	Loyal Textile Mills Ltd. [$]-Cr	Accessories	6,375,110	6,375,110	-	-
90	M & U Packaging Ltd. Cr. [$]	Yarn	733,657	733,657	-	-
91	M R Tex. Cr. [$]	Accessories	409,328	409,328	-	-
92	M. S. Printing & Packaging. Cr. [$]	Accessories	446,358	446,358	-	-
93	M.M.Corporation. Cr. [$]	Accessories	2,856,111	2,856,111	-	-
94	M/S Best Trims Care & Accessories - Cr [$]	Spare Parts	1,798,443	1,798,443	-	-
95	M/S BHAI-BON COLLAR HOUSE - [$] - Cr.	Accessories	1,738,400	1,738,400	-	-
96	M/S MUKUL TEXTILE - [$] - Cr.	Accessories	2,002,657	2,002,657	-	-
97	M/S RAFIK ENTERPRISE - [$] - Cr.	Accessories	372,854	372,854	-	-
98	M/S. Ayesha Green Signal - [$] - Cr.	Accessories	2,165,000	2,165,000	-	-
99	M/S. HAJI TEXTILE - Cr.	DNC	772,738	-	772,738	-
100	MAH Textiles LLP - [$] - Cr.	Accessories	9,139,351	9,139,351	-	-
101	Mainetti (Bangladesh) Pvt. Ltd. - [$] - Cr.	Yarn	299,618	299,618	-	-
102	Mainetti Packaging Bangladesh Pvt. Ltd. Cr. [$]	Accessories	861,682	861,682	-	-
103	Maria Knitting - [$] - Cr.	Accessories	6,669,216	6,669,216	-	-
104	McDry Desiccant Limited. Cr. [$]	Accessories	2,393,600	2,393,600	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
105	Mehmud Inds Pvt. Ltd. - [$] - Cr.	Accessories	27,144,560	27,144,560	-	-
106	Metro Knitting & Dyeing Mills Ltd. [$] - Cr.	Yarn	5,183,188	5,183,188	-	-
107	Micro Trims Ltd. - [$] - Cr.	Accessories	5,240,675	5,240,675	-	-
108	MM TRADING [$] - Cr.	Accessories	999,270	999,270	-	-
109	Mode Makers Impression Limited - Cr.	Accessories	412,264	412,264	-	-
110	Modern Poly Industries Limited - Cr. [$]	Accessories	2,379,539	-	2,379,539	-
111	Mon Trims Ltd. [$] - Cr.	Yarn	2,543,537	2,543,537	-	-
112	Mondol Knitwears Ltd. [$] - Cr.	Accessories	4,788,095	4,788,095	-	-
113	NASIMA TEXTILE - Cr.	Accessories	1,553,282	1,553,282	-	-
114	Naturub Accessories (BD) Ltd.-[$]-Cr.	Accessories	1,132,206	1,132,206	-	-
115	Nearchimica SPA - [$] - Cr.	Accessories	1,851,790	1,851,790	-	-
116	Nemrac Design Ltd.- [$] - Cr.	DNC	1,700,537	1,700,537	-	-
117	Nine United Bangladesh Ltd. Cr. [$]	Accessories	732,703	732,703	-	-
118	NITIN SPINNERS LTD. - [$] - Cr.	Accessories	4,305,689	4,305,689	-	-
119	Nitu Knit World Limited - [$] - Cr.	Yarn	1,851,617	1,851,617	-	-
120	NRG Spinning Mills Ltd- [$] - Cr	Yarn	19,418,499	19,418,499	-	-
121	NRG-Composite Yarn Dyeing-[FD] - [$]- Cr.	Yarn	1,746,796	1,746,796	-	-
122	NZ Textile Ltd. - [$] - Cr.	Accessories	1,473,652	1,473,652	-	-
123	OHYOUNG INC. Cr. [$]	Yarn	7,582,604	7,582,604	-	-
124	Omax Cotspin (PVT). Ltd. - Cr.	DNC	12,104,558	12,104,558	-	-
125	Osman Interlinings Ltd - [$]-Cr.	Yarn	286,515	286,515	-	-
126	Pahartali Textile & Hosiery Mills - [$] - Cr.	Accessories	23,277,515	23,277,515	-	-
127	Pakiza Apparels Ltd. - [$] - Cr.	Yarn	39,469,953	39,469,953	-	-
128	Pannatex International. Cr. [$]	Accessories	84,975	84,975	-	-
129	Papyrus FastQ (BD) Limited. Cr. [$]	Accessories	160,900	160,900	-	-
130	Parkway Packaging & Printing Ltd. Cr. [$]	Accessories	169,300	169,300	-	-
131	Plastic Concern (Pvt) - [$] - Cr.	Accessories	1,517,966	1,517,966	-	-
132	Plummy Fashions Limited - [$] - Cr.	Accessories	2,320,056	2,320,056	-	-
133	Prime Textile Spinning Mills Ltd. - [$] - Cr.	Accessories	19,386,490	19,386,490	-	-
134	PROSPEROUS GLORY ASIA LIMITED - [$] - Cr.	Yarn	5,824,423	5,824,423	-	-
135	Quenby Transfer (India) PVT. Ltd. Cr. [$]	Accessories	6,024,419	6,024,419	-	-
136	R.K.Fashion Ltd.	Accessories	1,597,350	1,597,350	-	-
137	R.M.T Textile Mills Ltd. - [$] - Cr.	Accessories	17,311,536	17,311,536	-	-
138	R.R International. Cr. [$]	Yarn	263,304	263,304	-	-
139	RABEYA KNIT FASHION	Accessories	333,094	333,094	-	-
140	Red Box Hong Kong Ltd. Cr. [$]	Accessories	14,003,502	14,003,502	-	-
141	Red Rose Accessories [$] - Cr.	Accessories	334,394	334,394	-	-
142	RM Interlinning Ltd. Cr. [$]	Accessories	895,488	895,488	-	-
143	Root Source - Cr [$]	Accessories	598,688	598,688	-	-
144	Rotex Bangladesh Ltd. Cr. [$]	Accessories	68,688	68,688	-	-
145	R-Pac Bangladesh Packaging Co. Ltd. - [$] - Cr.	Accessories	7,865,556	7,865,556	-	-
146	R-Tex Trims & Fabs International - [$] - Cr.	Accessories	241680	241,680	-	-
147	S & Brothers Flat Knit Industry - [$] - Cr.	Accessories	377,688	377,688	-	-
148	S & A Trims and Tags - Cr. [$]	Accessories	115,396	115,396	-	-
149	S.B Knit Composite - [$] -Cr.	Accessories	1,071,112	1,071,112	-	-
150	S.K.KNIT COMPOSITE	Accessories	626,689	626,689	-	-
151	SAATBIK TEX - [$] - Cr.	Accessories	881,920	881,920	-	-
152	Sami Printing Limited - Cr.	Accessories	67,626	67,626	-	-
153	Samuda Chemical Complex Ltd. [$]- Cr	Accessories	680,000	680,000	-	-
154	Sans Packaging and Accessories Industries Ltd. Cr. [$]	DNC	1,624,323	1,624,323	-	-
155	SCANDEX TEXTILE INDUSTRIES LTD. - [$] - Cr.	Accessories	1,542,656	1,542,656	-	-
156	Shah Sharif's Resources Ltd. - [$] - Cr.	Accessories	867,000	867,000	-	-
157	Sharuk Enterprise - [$] - Cr.	DNC	1,015,997	1,015,997	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
158	Sheikh Brother's Knitwear - Cr	Accessories	828,525	828,525	-	-
159	Shinest Button. Cr. [$]	Accessories	74,408	74,408	-	-
160	Siam Computerized Elastic Inds. Ltd. - [$] - Cr.	Accessories	10,110,861	10,110,861	-	-
161	SIF Textile Industries Ltd. - [$] - Cr.	Accessories	14,952,001	14,952,001	-	-
162	Silver Composite Textile Mills Ltd. Cr. [$]	Accessories	6,215,840	6,215,840	-	-
163	Smart Narrow Fabrics. Cr. [$]	Yarn	3,132,635	3,132,635	-	-
164	SML Packaging Solutions BD Ltd- Cr [$]	Accessories	523,988	523,988	-	-
165	Sonali Fabrics & Textile Mills (PVT) Ltd.- Cr.	Accessories	312,025	312,025	-	-
166	South China Bleaching & Dyeing Fac. Ltd.-[$]- Cr.	Accessories	261,484	261,484	-	-
167	Sportking India Ltd. - [$] - Cr.	Accessories	6,392,690	6,392,690	-	-
168	STL ACCESSORIES LTD	Yarn	1,495,872	1,495,872	-	-
169	T & S BUTTONS BANGLADESH LTD. Cr. [$]	Accessories	93,500	93,500	-	-
170	TAM PLASTIK Ve KALIP SAN. TIC. LTD. STI. [$] - Cr.	Accessories	1,225,869	1,225,869	-	-
171	Team Star Asia. [$] Cr.	Accessories	1,636,939	1,636,939	-	-
172	Tex-R Accessories Int'l - [$] - Cr.	Accessories	403,032	403,032	-	-
173	Textile Auxilaries - Cr. [$]	Accessories	918,000	918,000	-	-
174	TEXTOWN LIMITED - [$] - Cr.	DNC	18,093,791	18,093,791	-	-
175	TM Chemicals Ltd. [$] -Cr.	Accessories	3,313,906	3,313,906	-	-
176	Trade Asia International Pte Ltd.[$]-Cr.	DNC	7,492,080	7,492,080	-	-
177	TRIMS INTERNATIONAL (BD) LTD. [$] - Cr.	DNC	100,297	100,297	-	-
178	Trims Maker Bangladesh [$] - Cr.	Accessories	590,654	590,654	-	-
179	Trims World - Cr [$]	Accessories	703,230	703,230	-	-
180	Trims Zone International - [$] - Cr.	Accessories	187,068	187,068	-	-
181	TUBINGEN CHEMICALS (BD) LTD. Cr. [$]	Accessories	3,347,700	3,347,700	-	-
182	Uniglory Packaging Industries Ltd. Cr. [$]	DNC	796,213	796,213	-	-
183	Uniglory Paper & Packing Ltd. Cr. [$]	Accessories	2,053,935	2,053,935	-	-
184	United Nine Bangladesh Ltd. Cr. [$]	Accessories	468,043	468,043	-	-
185	UNITEX COMPOSITE MILLS LTD. -[$] - Cr.	Accessories	1,645,044	1,645,044	-	-
186	Unitex Spinning Ltd. - [$] - Cr.	Yarn	9,036,237	9,036,237	-	-
187	Viyellatex Spinning Mills Ltd. [$] - Cr.	Yarn	35,215,379	35,215,379	-	-
188	Ware House Accessories (BD). [$] Cr.	Yarn	84,176	84,176	-	-
189	Well Accessories Ltd - Cr [$]	Accessories	223,798	223,798	-	-
190	Weixing Industrial Bangladesh Co. Ltd. [$]- Cr.	Accessories	1,402,935	1,402,935	-	-
191	Winsome Textile Industries Limited - Cr.	Accessories	17,058,126	17,058,126	-	-
192	Xinchang Fuwei Trading Co. Ltd. [$] - Cr.	Yarn	11,255,222	11,255,222	-	-
193	Yester Accessories Company Ltd-Cr [$]	Spare Parts	830,760	830,760	-	-
194	YKK Bangladesh Pte Ltd. - [$] - Cr.	Accessories	929,113	929,113	-	-
195	Yokohama Labels & Printing (Bd) Ltd. - [$]-Cr.	Accessories	122,282	122,282	-	-
196	Young Associates - [$] - Cr.	Accessories	1,464,719	1,464,719	-	-
197	Yunusco T&A(BD) Limited (Unit-2). Cr. [$]	Accessories	248,456	248,456	-	-
198	ZDD Industries Limited. Cr. [$]	Accessories	769,420	769,420	-	-
199	Zenith Enterprise - [$] - Cr.	Accessories	2,169,184	2,169,184	-	-
200	ZSCHIMMER AND SCHWARZ MOHSDORF GMBH AND CO. Cr. [$]	Accessories	9,119,277	9,119,277	-	-
201	ZUBAIR INDUSTRIES LIMITED - [$] - Cr.	DNC	633,595	633,595	-	-
202	The Lycra Company Singapore PTE. Ltd. [$] - Cr.	Yarn	38,679,585	38,679,585	-	-
203	ARK Garments Accessories. Cr. [$]	Accessories	5,040,000	5,040,000	-	-
204	Ace Trend Ltd. (H.K) - [$] - Cr.	Accessories	2,628,103	2,628,103	-	-
205	JIASHAN ZHANWANG GARMENT ACCESSORIES - [$] - Cr.	Accessories	3,087,824	3,087,824	-	-
206	Huafu Macao Commercial Ltd. - [$] - Cr	Yarn	6,005,024	6,005,024	-	-
207	Fortunetex Internationa Ltd. - Cr. [$]	Accessories	2,046,240	2,046,240	-	-
208	INDORAMA INDUSTRIES LTD. - [$] - Cr.	Yarn	3,160,040	3,160,040	-	-
209	HELSA-ICON INDIA PVT. LTD - [$] - Cr.	Accessories	1,537,372	1,537,372	-	-
210	FUJIAN CAI-TEXTILE IMP AND EXP CO. - [$] - Cr.	Accessories	1,435,725	1,435,725	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
211	M.S. DYEING, PRINTING AND FINISHING LTD. - [$] - Cr	Accessories	367,231	367,231	-	-
212	Jun Feng Trading Co. Ltd. [$] - Cr.	Accessories	474,956	474,956	-	-
213	AMERICAN BILTRITE FAR EAST INC. - [$] - Cr.	Accessories	528,142	528,142	-	-
214	Stretchline (PVT). Ltd. [$] - Cr.	Accessories	467,221	467,221	-	-
215	Manan Incorporation Ltd. - [$] - Cr.	Yarn	5,952,679	5,952,679	-	-
216	Kardnee Industrial Holdings Ltd.- Cr	Accessories	809,940	809,940	-	-
217	Huzhou Xinxi Wuxing Silk. [$] - Cr.	Accessories	3,267,563	3,267,563	-	-
218	Sun Tek Industries Group Ltd [$] - Cr	Accessories	2,349,682	2,349,682	-	-
219	CHANGZHOU J-TEX FABRICS CO., LTD. [$] - Cr.	Accessories	1,481,845	1,481,845	-	-
220	JIANJIA (HONGKONG) GROUP LTD. - [$] - Cr.	Accessories	956,400	956,400	-	-
221	SUN HING TEXTILES (HONG KONG) LIMITED - [$] - Cr.	Accessories	1,544,727	1,544,727	-	-
222	TONG XIN TEXTILE INDUSTRIES LIMITED - [$] - Cr.	Yarn	15,727,980	15,727,980	-	-
223	CRYSTAL CORPORATION - [$] - Cr.	Accessories	634,418	634,418	-	-
224	SOOCHOW RELIANCE INTERNATIONAL TRADING - [$] - Cr.	Accessories	532,399	532,399	-	-
225	FUJIAN BAOGANG IMP & EXP TRADING CO.,LTD-[$]-Cr.	Accessories	500,212	500,212	-	-
226	New Horizon Investment [HK] Ltd. - Cr [$]	Accessories	3,010,554	3,010,554	-	-
227	BRILLIANT BRA CUP COMPANY LTD. - [$] - Cr.	Accessories	3,017,910	3,017,910	-	-
228	HUAFON CHONGQING SPANDEX CO., LTD. - [$] - Cr.	Yarn	3,952,207	3,952,207	-	-
229	Haining Waytai Imp. & Exp. Co. Ltd- Cr	Accessories	1,818,869	1,818,869	-	-
230	Hong Hu Textile Industries Ltd. - [$] - Cr.	Yarn	5,019,991	5,019,991	-	-
231	J-LONG LTD. HK. [$] Cr.	Accessories	3,252,930	3,252,930	-	-
232	M. K. ACCESSORIES - [$] - Cr.	Accessories	651,571	651,571	-	-
233	Huafu HK Company Ltd.-[$]- Cr.	Yarn	3,937,080	3,937,080	-	-
234	Fariha Spinning Mills Ltd - Cr [$]	Yarn	2,319,660	2,319,660	-	-
235	Maheen Dizayn Etiket (BD) Ltd. - [$] - Cr.	Accessories	316,034	316,034	-	-
236	Robintex (BD) Ltd. - [$] - Cr.	Accessories	854,125	854,125	-	-
237	Zhejiang Guanmu Textile Tecnology Co. Ltd. Cr. [$]	Accessories	2,628,239	2,628,239	-	-
238	NPP - [$] - Cr.	Accessories	128,218	128,218	-	-
239	SUNTEX ENTERPRISE CO. - [$] - Cr.	Accessories	1,992,453	1,992,453	-	-
240	A-Tex International Ltd. [$] Cr.	Accessories	1,366,861	1,366,861	-	-
241	NICE TRIMS INDUSTRIAL CO LTD. - [$] - Cr.	Accessories	3,745,924	3,745,924	-	-
242	XINXIANG CHEMICAL FIBRE CO., LTD. -[$] - Cr.	Yarn	7,371,000	7,371,000	-	-
243	Jaba Textile Mills Ltd. - [$] - Cr.	Yarn	2,575,514	2,575,514	-	-
244	NINGBO FENGSHENG KNITTING CO. , LTD - [$] - Cr.	Accessories	3,776,228	3,776,228	-	-
245	ZHEJIANG SHAOXING YONGDA KNITTING & Art of Work- [$]-Cr	Accessories	8,080,529	8,080,529	-	-
246	HONGKONG TEXTILES IMPORT AND EXPORT - [$] - Cr.	Accessories	15,887,469	15,887,469	-	-
247	ARTSAN TEKSTIL TRANSFER KAGITLARI - [$] - Cr.	Accessories	1,066,509	1,066,509	-	-
248	Kingpro Manufacturing Co. Ltd. [$] - Cr.	Accessories	31,668	31,668	-	-
249	STAR LIGHT TRADING (CLOTHING ACC.) LTD. - [$] - Cr.	Accessories	1,452,398	1,452,398	-	-
250	ECOLOT TEXTILE CO., LTD. - [$] - Cr.	Accessories	6,612,169	6,612,169	-	-
251	Paxar (China) Limited - [$] - Cr.	Accessories	168,682	168,682	-	-
252	PANAMA COMPOSITE TEXTILE MILLS LIMITED - [$] - Cr.	Yarn	19,073,900	19,073,900	-	-
253	PT.Embee Plumbon Tekstil - [$] - Cr.	Yarn	10,208,675	10,208,675	-	-
254	Shree Gayatri Cottex Engineers Pvt. Ltd. - [$] -Cr.	Yarn	7,544,406	7,544,406	-	-
255	BAL-CIN TEKSTIL BOYA SAN. VE TIC. - Cr.	Yarn	6,784,664	6,784,664	-	-
256	Maral Overseas Ltd. [$] - Cr.	Yarn	8,806,546	8,806,546	-	-
257	Perfect Filaments Ltd. Cr. [$]	Yarn	9,466,450	9,466,450	-	-
	Total		**1,027,350,053**	**979,241,055**	**19,709,810**	

Schedule of Financial Asset and Liabilities Held in Foreign Currency

As at 30 June 2021

(Annexure-I)

Sl. No.	Particulars	Amount (USD)	Amount (Euro)	Amount as per Bangladesh Bank rate (Taka)	As per Ledger (Taka)	(Gain)/Loss (Taka)
	Monetary Assets					
1	Accounts Receivable	14,650,354	-	1,248,960,622	1,243,153,717	(5,806,905)
2	FBPAR A/C with DBBL-in USD(783)	130,925	-	11,102,459	11,102,459	-
3	FBPAR A/C with DBBL -in Euro		1,434	144,633	144,724	91
4	FBPAR A/C with DBBL-in USD(63)	87,612	-	7,429,461	7,429,461	-
5	Margin A/C with EBL-in USD	378,593	-	32,104,705	32,104,705	(0)
6	Margin A/C with EBL -in EURO	-	760	76,603	76,603	(0)
7	DBBL FCAD-in Dollar	579,942	-	49,179,088	49,179,088	-
8	DBBL FCAD-in Euro	-	55	5,581	5,581	0
9	DBBL FCAD-in Dollar	4,693,862		398,039,467	398,039,467	(0)
11	EBL FCAD in USD	684	-	58,003	58,087	84
12	UCBL -FACD in USD A/C # 0193	86,822		7,362,473	7,366,814	4,341
13	UCBL -FACD in USD A/C # 0267	664,495		56,349,212	56,349,212	-
		21,273,289	**2,249**	**1,810,812,306**	**1,805,009,917**	**(5,802,389)**
	Monetary Liabilites			-		-
	DBBL-EDF	2,193,651	-	186,021,590	186,021,590	-
10	EBL-EDF	532,888	-	45,188,869	45,188,869	-
	UCBL-EDF	2,655,233		225,163,785	225,163,785	-
11	IFC loan	14,000,000	-	1,187,200,000	1,187,480,000	(280,000)
12	Accounts Payable	11,777,303	-	998,715,319	998,950,865	(235,546)
		31,159,075	**-**	**2,642,289,563**	**2,642,805,109**	**(515,546)**
	Total	**52,432,364**	**2,249**	**4,453,101,869**	**4,447,815,026**	**(6,317,935)**

Conversion rate at closing rate	**Euro**	100.86
	USD	84.80
30.06.2021 Bangladesh Bank		

Summarized Financial Information of L'Esquire Limited

(Paragraph B10 of IFRS-12)

(Annexure-J)

Particulars	Amount in Taka	
	30-Jun-2021	30-Jun-2020
Current Assets	73,339,394	6,109,079
Non-Current Assets	384,587,219	11,348,286
Current Liabilities	40,646,559	3,303,108
Non Current Liabilities	380,877,719	-
Revenue	24,291,420	-
Profit from Operarion	(5,245,518)	(1,055,743)
Profit after Tax	(4,961,922)	(1,055,743)
Other Comprehensive Income	-	-
Total Comprehensive Income	(4,961,922)	(1,055,743)

ESQUIRE KNIT COMPOSITE LIMITED

AUDITED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Esquire Knit Composite Limited (the "Company"), which comprise the Statement of Financial Position as at 30 June 2021 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements is present fairly, in all material respects, the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue

Risk	Our response to the risk
The company reported total revenue of BDT 7,905,836,002 as at 30 June 2021. Revenue increased by BDT. 2,905,317,377 which shows 58.10% higher revenue compared to last year. The company is 100% export oriented, which includes deemed export. In addition, revenue is measured including cash incentives upon receipt of Proceed Realization Certificate (PRC) from the bank. Revenue recognition therefore is a material and judgmental issue. We focus on the risk of material misstatement in the recognition of revenue, as a result of both fraud and error, because revenue is material and is an important determinant of the company's profitability, which has a consequent impact on its share price performance.	We have tested the design and operating effectiveness of key controls focusing on the following: • Calculation of each revenue as per VAT Return and L/C documents on a sample basis; • segregation of duties in invoice creation and modification; and • Timing of revenue recognition. Our substantive procedures in relation to the revenue recognition comprises the following: • Obtaining supporting documentation for sales transactions recorded at the year-end date to determine whether revenue was recognized in the current period; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

[See note 24.00 to the financial statements]

2. Accounts Receivables

Risk	Our response to the risk
The company has BDT. 1,236,543,153 of trade receivables as at 30 June 2021. The company had 100% foreign buyers; therefore, the accounts receivable balance confirmation is a material issue.	For accounts receivables our key audit procedures included the following: • We sent accounts receivable balance confirmations to the customers on a sample basis; • We analyzed the aging of trade receivables; and • We obtained a list of total outstanding receivables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.

[See note 8.00 to the financial statements]

3. Capital work in progress

Risk	Our response to the risk
The Company's assets held under capital work in progress as on the closing date are amounted to BDT. 1,671,580,884, equivalent to 20% of total Non-Current assets. Due to the high volume of transactions, utilization of IPO proceeds, terms and valuation of these assets, it was considered significant to our audit.	Our audit procedures to address the risk of material misstatement relating to capital work in progress includes obtaining an understanding of the internal control over capital work in progress, assessing the risks of material misstatement. Our audit procedures to address the risk of material misstatement relating to Capital work in progress to the financial statements included: • Obtaining and assessing the movement of the capital work in progress; • Verifying the records to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work-in-progress; • Verifying the supporting documents with reference to the underlying contractor bills, work orders, certification of work performed by expert personnel, comparison of the progress and the costs incurred up-to-date with the budgets, policy and plan; • Reconciling the movement of capital work in progress from opening to closing, specifically verifying additions during the year and transferred to Property, Plant and Equipment during the year; • Verifying the dates on which the assets are moved from the capital work-in-progress account to the fixed assets so that the depreciation on fixed assets may be computed correctly, and; • Site visit and physical observations of the work on-going for capital work in progress.

[See note 5.00 to the financial statements]

4. Existence and Valuation of Inventories

Risk	Our response to the risk
The company had inventory of BDT. 3,016,056,178 at 30th June 2021, held in Factory. The inventories include Yarn, Dyes, Chemical, Finishing Materials, Work-in-process, and Finished goods. Due to country wide lockdown at the year end, stock taking procedures could not be performed; therefore, we had to perform alternative audit procedures to confirm the inventory balance. Hence existence of inventories had been considered as key audit matter. Inventory value is measured at the lower of cost and net realizable value. As a result, the Management applies measurement such as absorption of several costs in determining the appropriate values for work in progress.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: • Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of warehouses. • 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; and Performing surprise stock counting and obtaining stock confirmations from factory to check the existence and reconciling the count results to the inventory listings to test the completeness of data;

[See note 7.00 to the financial statements]

5. Related party transaction

The Company has related party transactions as described in notes to the financial statements.	Our audit procedures amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. • Evaluated the transactions among the related parties and tested material accounts balances. • Evaluated the disclosures in the financial statements in compliance with IAS 24.

[See note 32.00 to the financial statements]

Reporting on Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

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 of the Company 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.

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.

Auditor's 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:

- 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.
- 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Report on other Legal and Regulatory Requirements

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

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) 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;

(iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and

(iv) the expenditure incurred, except as noted above, were to the purpose of company business

Dhaka, 30 October 2021

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC:

Statement of Financial Position

As at 30 June 2021

Particulars	Notes	Amount in Taka	
		30-Jun-2021	30-Jun-2020
Assets			
Non-Current Assets		**8,176,938,032**	**5,538,701,226**
Property, plant and equipment	4	6,315,582,148	4,675,599,621
Capital work-in-progress	5	1,671,580,884	715,326,604
Investment in shares	6	189,775,000	147,775,000
Current Assets		**6,319,365,280**	**6,429,251,222**
Inventories	7	3,391,141,816	3,099,843,476
Accounts receivables	8	1,236,543,153	470,602,348
Other receivables	9	3,818,089	13,504,400
Advance, deposit and prepayments	10	912,214,697	858,868,308
Investment	11	98,507,093	260,034,065
Cash and cash equivalents	12	677,140,433	1,726,398,625
TOTAL ASSETS		**14,496,303,312**	**11,967,952,448**
EQUITY & LIABILITIES			
Shareholders' Equity		**8,662,233,922**	**6,827,436,987**
Share capital	13	1,348,958,330	1,348,958,330
Share Premium Account	14	1,086,653,150	1,104,070,338
Revaluation surplus	15	3,739,289,135	1,986,590,489
Retained earnings	16	2,487,333,307	2,387,817,831
Non Current Liabilities		**2,420,840,643**	**2,480,390,347**
Deferred Tax liabilities	17	272,861,923	191,187,753
Long term loan net of current maturity	18	2,144,471,932	2,275,685,650
Finance lease obligation net of current maturity	19	3,506,788	13,516,944
Current Liabilities		**3,413,228,747**	**2,660,125,114**
Short term loan	20	1,479,436,051	984,070,652
Current portion of long term loan	18	638,302,027	465,013,712
Current portion of finance lease obligation	19	8,461,764	28,370,223
Unclaimed Dividend	21	4,176,706	2,305,611
Accounts payable	22	998,950,865	866,491,799
Liabilities for expenses	23	283,901,333	313,873,117
TOTAL EQUITY & LIABILITIES		**14,496,303,312**	**11,967,952,448**
Net Asset Value (NAV) per share with revaluation reserve		**64.21**	**50.61**
Net Asset Value (NAV) per share without revaluation reserve		**36.48**	**35.88**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report of even date

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2111141522AS712158

Dhaka, 30 October 2021

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		30-Jun-2021	30-Jun-2020
Revenue	24	7,905,836,002	5,000,518,624
Less: Cost of Goods Sold	25	6,489,644,461	3,905,145,664
Gross profit		**1,416,191,541**	**1,095,372,960**
Less: Operating expenses	26	812,467,478	536,456,752
Gross operating profit		**603,724,063**	**558,916,208**
Less: Financial expenses	27	265,977,109	274,661,889
Net operating profit		**337,746,954**	**284,254,319**
Add: Non-Operating income	28	29,670,793	55,885,930
Profit before WPPF & WF		**367,417,747**	**340,140,249**
Less: Provision for contribution to WPPF & WF	23.01	2,060,747	17,007,012
Profit before tax		**365,357,000**	**323,133,237**
Less: Income tax expenses		63,497,774	57,129,934
Current Tax	23.02	54,852,714	30,664,224
Deferred Tax	17.02	8,645,060	26,465,710
Profit after tax		**301,859,226**	**266,003,303**
Earnings Per Share (EPS) - Basic	29.01	**2.24**	**1.97**
Other comprehensive income for the year, net of tax (Land Revaluation)		1,752,698,646	-
Total comprehensive income for the year, net of tax		**2,054,557,872**	**266,003,303**

The annexed notes form an integral part of these financial statements

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

Signed as per our annexed report of even date

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2111141522AS712158

Dhaka, 30 October 2021

Statement of Changes in Equity

For the year ended 30 June 2021

Amount in Taka

Particulars	Share Capital	Share premium	Revaluation Surplus	Retained Earnings	Total Equity
Balance at 01 July 2020	**1,348,958,330**	**1,086,653,150**	**1,986,590,489**	**2,387,817,831**	**6,810,019,799**
Land Revaluation	-		1,752,698,646	-	1,752,698,646
Net profit for the year	-	-	-	301,859,226	301,859,226
Dividend paid	-	-	-	(202,343,750)	(202,343,750)
Balance at 30 June 2021	**1,348,958,330**	**1,086,653,150**	**3,739,289,135**	**2,487,333,307**	**8,662,233,922**
Balance at 01 July 2019	**1,348,958,330**	**1,104,070,338**	**1,986,590,489**	**2,324,158,278**	**6,763,777,434**
Net profit for the year	-	-	-	266,003,303	266,003,303
Dividend paid	-	-	-	(202,343,750)	(202,343,750)
Balance at 30 June 2020	**1,348,958,330**	**1,104,070,338**	**1,986,590,489**	**2,387,817,831**	**6,827,436,987**

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

Dhaka, 30 October 2021

Statement of Cash Flows

For the year ended 30 June 2021

	Particulars	Notes	Amount in Taka	
			30-Jun-2021	30-Jun-2020
A.	**Cash flows from operating activities**			
	Cash receipts from customers		7,139,895,198	5,064,871,405
	Cash receipt from other income		39,357,104	44,253,401
	Payment to suppliers		(3,919,884,226)	(2,486,634,878)
	Payment to others		(3,175,433,845)	(2,096,309,509)
	Interest paid		(209,675,794)	(198,982,939)
	Income tax paid		(47,324,826)	(36,767,770)
	Net cash flow from operating activities		**(173,066,389)**	**290,429,710**
B.	**Cash flows from investing activities**			
	Acquisition of property, plant and equipment		(55,683,495)	(420,846,019)
	Investment in capital work in progress		(956,254,280)	(24,389,228)
	Advance paid to Valuka project		(265,739,053)	(115,512,474)
	Advance paid for BGMEA Flat		-	-
	Investment in shares		(42,000,000)	-
	Investment in FDR		161,526,973	(170,736,921)
	Net cash used in investing activities		**(1,158,149,856)**	**(731,484,644)**
C.	**Cash flows from financing activities**			
	Proceeds from share issue		-	-
	Share premium received		(17,417,188)	-
	Dividend paid		(202,343,750)	(202,343,750)
	Receipt of Long Term Loan		12,155,981	1,417,284,395
	Receipt/(Repayment) of Short Term Loan		495,365,398	85,072,590
	Net cash flow from/(used in) financing activities		**287,760,442**	**1,300,013,236**
D.	**Net cash surplus during the year (A+B+C)**		(1,043,455,803)	858,958,303
E.	Cash and bank balances at beginning of the year		1,726,398,625	868,495,847
	Effect of movements in exchange rates on cash held			(1,055,526)
F.	**Cash and bank balances at the end of the year**		**682,942,822**	**1,726,398,623**
	Cash and bank balances			
	Cash in hand		19,472,887	2,590,007
	Cash at bank		657,667,546	1,723,808,618
	Total		**677,140,433**	**1,726,398,625**
	Net Operating Cash Flow Per Share (NOCFPS)	29	**(1.30)**	**2.13**

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

Dhaka, 30 October 2021

1.00 Incorporation and Business Activities

Reporting entity

Esquire Knit Composite Limited (EKCL) (herein after referred to as EKCL or the Company) was incorporated [C-39663(1631)/2000] as a Private Limited Company on 16 February 2000 under the Companies Act 1994 and the company commenced commercial operation in 2001. The company has its registered office at 21 Shaheed Tajuddin Ahmed Sarani, (old: 30, Tejgaon I/A) Dhaka and its Factory is located at 22/58, Kanchpur, Sonargaon, Narayanganj.

The company was converted into a public limited company on 22 January 2015.

Nature of business

Esquire Knit Composite Limited is a 100% export oriented Company. It produces different types of Knit garments through its six units namely, knitting units, fabric dyeing unit, printing, embroidery, industrial laundry and garments units and sells the same to foreign buyers including C&A buying KG, Best seller, Mascot, Tchibo, Esprit, Tee Jays, Celio, Next, etc.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of compliance

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.02 Other regulatory compliance

In addition to the above, EKCL is also required to comply and has complied with the following laws and regulations:

- The Income Tax Ordinance 1984;
- The Income Tax Rules 1984;
- The Value Added Tax and Supplementory Duty Act 2012;
- The Value Added Tax Rules, 2016;
- The Bangladesh Labor (Amendment) Act 2013;
- Customs Act 1969;
- Sale of Goods Act 1930;
- Negotiable Instrument Act 1881; and
- The Securities and Exchange Ordinance, 1969;
- The Securities and Exchange Rules, 1987; and
- Other applicable rules and regulations.

2.03 Basis of measurement

These financial statements have been prepared under the historical cost convention applying accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs).

2.04 Components of financial statements

The financial statements of the Company consist of the following components:
- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Informations.

2.05 Use of estimates and judgments

The preparation of the financial statements of the Company requires management to make and apply consistently the judgments, estimates and assumptions for records and balances that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.06 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (Tk/BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.07 Reporting period

These financial statements of the company cover a period of twelve months from 01 July 2020 to 30 June 2021.

3.00 Significant Accounting Policies

3.01 Property, plant and equipment (PPE)

3.1.1 Recognition and measurement

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with International Accounting Standard IAS-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct attributable cost of bringing the assets to its working condition for its intended use.

3.1.2 Subsequent costs

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

3.1.3 Depreciation

Depreciation is charged on property (except land), plant and equipment using 'straight line method' over the estimated useful life of each item of property, plant and equipment. Depreciation on addition to property, plant and equipment is charged from the date when the asset is put into use for commercial operation .Knit Composite Limited, considering the useful lives, decided to charge depreciation at 15% p.a. No depreciation is charged on the assets from the month in which such assets are disposed. The rates of depreciation varies from 5% to 13% p.a. based on useful lives and nature of the assets. Rates of depreciation are:

Particulars	Rate	
Building	5.00%	p.a.
Plant and Machinery	7.00%	p.a.
Furniture and Fixtures	10.00%	p.a.
Office Equipment	10.00%	p.a.
Motor Vehicle	13.00%	p.a.
Software & IT	10.00%	p.a.

3.02 Inventories

3.2.1 Nature of inventories

Inventories consist of yarn, dyes, chemical, packing materials, accessories, sewing thread, printing & embroidery materials, stores and spare parts, etc.

3.2.2 Valuation of inventory

Inventories are valued in accordance with IAS- 2: Inventories i.e. at cost or estimated net realizable value whichever is lower. The cost of inventories includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion of the sale. When the inventories are used, the carrying amount of those inventories are recognized as expenses in the period in which the related revenue is recognized.

3.03 Advance, deposit and prepayments

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

3.04 Cash and cash equivalents

Cash and bank balances comprise cash in hand and cash at bank which are held and available for use by the company without any restriction.

3.05 Accounts receivable and other receivables

Accounts receivables are carried at original invoice amount. EKCL is a 100% export oriented company and all the sales/exports are done through L/C by banks. Receivables are considered as good and realizable. Other receivable represents accrued interest on FDR.

3.06 Accounts payable and other payables

These liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

3.07 Loans and borrowings

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.08 Income tax expense

Income tax expenses comprise current tax and deferred tax. Income taxes are recognized in statement of profit or loss and other comprehensive income except to the extent that relates to items recognized directly in equity or in other comprehensive income.

3.8.1 Current Tax

Taxation is provided in accordance with fiscal regulations applicable. The company taxation is under final settlement of tax liability under section 82C of the Income Tax Ordinance 1984 except other income. Income tax has been deducted at source under section 53BB of the Income Tax Ordinance 1984 on export from 1 July 2020 to June 30, 2021.

3.8.2 Deferred Tax

Deferred tax has been recognized in accordance with the provision of IAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets / liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income / expense is recognized in the statement of profit or loss and other comprehensive income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.09 Revenue recognition

i. Export Revenue

In accordance with the provisions of the IFRS-15 "Revenue from Contracts with Customers"; revenue from contracts with customers represents the amount that reflects the considerations to which entity expects to be entitled in exchange for goods supplied and service provided to customers during the period. Revenue from contracts with customers is recognized in the statement of Profit or Loss and Other comprehensive income when the performance obligation (supply of promised goods and services) is satisfied. Performance obligation is satisfied at a point in time when customer obtains the control of goods and services. Revenue from export is recognized at ex-factory date.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
b. The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
c. The amount of revenue can be measured reliably;
d. It is probable that the economic benefits associated with the transaction will flow to the company; and
e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

ii. Cash Incentive

Cash incentive income is recognized when Proceed Relialization Certificate (PRC) received from the bank against realization of cash incentive.

3.10 Financial expenses

Financial expenses comprise interest expense on long term loan, short term loan, finance lease and other borrowings, bank commission and charges etc. All such costs are recognized in the statement of profit or loss and other Comprehensive Income except those are capitalized in accordance with IAS 23.

3.11 Statement of Cash flows

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

3.12 Foreign currency transactions

The financial statements are presented in Bangladeshi taka (Tk./BDT), which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities in foreign currencies as on the reporting date are converted into Bangladeshi taka at the closing rate. Exchange gain or loss is recognised in Statement of Profit or Loss and Other Comprehensive Income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

3.13 Leases

Leases in terms of which the company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. The interest rate implicit in the lease has been used to calculate the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.14 Earnings Per Share (EPS)

The company presents basic and diluted (when dilution is applicable) Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding and for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for this financial statements as there was no dilutive potential ordinary shares during the relevant periods.

3.15 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. There are no material events that had occured after the reporting period to the date of issue of these financial statements, which could affect the figures presented in the financial statements.

3.16 Provision

A provision is recognized on the date of financial position if, as a result of past events, the company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.17 Employee Benefit

i.Workers' profit participation fund and welfare fund
This represent 5% of net profit before tax contributed by the company as per provisions of the Bangladesh Labour (Amendment) Act 2013 (Bangladesh Labour Law, 2006) and is payable to workers as defined in the said law.

ii. Gratuity

Regular confirmed employee of the company who have completed minimum 5 (five) years of continuous service from the date of joining are eligible to gratuity payment at the time of separation of employment with the company

3.18 Interest Income

Interest income is accrued at the applicable interest rate on bank deposits in the period in which it is incurred.

3.19 Finance costs

Finance costs comprise interest expenses on bank loan and other borrowings and are recognised as expenses in the period in which they are incurred using applicable interest rate.

3.20 Revaluation surplus

This represents the difference between book value and revalued amount of land and land development. As per IAS 16: Property, Plant and Equipment, revaluation is done with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The fair value of land was determined from market-based evidence by an appraisal as on July 20,2020 by Masih Muhith Haque & Co. which is a professionally qualified valuer.

3.21 Impairment

(a) Financial assets

Accounts receivable and other receivable are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effects on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(b) 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 exists, the company estimates the recoverable amount of

the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.
Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

3.22 Comparative information

Comparative information has been disclosed in respect of year 2018-19 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements. Last year figures have been rearranged where considered necessary to conform to current years presentation.

3.23 Compliance with Financial Reporting Standards as applicable in Bangladesh:

IASs	Title	Remarks
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
32	Financial Instruments: Presentation	Complied
33	Earnings per Share (EPS)	Complied
34	Interim Financial Reporting	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied

IFRS	Title	Remarks
7	Financial Instruments: Disclosures	Complied
9	Financial Instruments	Complied
12	Disclosure of Interests in Other Entities	Complied
13	Fair Value Measurment	Complied
15	Revenue from Contracts with Customer	Complied
16	Leases	Complied

3.24 General

i. Figures have been rounded off to the nearest Taka.
ii. Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
4.00 Property, plant and equipment			
(A) Cost/ Revaluation			
i) Freehold assets			
Opening balance		6,837,515,173	6,416,669,154
Add: Addition during the year		1,881,411,252	420,846,019
		8,718,926,424	6,837,515,173
ii) Leasehold assets			
Opening balance		99,420,368	99,420,368
Add: Addition during the year		-	
		99,420,368	99,420,368
Total (A)		8,818,346,792	6,936,935,541
(B) Accumulated depreciation			
i) Freehold assets			
Opening balance		2,214,040,447	1,993,885,990
Add: Charged during the year		229,001,178	220,154,457
		2,443,041,626	2,214,040,447
ii) Leasehold assets			
Opening balance		47,295,472	34,867,926
Add: Charged during the year		12,427,546	12,427,546
		59,723,018	47,295,472
Total (B)		2,502,764,644	2,261,335,919
(C) Written Down Value (A-B)		**6,315,582,148**	**4,675,599,621**

A schedule of property, plant and equipment is given in Annexure-A.

5.00 Capital work-in-progress			
Opening balance		715,326,604	690,937,377
Add: Addition during the year	5.01	1,006,238,634	225,606,345
		1,721,565,238	916,543,721
Less: Transferred to Property, Plant & Equipment		49,984,354	201,217,117
		1,671,580,884	**715,326,604**
5.01 Addition during the year			
BSCIC-Doom project			-
Advance for construction -Valuka project		-	-
Valuka Project		1,003,695,748	206,987,526
Machineries in work in process-Unit-7		-	600,000
Machineries in work in process		-	18,018,819
Building materials in transit		2,542,886	-
Warehouse- Kunchpur		-	-
		1,006,238,634	**225,606,345**

A schedule of capital work in progress addition during the year is given in Annexure-B.

6.00 Investment in shares		
Esquire Accessories Limited	10,275,000	10,275,000
L' Esquire Ltd	42,000,000	-
Esquire Electronics Limited	37,500,000	37,500,000
Investment in ICL Unit Fund	100,000,000	100,000,000
	189,775,000	**147,775,000**

7.00 Inventories

		Quantity		30.06.2021	30.06.2020
		30.06.2021	30.06.2020	Taka	Taka
Yarn (kg)		2,304,588	2,649,002	837,871,652	850,671,540
Dyes (kg)		215,529	210,191	242,337,642	246,474,278
Chemical (kg)		1,316,954	1,418,353	130,155,983	152,827,600
Finishing Materials	7.01	-	-	740,178,282	719,805,656
Materials in transit	7.02	-	-	129,872,558	93,448,584
Spare parts and consumable items	7.03	-	-	245,213,080	159,905,869
Work in process	7.04	-	-	791,466,248	679,717,479
Finished goods (pcs.)	7.05	1,267,708	1,021,663	274,046,371	196,992,470
				3,391,141,816	**3,099,843,476**

A schedule of inventories is given in **Annexure-C.**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020

7.01 Finishing Materials

Packing materials	402,155,744	307,681,222
Accessories	238,053,367	319,207,604
Sewing Thread	97,243,478	65,892,910
Printing & Embroidery materials	2,725,693	27,023,920
	740,178,282	**719,805,656**

A schedule of finishing materials is given in **Annexure-C.**

7.02 Materials in transit

	Quantity			
	30.06.2021	30.06.2020		
Yarn (kg)	17,636	11,679	46,750,272	36,423,974
Dyes (kg)	13,256	8,779	21,671,763	5,014,245
Chemical (kg)	18,272	12,181	23,908,132	4,201,668
Machine	-	-	13,714,896	36,301,748
Finishing Materials	-	-	10,446,115	8,159,222
Spare Parts	-	-	13,381,380	3,347,727
			129,872,558	**93,448,584**

7.03 Spare parts and consumable items

Spareparts & Consumable items	245,213,080	159,905,869
	245,213,080	**159,905,869**

A schedule of spare parts and consumable items is given in **Annexure-D.**

7.04 Work in Process

	Quantity			
	30.06.2021	30.06.2020		
Knitting (kg)	89,549	77,869	23,709,465	23,474,718
Finished Fabric (kg)	1,101,933	1,296,392	565,861,073	437,679,725
Cutting (Pcs)	3,892,789	3,395,162	101,423,962	119,322,308
Embroidery (Pcs)	4,336	3,770	1,302,084	1,531,864
Printing (Pcs)	7,546	6,798	2,651,908	3,083,613
Sewing (Pcs)	1,096,381	1,038,240	96,517,755	94,625,250
			791,466,248	**679,717,479**

A schedule of work in process is given in **Annexure-E.**

7.05 Finished Goods (pcs.)

	Quantity		30.06.2021	30.06.2020
	30.06.2021	30.06.2020	Taka	Taka
Opening	1,021,663	979,950	196,992,470	146,992,471
Add: Production during the year	39,025,299	18,126,428	6,536,380,483	5,715,106,439
	40,046,962	19,106,378	6,733,372,953	5,862,098,910
Less: Delivered during the year	38,779,254	18,084,715	6,459,326,582	5,665,106,439
	1,267,708	**1,021,663**	**274,046,370**	**196,992,470**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
8.00 Accounts receivables	**1,236,543,153**	**470,602,348**

A schedule of account receivable is given in **Annexure-F**.

Disclosure as per Schedule XI, Part I, Para (F) of the Companies Act 1994:

I. Debt considered good in respect of which the company is fully secured

The debtors occurred in the ordinary course of business are considered good and secured against confirmed L/C.

II. Debt considered good for which the company hold no security other than the debtors' personal security

There is no such debt in this respect as on 30 June 2021.

III. Debt considered doubtful or bad

The company does not make any provision for doubtful debts as on 30 June 2021, because of the fact that sales/export are being made on 100% confirmed L/C basis with fixed maturity dates.

IV. Debt due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2021.

V. Debt due by Common Management

There are no amount due from sister company under common management as on 30 June 2021.

VI. The maximum amount due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2021.

Aging of accounts receivable

The aging of gross trade receivables as at the statement of financial position date was:

Past due 0-90 days	1,236,543,153	470,602,348
Past due 91-180 days	-	-
Past due 181 -365 days	-	-
Past due more than 365 days	-	-
	1,236,543,153	**470,602,348**

9.00 Other receivables

Cash incentive	3,372,700	12,480,200
Accrued interest on FDR	445,389	1,024,200
	3,818,089	**13,504,400**

10.00 Advance, deposit and prepayments

Advance	10.01	836,620,631	794,679,821
Deposit	10.02	66,441,233	54,682,360
Prepayments	10.03	9,152,833	9,506,127
		912,214,697	**858,868,308**

10.01 Advance

Advance against Land		-	2,500,000
Advance to creditors		476,304,571	631,029,047
Advance against salaries		11,401,705	3,200,941
Payment to L'esquire for Valuka project		265,739,053	-
Advance for commercial Flat -BGMEA COMPLEX		-	53,806,000
Advance Income Tax	10.1.1	83,175,302	104,143,833
		836,620,631	**794,679,821**

A schedule of advance given to creditors is given in **Annexure-G.**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
10.1.1 Advance Income Tax			
Opening balance		104,143,833	67,376,063
Add: Addition during the year	10.1.1.1	47,324,826	36,767,770
		151,468,659	104,143,833
Less: Adjustment for assessment year-2018-19		38,510,645	-
Less: Adjustment for assessment year-2019-20		29,782,712	-
		83,175,302	**104,143,833**
10.1.1.1 Advance Income Tax addition			
Advance Income Tax on Car		2,582,500	1,470,500
Advance Income Tax on FDR Interest		3,939,214	5,464,873
TDS on Import Stage		2,964,804	2,387,804
TDS on Export Proceeds		37,838,308	27,444,594
		47,324,826	**36,767,770**
10.02 Deposit			
Guarantee margin & LC margin		2,892,017	2,062,456
Security deposit	10.2.1	12,691,354	12,691,354
FBPAR & margin account	10.2.2	50,857,861	39,928,549
		66,441,233	**54,682,360**
10.2.1 Security deposit			
Rural Electrification Board (REB) for electricity		7,295,517	7,295,517
Security Deposit-BSCIC		1,455,000	1,455,000
PIL Bangladesh Ltd		400,000	400,000
Mobile phone		60,000	60,000
Lease rental		691,260	691,260
Titas Gas Transmission & Distribution Company Limited for gas		2,789,577	2,789,577
		12,691,354	**12,691,354**
10.2.2 FBPAR & margin account			
FBPAR A/C with DBBL -in Dollar (78)		11,102,459	17,687,939
FBPAR A/C with DBBL -in Dollar (63)		7,429,461	21,126,550
FBPAR A/C with DBBL -in EURO		144,633	136,804
Margin A/C with EBL -in Dollar		32,104,705	904,800
Margin A/C with EBL -in EURO		76,603	72,456
		50,857,861	**39,928,549**
10.03 Prepayments			
Insurance premium		**9,152,833**	**9,506,127**

10.04 Aging of advance, deposit & prepayment

The aging of advance, deposit & prepayment as at the statement of financial position date was as follows:

Past due 0-90 days	836,620,631	794,679,821
Past due 91-180 days	37,838,308	36,767,770
Past due 181 -365 days	25,064,404	14,729,363
Past due more than 365 days	12,691,354	12,691,354
	912,214,697	**858,868,308**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
10.05 The details breakup of advance, deposit and prepayment as per requirement of Schedule XI, part I, para (J) of the Companies Act, 1994 stated below:		
Advance, deposit and prepayments exceeding 6 months	37,755,758	27,420,717
Advance, deposit and prepayments not exceeding 6 months	37,838,308	36,767,770
Other advance, deposit and prepayments less provision	66,441,233	54,682,360
Advance, deposit and prepayments considered good and secured	758,777,693	736,796,521
Advance, deposit and prepayments due by Other Officers (against Salary)	11,401,705	3,200,941

11.00 Investment

Investment in FDR	11.01	98,507,093	260,034,065
		98,507,093	**260,034,065**

11.01 Investment in FDR

Bank Name	A/C No	Principle	Term (Months)	Maturity Date		
Dutch Bangla Bank Limited	506.0001926	2,923,858	12	29.12.2020	3,471,740	3,315,102
	504.0017552	2,793,573	12	28.02.2021	3,310,822	3,161,047
	504.0019071	10,865,251	12	06.07.2020	13,010,638	12,396,987
	504.0019148	21,730,503	12	14.07.2020	26,021,277	24,793,975
	504.0020915	21,228,452	12	10.03.2021	25,312,492	24,118,620
	504.0021052	10,592,585	12	19.03.2021	12,630,440	12,034,721
	504.0008214	10,332,957	12	28.06.2020	12,319,956	11,840,419
	504.0025965	2,051,913	12	15.06.2020	2,429,728	2,340,215
					98,507,093	**94,001,085**
Uttara Finance and Investment Limited	11724/19	50,000,000	11.5	28.07.2020	-	54,778,014
	11725/19	50,000,000	11.5	28.07.2020	-	54,778,014
	11842/19	30,000,000	11	19.09.2020	-	32,310,905
	11858/19	22,500,000	11	30.09.2020	-	24,166,048
					-	**166,032,980**
					98,507,093	**260,034,065**

These FDRs have been liened with Dutch Bangla Bank Limited for maintenance of margin for L/C liabilities and bank guarantees.

12.00 Cash and cash equivalents

Cash in hand	12.01	19,472,887	2,590,007
Cash at bank	12.02	657,667,546	1,723,808,618
		677,140,433	**1,726,398,625**

12.01 Cash in hand

Head Office	13,405,000	905,000
Factory	6,067,887	1,685,007
	19,472,887	**2,590,007**

				Amount in Taka	
				30-Jun-2021	30-Jun-2020

12.02 Cash at bank

Bank Name	Branch	A/C Type	A/C No.		
Dutch Bangla Bank Ltd.	Local office	FCAD($)	101.117.163	49,179,088	11,954,248
Dutch Bangla Bank Ltd.	Local office	FCAD(€)	101.119.20	5,581	5,298
Dutch Bangla Bank Ltd.	Local office	FCAD($)	101.110.0006900	398,039,467	1,187,900,000
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	101.110.36941	85,467	108,185
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	101.120.5645	521,803	25,705,564
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	101.120.5692	423,146	85,808
Eastern Bank Ltd.	Principal	FCAD($)	101.305.3310	58,003	75,071
Dutch Bangla Bank Ltd.	Kawran Bazar	CD	107.120.484	407,987	849,071
BRAC Bank Ltd.		CD	1505203551787001	139,873,894	475,843,305
Jamuna Bank Ltd.	Mohakhali	CD	102.100.15098	2,065	999,755
NCC Bank CD A/C	Baridhara	CD	107.021.000.1597	22,757	23,667
One Bank Ltd.	Agrabad, Ctg.	CD	003.105.0001366	267,284	204,619
Al -Arafa Islami Bank ltd		CD	0141020047786	15,000	-
Bank Asia		CD	62733000256	206,556	-
Dutch Bangla Bank Ltd.		CD	107.110.0031497	1,886,117	2,305,611
Shahajalal Islamic Bank		CD	40331100000679	2,355	-
South Bangla Ariculture		CD	001.011.1005482	14,655	-
United Commercial Bank		CD	781.101.000002124	593,569	-
United Commercial Bank		FCAD	0781184000000267	56,349,212	-
UCBL -FACD in USD A/C			0781181000000193	7,362,473	-
HSBC		CD	001-011576-011	41,415	41,415
Dutch Bangla Bank Ltd.		CD	101.120.0007676	2,290,589	-
One Bank Ltd.		CD	0031020009947	15,758	15,758
Dutch Bangla Bank Ltd.	Local office, Dilkusha	FC (USD)		-	17,687,939
One Bank Ltd.	Mirpur		110039901005	3,306	3,306
				657,667,546	**1,723,808,618**

13.00 Share capital

Authorized capital		
200,000,000 Ordinary shares of Tk.10 each	**2,000,000,000**	**2,000,000,000**
Issued, subscribed and paid-up capital		
134,895,833 Ordinary shares of Tk.10 each fully paid	**1,348,958,330**	**1,348,958,330**

Details of the shareholdings are as under:

Name of Shareholders	% held	No. of shares		30.06.2021 Taka	30.06.2020 Taka
		30.06.2021	30.06.2020		
Md. Mofazzal Hossain	21.34%	28,791,667	28,791,667	287,916,670	287,916,670
Md. Ehsanul Habib	11.14%	15,032,960	15,032,960	150,329,600	150,329,600
Arifur Rahman	5.87%	7,925,000	7,925,000	79,250,000	79,250,000
Md. Muddasar Hossain	5.87%	7,925,000	7,925,000	79,250,000	79,250,000
Mrs. Peara Begum	2.73%	3,681,343	3,681,343	36,813,430	36,813,430
Esquire Dyeing Industries Ltd.	21.93%	29,581,343	29,581,343	295,813,430	295,813,430
Esquire Accessories Ltd.	0.90%	1,214,677	1,214,677	12,146,770	12,146,770
Esquire Electronics Ltd.	4.34%	5,848,010	5,848,010	58,480,100	58,480,100
General Public and Institution	25.87%	34895833	34,895,833.00	348,958,330	348,958,330
	100%	134,895,833	134,895,833	1,348,958,330	1,348,958,330

The company increased its authorised capital from 1,500 million to 2,000 million by passing a special resolution in the company's Extra Ordinary General Meeting (EGM) held on 22 December 2016.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
14.00 Share premium		
Share premium	1,151,041,650	1,151,041,650
Less: IPO Expense	64,388,500	46,971,312
	1,086,653,150	**1,104,070,338**

In 2018-19, total amount of share share premium tk 1,151,041650 (20,833,332 shares @ Tk 35 premium for Eligible Investor & 14,962,501 shares @ Tk 30 premium for General Public) was received as share premium in respect of issued to share holder through IPO

15.00 Revaluation surplus	**3,739,289,135**	**1,986,590,489**
16.00 Retained earnings		
Opening balance	2,387,817,831	2,324,158,278
Add: Net profit after tax for the year	301,859,226	266,003,303
Less: Cash dividend	202,343,750	202,343,750
	2,487,333,307	**2,387,817,831**

17.00 Deferred Tax liabilities

Deferred tax liabilities have been recognized and measured in accordance with the provisions of IAS 12: Income Taxes.

Deferred tax liabilities related to Profit and Loss A/C	17.01	117,058,209	108,413,149
Deferred tax Liabilities related to other comprehensive income		155,803,714	82,774,604
		272,861,923	**191,187,753**

17.01 Deferred tax liabilties

As at 30 June 2021	**Carrying amount Taka**	**Tax base Taka**	**Taxable temporary difference Taka**
Deferred tax liabilities related to Profit and Loss A/C			
Property, plant and equipment excluding land	2,297,036,147	1,321,551,071	975,485,076
Applicable tax rate			12.00%
Deferred tax liability			**117,058,209**
Deferred tax Liabilities related to other comprehensive income			
Revaluation reserve for land	3,895,092,849	Nil	3,895,092,849
Applicable tax rate			4.00%
Deferred tax liability			**155,803,714**

As at 30 June 2020	**Carrying amount Taka**	**Tax base Taka**	**Taxable temporary difference Taka**
Deferred tax liabilities related to Profit and Loss A/C			
Property, plant and equipment excluding land	2,482,781,377	1,579,338,469	903,442,908
Applicable tax rate			12%
Deferred tax liability			**108,413,149**

	Carrying amount Taka	**Tax base Taka**	**Taxable temporary difference Taka**
Deferred tax Liabilities related to other comprehensive income			
Revaluation reserve for land	2,069,365,092	Nil	2,069,365,092
Applicable tax rate			4.00%
Deferred tax liability			**82,774,604**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
17.02 Deferred Tax Expenses			
Deferred Liabilities at the end of the period		117,058,209	108,413,149
Deferred Liabilities at the beginning of the period		108,413,149	81,947,439
Deferred Tax expenses		**8,645,060**	**26,465,710**
18.00 Long term loan net of current maturity			
International Finance Corporation	18.01	1,180,900,000	1,180,900,000
Jamuna Bank Limited	18.02	26,598,619	27,634,414
Dutch Bangla Bank Limited-Term Loan	18.03	1,532,164,948	1,532,164,948
IDLC Finance Limited		43,110,391	-
		2,782,773,959	2,740,699,362
Less: Current portion of long term loan		638,302,027	465,013,712
Deutsche Investitions- und Entwicklungsgesellschaft MbH		-	-
Dutch Bangla Bank Limited		602,734,255	450,265,712
Jamuna Bank Limited		15,495,492	14,748,000
IDLC Finance Limited		20,072,280	-
		2,144,471,932	**2,275,685,650**

18.01 International Finance Corporation

Particulars of the term loans are given below.

(Amount in USD)

Bank Name	Loan Account	Particulars	Outstanding as on 30.06.2021
International Finance Corportion	IFC	Long term loan for Expansion project	Limit: 14000000 Tenor: 8 period/years Interest Rate: 3.50(LIBOR+Margin)

Collateral: A first ranking registered Mortgage on all land and Buildings of the Company. A first raking hypothecation on all present and future movable assets(other than current assets and stocks) of the Company by executing a deed of the hypothecation. Personal joint and several first demand payment guarantee from the Sponsors.Joint and several first demand payment guarantee from the Companies.

18.02 Jamuna Bank Limited	**26,598,619**	**27,634,414**

Details of the term loan with Jamuna Bank Limited are as under:

Bank Name	Facilities	Particulars
Jamuna Bank Limited	Term Loan	Limit: 30,000,000 Tenor: 60 months Pricing: 9.00% p.a.
Jamuna Bank Limited	Term Loan	Limit: 20,000,000 Tenor: 60 months Pricing: 9.00% p.a.

Collateral: Security cheque covering the Term Loan amount with letter of approach duly signed by the authorized person. Personal Guarantee of all the Directors of the company, supported by duly signed individual personal net worth statement. Corporate Guarantee of Shah Garments Limited, supported by MOA, AOA and Board resolution.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
18.03 Dutch-Bangla Bank Limited	**1,532,164,948**	**1,532,164,948**

Details of the banking facilities with Dutch Bangla Bank Limited are as under:

Bank Name	Facilities	Particulars
Dutch-Bangla Bank Limited	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 2250,000,000 Tenor: 120 days (Usance) Pricing: 0.30% 1st Qtr. & 0.20% Subs Qtr. PAD-EDF @ 6 months LIBOR+2.5.50 p.a. EDF interest As per Bangladesh Bank Circular
	Export Cash Credit	Limit: 80,000,000 Tenor: 180 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 270,000,000 Pricing: 9.00% p.a.
	Letter of Credit(Sight/Usance/UPAS)	Limit: 600,000,000, Sub Limit 150,000,000, Pricing: 0.30% 1st Qtr. & 0.20% Subs Qtr. PAD @ 9.00% p.a.
	Letter of Credit(Sight/Usance/UPAS)-Machinery	Limit: 150,000,000, Pricing: 0.30% 1st Qtr. & 0.20% Subs Qtr. PAD @ 9.00% p.a
	Term Loan - Specific	Limit: 150,000,000, Tenor: 1.5 Years Pricing: 8.75% p.a.
	Loan against trust receipt (LTR)	Limit: 100,000,000 Tenor: 120 days Pricing: 9.00% p.a.
	Letter of Guarantee	Limit: 10,000,000 Pricing: 0.55% per quarter.
	Loan against Cash Incentive-Renewal	Limit: 40,000,000 Tenor: 180 days Pricing: 9.00% p.a.
	Short Term Loan	Limit: 75,000,000 Tenor: 90 days Pricing: 9.00% p.a.
	Bill of Discount	Limit: 150,000,000 Tenor: 180 days Pricing: 9.00% p.a.

Collateral: Registered mortgage of 94 decimal land, building thereon at kanchpur, Narayanganj (Note: among 94 decimal land 60 decimal land is in the name of New Dhaka Ceramic Industries Limited and mortgage to the Dutch Bangla Bank Limited). Charge created with RJSC shall continue. Registered Hypothecation on Pari-Passu basis with Eastern Bank Limited on all current assets and stocks both present and future, belonging to the borrower duly insured with Bank's mortgage clause. Registered Hypothecation on Pari-Passu basis among Dutch Bangla Bank Limited and Eastern Bank Limited over listed plant, machinery, spare parts, accessories, electrical equipment's etc. (present and future) excluding the listed machinery under DEG financed. Registered Hypothecation of 1st priority fixed and floating charge with RJSC against registered hypothecation on pari-passu basis with Eastern Bank Limited and DEG over all movable assets both present and future of the borrower, including but not limited to the plant, machinery and equipment's of the company duly insured with Bank's mortgage clause. Personal Guarantee jointly and severally of the directors of the company. Personal Guarantee of all the directors of Fashion Paradise Ltd., Esquire Dyeing Industries Ltd. Corporate Guarantee of Fashion Paradise Limited, Esquire Electronics Limited and Esquire Dyeing Industries Limited with duly adopted board resolution.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
19.00 Finance lease obligation net of current maturity		
IDLC Finance Limited	7,619,878	34,528,703
IPDC Finance Limited	4,348,674	7,358,464
	11,968,552	41,887,167
Less: Current portion of finance lease obligation-IDLC	5,468,220	25,376,679
Less: Current portion of finance lease obligation-IPDC	2,993,544	2,993,544
	8,461,764	28,370,223
	3,506,788	**13,516,944**

IDLC Finance Limited

Esquire Knit Composite Limited entered into lease agreement with IDLC Finance Limited from the year 2016 to 2021 for vehicles. Esquire Knit Composite Limited pays fixed monthly installments which comprise principal and interest in return.

IPDC Finance Limited

Particulars of the above lease finance(vehicle) are given below.

Name of the lender	Name of Facilities	Particulars
IPDC Finance Limited	Lease Finance	Limit: 8,700,000 Tenor: 60 months Pricing: 14.00% p.a.
IPDC Finance Limited	Lease Finance	Limit: 2,750,000 Tenor: 60 months Pricing: 14.00% p.a.

Collateral: The Security arrangements will include but are not limited to:

1. Registration & Comprehensive Insurance of the vehicles in favor of IPDC. 2. Personal Guarantee of all sponsor Directors of the Lessee(s). 3. Cross Corporate Guarantee of the Lessee(s) (Supported by Board Resolution and undertaking to amend MEMART by incorporating the clause empowering to provide corporate guarantee, if not Legally enforceable by MEMART). 4. Security cheque. 5. Post-Dated cheques (PDCs) for monthly rental payment. 6. Demand Promissory Note along with Letter of Continuation. 7. Other usual charge documents.

Details of Lease Agreement

Lease From	Purpose	Finance Amount	Lease Term	Monthly Rental	Rental Paid	Future Payment
IDLC	Vehicle	29,000,000	5 Years	565,310	25,727,528	3,272,472
IPDC	Vehicle	10,550,000	5 Years	249,462	3,191,536	7,358,464
		39,550,000		814,772	28,919,064	10,630,936

20.00 Short term loan			
Dutch Bangla Bank Limited	20.01	929,802,980	722,657,856
Eastern Bank Limited	20.02	16,206,792	3,212,628
United commercial Bank Limited	20.03	64,060,332	-
Bank Asia limited		255,752,188	-
Uttara Finance Limited		-	153,758,501
IFIL		103,290,000	-
IPDC Finance Limited		110,323,760	104,441,667
		1,479,436,051	**984,070,652**

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
20.01 Short Term Loan Dutch Bangla Bank Limited			
Export cash credit		72,334,052	91,153,720
Loan Trust Receipts (LTR)		2,741,194	20,660,035
Forced loan		-	-
Loan against EDF		-	165,768,648
Overdraft	20.1.1	275,542,296	279,585,708
PAD-Foreign cash		23,132,011	-
Bills purcahse			-
Short term loan-EMI		164,515,902	165,489,745
Other loans		391,537,525	-
		929,802,980	**722,657,856**

20.1.1 Overdraft

Name of the Bank	Branch	Account #		
Dutch Bangla Bank Ltd.	Kawran Bazar	954.440.1000.000.37	193,100,555	279,583,708
Dutch Bangla Bank Ltd.	Kawran Bazar	954.417.000.0188	81,917,938	-
Dutch Bangla Bank Ltd.	Dilkusha	1014010000262	2,000	2,000
Dutch Bangla Bank Ltd.	Kawran Bazar	101.120.5645	521,803	-
			275,542,296	**279,585,708**

Particulars such as the terms & conditions of the above short term loans are same as stated under Note # 17.3.

20.02 Eastern Bank Limited			
Overdraft		16,206,792	(1,685,973)
Time loan normal		-	4,155,705
Loan against EDF		-	742,896
		16,206,792	**3,212,628**

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
Eastern Bank Limited	Back to Back LC (Usance/sight under EDF Including acceptance liability)	Limit: 200,000,000 Tenor: 180 days Pricing: 0.20% PQ.
	Acceptance[Within Line # 1]	Limit: 200,000,000 Tenor: 180 days Pricing: 0.20% PQ.
	Sight Letter of Credit-I (Financed through EDF) [Within Line # 1]	Limit: (100,000,000) Tenor: 180 days Pricing: 0.20% PQ.
	EDF Loan [Within Line # 1]	Limit: (100,000,000), As per Bangladesh Bank Circular
	Sight Letter of Credit-II [Within Line # 1]	Limit: (30,000,000) Tenor: 180 days Pricing: 0.20% PQ.
	Import Loan	Limit: (27,000,000) Tenor: 180 days Pricing: 9.00% p.a.
	Sight Letter of Credit-III [Within Line # 1]	Limit: (10,000,000) Tenor: 360 days Pricing: 0.20% PQ.
	Time Loan	Limit: (9,000,000) Tenor: 360 days Pricing: 9.00% p.a.
	Packing Credit	Limit: 20,000,000 Tenor: 120 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 20,000,000 Tenor: 360 days Pricing: 13.00% p.a.
	Letter of Guarantee	Limit: (5,000,000) Tenor: Up to 5 years Pricing: 0.30% per Minimum tk. 2500

Collateral: Registered Mortgage (1st pari-passu with other lenders: EBL, DBBL, & DEG) on factory Land (81 decimal) and Building of expansion unit of Esquire Knit Composite Ltd., at Kanchpur, Sonargaon, Narayangonj. 1st Registered Mortgage & Registered Power of Attorney on 197.00 Decimal land building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite Limited.

			Amount in Taka	
			30-Jun-2021	30-Jun-2020
20.03 United Commercial Bank Ltd.				
	Branch	A/C #		
Overdraft		0781749000000347	12,945,782	-
Time loan normal			41,382,491	-
Export Cash credit			9,732,060	-
			64,060,332	**-**

Particulars of the above banking facilities are given below:

Bank Name	Facilities	Particulars
United Commercial Bank Ltd.	**Back to Back LC (Usance/sight under EDF Including acceptance liability)**	Limit: 650,000,000 Tenor: 120 days Pricing: 0.25% PQ.
	Letter of Credit(Sight/Usance/UPAS)	Limit: 200,000,000 Tenor: 180 days Pricing: 9.00% PQ.
	Letter of Credit(Sight/Usance/UPAS)-Machinery	Limit: 200,000,000 Tenor: 360 days Pricing: 9.00% PQ.
	Loan against trust receipt (LTR)	Limit: 50,000,000 Tenor: 120 days Pricing: 9.00% PQ.
	Bill of Discount	Limit: 100,000,000 Tenor: 120 days Pricing: 9.00% PQ.
	FBPD/OBU Discounting	Limit: 100,000,000 Tenor: 21 days Pricing: 9.00% p.a.
	Time Loan	Limit: 5,000,000 Tenor: 120 days Pricing: 9.00% p.a.
	Packing Credit	Limit: 40,000,000 Tenor: 90 days Pricing: 7.00% p.a.
	Overdraft (OD)	Limit: 50,000,000 Tenor: 360 days Pricing: 9.00% p.a.

Collateral: Registered Mortgage (1st pari-passu with other lenders: EBL, DBBL, & DEG) on factory Land (81 decimal) and Building of expansion unit of Esquire Knit Composite Ltd., at Kanchpur, Sonargaon, Narayangonj. 1st Registered Mortgage & Registered Power of Attorney on 197.00 Decimal land building thereon (Solely with Eastern Bank Limited), located at Mouza: Jamaldi, P.S. & SRO: Gazaria, District: Munshiganj, owned by Esquire Knit Composite Limited.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
21.00 Unclaimed Dividend	**4,176,706**	**2,305,611**
22.00 Accounts payable		
Import liability and other creditors	**998,950,865**	**866,491,799**

A schedule of import liability and other creditors is given in Annexure-H.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
23.00 Liabilities for expenses			
Directors' remunerations		60,774,255	30,774,255
Salary and wages		20,389,996	24,702,693
Gas Bills		19,424,948	15,951,849
Electricity		3,478,969	3,241,809
Telephone bill		10,173	4,004
Tax & VAT		5,832,545	5,832,545
WPPF payable	23.01	-	24,836,974
Wasa bill		16,000	14,344
Provision for Income Tax	23.02	116,695,379	130,136,025
Provision for Head office Floors		1,837,169	1,837,169
Financial Interest		48,874,919	75,678,950
Dividend payable		2,660,481	-
Audit fees		862,500	862,500
Head office rent		3,044,000	
		283,901,333	**313,873,117**
23.01 WPPF payable			
Opening Balance		24,836,974	8,645,818
Add: Addition during the year		2,060,747	17,007,012
		26,897,722	25,652,831
Less: Payment during the year		26,897,721	815,857
		1	**24,836,974**
23.02 Provision for Income Tax			
Opening balance		130,136,025	99,471,801
Add: Provision made for the year		54,852,714	30,664,224
		184,988,739	130,136,025
Less: Adjustment for assessment year-2018-19		38,510,648	-
Less: Adjustment for assessment year-2019-20		29,782,712	-
		116,695,379	**130,136,025**
Income Tax provision		**Taka**	
Export		47,435,016	
Non operating income		7,417,698	
		54,852,714	
24.00 Sales			
Export sales		**7,905,836,002**	**5,000,518,624**
Disclosure as per Schedule XI, Part II, Para 8 (e) of the Companies Act 1994:			
i. The quantity of the company's export of knit garments in pieces:		54,260,425	59,052,272
ii. Foreign currency earned against export on FOB Basis:			
	In USD	93,667,010	59,051,944
	In BDT	**7,905,836,002**	**5,000,518,624**

iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees and .....consultancy fees.

iv. The value of export for the year ended on 30 June 2021.

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
25.00 Cost of Goods Sold			
Cost of materials consumed	25.01	3,955,650,011	2,107,481,040
Cost of direct labor	25.02	2,167,290,560	1,373,421,204
Prime cost		**6,122,940,570**	**3,480,902,244**
Factory overheads	25.03	555,506,559	524,243,420
Cost of Goods put into Process		**6,678,447,130**	**4,005,145,664**
Opening Work -in- process		679,717,479	629,717,479
Closing Work- in- process	25.04	(791,466,248)	(679,717,479)
Cost of Goods Manufactured		**6,566,698,361**	**3,955,145,664**
Opening Finished Goods		196,992,470	146,992,470
Cost of Goods Available for Sale		**6,763,690,832**	**4,102,138,134**
Closing Finished Goods	25.05	(274,046,371)	(196,992,470)
		6,489,644,461	**3,905,145,664**
25.01 Raw Materials Consumption			
Yarn	25.1.1	2,883,685,852	1,302,424,875
Dyes	25.1.2	136,158,338	96,180,085
Chemical	25.1.3	267,970,550	207,675,352
Finishing Materials	25.1.4	667,835,271	501,200,730
		3,955,650,011	**2,107,481,040**

25.1.1 Yarn Consumption

	Quantity in kg			
	2020-21	2019-20		
Opening	2,649,002	2,644,818	850,671,540	812,210,449
Add: Purchase during the year	9,432,790	4,823,331	2,870,885,965	1,340,885,965
	12,081,792	7,468,149	3,721,557,504	2,153,096,414
Less: Closing stock	2,304,588	2,649,002	837,871,652	850,671,540
	9,777,204	**4,819,147**	**2,883,685,852**	**1,302,424,875**

25.1.2 Dyes Consumption

	Quantity in kg			
	2020-21	2019-20		
Opening	210,191	179,426	246,474,278	210,632,661
Add: Purchase during the year	210,191	179,426	132,021,702	132,021,702
	420,382	358,852	378,495,980	342,654,363
Less: Closing stock	215,529	210,191	242,337,642	246,474,278
	204,853	**148,661**	**136,158,338**	**96,180,085**

25.1.3 Chemical Consumption

	Quantity in kg			
	2020-21	2019-20		
Opening	1,418,353	1,090,520	152,827,600	115,204,020
Add: Purchase during the year	1,957,537	2,044,158	245,298,932	245,298,932
	3,375,890	3,134,678	398,126,532	360,502,952
Less: Closing stock	1,316,954	1,418,353	130,155,983	152,827,600
	2,058,936	**1,716,325**	**267,970,550**	**207,675,352**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
25.1.4 Finishing materials Consumption		
Opening	719,805,656	582,798,489
Add: Purchase during the year	688,207,897	638,207,897
	1,408,013,553	1,221,006,386
Less: Closing stock	740,178,282	719,805,656
	667,835,271	**501,200,730**

Disclosure as per requirement of Schedule XI, Part II, Para 8

Raw Materials, Spare Parts, Packing Materials and Capital Machinery

Items	Purchase	
	Import	Local (BBLC)
Yarn	362,256,914	238,129,223
Dyes & Chemical	122,203,298	81,955,622
Packing Materials	76,357,239	65,909,496
Accessories	140,556,917	129,586,043
Store & Spare-Parts	75,803,974	16,906,041
	777,178,343	**532,486,425**

25.02 Cost of direct labor		
Workers wages	1,384,385,960	732,967,240
Workers overtime	294,591,099	177,568,750
Daily labor	7,646,941	7,660,728
Salary	474,599,625	449,157,552
Festival bonus and Provident Fund	6,066,934	6,066,934
	2,167,290,560	**1,373,421,204**
25.03 Factory overheads		
Gas and electricity	202,607,610	157,785,566
Insurance premium	15,729,573	11,895,143
Tiffin expenses for workers	10,657,772	12,177,304
Spare Parts Consumption	105,158,603	129,933,381
Vehicle running (Oil and fuel)	14,079,795	12,402,036
Local conveyance	3,604,573	4,613,522
Telephone & Mobile bills	1,421,730	1,046,400
Depreciation	202,246,903	194,390,068
	555,506,559	**524,243,420**

25.04 Work in Process

	Quantity			
	2020-21	2019-20		
Knitting (kg)	89,549	686,024	23,709,465	23,474,718
Finished Fabric (kg)	1,101,933	1,382,420	565,861,073	437,679,725
Cutting (Pcs)	3,395,163	5,220,221	101,423,962	119,322,308
Embroidery (Pcs)	4,336	3,770	1,302,084	1,531,864
Printing (Pcs)	7,546	6,798	2,651,908	3,083,613
Sewing (Pcs)	1,096,381	1,038,240	96,517,755	94,625,250
			791,466,248	**679,717,479**

25.05 Finished Goods (pcs.)

	Quantity		Amount in Taka	
	2020-21	2019-20	30-Jun-2021	30-Jun-2020
Opening	1,021,663	979,950	196,992,470	146,992,470
Add: Production during the year	39,025,299	28,118,402	6,536,380,483	3,883,959,580
	40,046,962	29,098,352	6,733,372,953	4,030,952,050
Less: Delivered during the year	38,779,254	28,076,689	6,459,326,582	3,833,959,580
Closing stock	**1,267,708**	**1,021,663**	**274,046,371**	**196,992,470**

A detail of cost of materials consumed is given in **Annexure-C**.

26.00 Operating expenses

Office & administrative expenses	26.01	304,678,837	273,901,945
Selling & distribution expenses	26.02	507,788,641	262,554,806
		812,467,478	**536,456,752**

26.01 Office & administrative expenses

Director remuneration	30,070,000	30,070,000
Salary & allowances	167,509,232	157,757,675
Contribution to employees provident fund	2,082,883	3,781,808
Vehicle maintenance	1,325,226	1,425,229
Vehicle running expenses	8,438,949	10,451,676
Entertainment	2,079,324	1,465,218
Insurance premium	868,770	1,550,661
Printing expenses	261,504	322,844
Stationery expenses	3,808,118	2,612,104
Telephone, mobile & internet	3,652,077	3,688,146
Floor rent	3,044,000	3,044,000
Travelling & conveyance	901,420	1,450,805
Bank charges	20,171,262	6,712,927
License, renewal & registration	6,013,210	7,285,678
Utility expenses	1,842,254	1,642,034
Audit fees	862,500	862,500
Central Fund	-	1,445,956
Exchange loss/(gain)	11,717,479	(1,216,709)
Depreciation	39,181,821	38,191,935
Miscellaneous expenses(AGM expenses)	848,808	1,357,458
	304,678,837	**273,901,945**

26.02 Selling & distribution expenses

Inspection & certificate issue expenses	103,325,305	473,561
Export permission	26,593,612	42,783,553
Foreign Travel for marketing	462,822	6,097,446
Sample and courier expenses	146,211,931	85,417,723
Bank charges on export proceeds	156,834,895	92,722,060
Freight charges on export	40,573,168	11,121,405
C&F expenses on export	17,360,509	10,982,498
Carriage outward on export	16,426,400	12,956,560
	507,788,641	**262,554,806**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
27.00 Financial expenses		
Interest on Short term loan	97,628,748	125,876,569
Interest on Long term loan	159,097,677	145,325,852
Interest on Finance lease	9,250,685	3,459,468
	265,977,109	**274,661,889**
28.00 Non operating income	**29,670,793**	**55,885,930**
29.00 Net Asset Value (NAV) Per Share		
Total assets	14,496,303,312	11,967,952,448
Total Liabilities	(5,834,069,390)	(5,140,515,459)
Net Asset Value (NAV) (A)	8,662,233,922	6,827,436,989
Revaluation reserve	(3,739,289,135)	(1,986,590,489)
Net Asset Value (NAV) without revaluation reserve (B)	4,922,944,787	4,840,846,500
Weighted Average Number of shares (C)	134,895,833	134,895,833
Net Asset Value (NAV) per share with revaluation reserve (A÷C)	**64.21**	**50.61**
Net Asset Value (NAV) per share without revaluation reserve (B÷C)	**36.48**	**35.88**
29.01 Earnings Per Share (EPS)		
Earning attributable to ordinary shareholders (Taka)	301,859,226	266,003,303
Weighted Average Number of shares	134,895,833	134,895,833
Earnings Per Share (Taka)	**2.24**	**1.97**
30.00 Net Operating Cash Flow Per Share (NOCFPS)		
Net operating cash flows	(173,066,389)	290,429,710
Weighted Average Number of shares	134,895,833	134,895,833
Net operating cash flows per shares	**(1.30)**	**2.15**

Caculation of Weighted Average Number of shares

Particulars	Formula	No of shares	No of shares
Allotment of Existing shares	100000000/365*365	100,000,000	100,000,000
Allotment of new shares Allotment date: Februray 07,2019	34895833/365*365	34,895,833	34,895,833
Weighted Average Number of shares		**134,895,833**	**134,895,833**

31.00 Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:

Reconciliation of net profit with cash flow from operating activities		
Net profit after tax for the year	301,859,226	266,003,303
Adjustment for non-cash items:		
Depreciation	241,428,725	232,582,003
Deferred Tax Adjustment	8,645,060	26,465,710
Changes in Working Capital:		
(Increase)/decrease in Inventory	(291,298,340)	(430,193,553)
Decrease in Accounts receivable	(756,254,493)	52,720,252
(Increase)/decrease in Advance deposit and Payments	218,195,055	63,956,536
Increase in Accounts payable	132,459,066	(50,015,811)
Decrease in Accrued Expenses	(28,100,688)	128,911,271
Net cash flow from operating activities	**(173,066,389)**	**290,429,710**

32.00 Related party disclosures

i) Related party transactions

(Amount in Taka)

Name	Nature of relationship	Nature of Transaction	Opening Balance	Purchase	Payment	Outstanding as on 30.06.2021 (Receivable)/ Payable
Esquire Accessories Limited	Common Management	Purchase	757,925	244,559,855	210,013,457	35,304,323
Esquire Electronics Limited	Common Management	Purchase	148,778	40,000,000	40,013,583	135,195
Esquire Dyeing Industries Limited	Common Management	Dyeing	201,240,128	132,855,945	287,543,440	46,552,633
Esquire Testing Services (BD) Limited	Common Management	Fabric testing fees	971,233	3,535,471		4,506,704
Pinnacle Construction Management Ltd.		Contractor	(515,717,275)	312,009,268		(203,708,007)
L'Esquire Ltd					265,739,053	(265,739,053)
Esquire Plasitc Ltd	Common Management	Purchase	196,174	4,509,784	4,705,957	0
						(382,948,205)

ii) Particulars of Directors of Esquire Knit Composite Limited as at 30 June 2021

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Ehsanul Habib	Managing Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Plastic & Packaging Limited
		Esquire Customer Care Limited
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceranic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Bangladesh German University
		Best Life Insurance Company Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		T.M Chemical Limited
		Olive Tree Foods Limited
		Esquire Travels Ltd.
		Securex (Pvt) Ltd.
		L'Esquire Ltd
		Esquire Heavy Industries Ltd.

Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information *(continued)*

As at and for the year ended 30 June 2021

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Mofazzal Hossain	Chairman	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Sharp Media Limited
		Thakral Information Systems (Pvt.) Limited
		Trust Solution Private Limited
		Thakral One Private Ltd
		Esquire Travels Ltd.
Mrs. Peara Begum	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Accessories Limited
Arifur Rahman	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastics Limited
		Alpha Packaging Limited
		Esquire Customer Care Limited
		L'Esquire Ltd
		Esquire Chemical Industries Limited
		Shah Garments International Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Sourcing Limited
		Sharp Media Limited
		Trust Solution Private Limited
		Esquire Travels Ltd.

Name of Directors	BOD of Esquire Knit Composite Limited	Entities where they have interests
Md. Muddasar Hossain	Director	Esquire Knit Composite Limited
		Esquire Dyeing Industries Limited
		L'Esquire Ltd
		Esquire Electronics Limited
		Esquire Testing Services (BD) Limited
		Esquire Accessories Limited
		Esquire Plastic Limited
		Esquire Chemical Industries Limited
		Meghna Plastic Industries (Pvt) Limited
		New Dhaka Ceramic Industries (Pvt.) Limited
		Synthia Multi-Fibre Limited
		MMH Textiles Limited
		Esquire Customer Care Limited
		Esquire Travels Ltd.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020

33.00 Capital expenditure commitment

Details of capital expenditure commitment as of 30 June 2021 are as under:

Particulars	Total Cost value estimated	Paid till 30.06.21	to be paid
Valuka Project	1,500,000,000	1,210,683,274	289,316,726

34.00 Disclosure as per Schedule XI, Part II, Para 3 of the Companies Act 1994

Number of employee	No. of Employee	No. of Employee
Factory:		
Textile and Apparels:		
Number of full-time employee (Officers & Staff)	1,216	1,260
Number of full-time employee (Workers)	6,983	6,782
Head Office:		
Number of full-time employee (Officers & Staff)	219	230
Number of full-time employee (Workers)	-	-

All the aforesaid employees engaged by the Company for the whole year or part thereof individually received a total salary of Tk. 70,055 or above.

35.00 Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994

Directors are also executives of the company. Their executive compensation for the year ended on 30 June 2021 is given below:

Managing Director's remuneration and benefit	35.01	6,000,000	6,000,000
Other Directors' salary and benefit	35.02	24,000,000	24,000,000
Other key management personnels' salary and benefit	35.03	25,995,319	25,995,319
		55,995,319	**55,995,319**

35.01 Managing Director's remuneration and benefit

Salary	6,000,000	6,000,000

35.02 Other Directors' salary and benefit

Salary	24,000,000	24,000,000

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
35.03 Other key management personnels' salary and benefit		
Salary	19,951,685	19,951,685
Allowance	590,274	590,274
Bonus	3,530,615	3,530,615
Providend fund	1,922,745	1,922,745
	25,995,319	**25,995,319**

Board Meeting attendance fees have been provided to the directors of the company for the year.
The Directors of the company did not take any benefit from the company other than the remuneration and -

a. Expense reimbursed to the managing agent –	Nil
b. Commission or other remuneration payable separately to a managing agent or his associate –	Nil
c. 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 such concerns with the company -	Nil
d. 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 year -	Nil
e. Any other perquisites or benefit in cash or in kind stating –	Nil
f. Other allowances and commission including guarantee commission -	Nil
1) Pensions	
2) Gratuities	
3) Payment from Provident Fund	
4) Compensation for loss of office	
5) Consideration in connection with retirement from office	

36.00 Disclosure as per Schedule XI, Part II, Para 7of the Companies Act 1994

Particulars		
Textiles:		
Installed Capacity (Kg)	8,030,000	8,030,000
Actual Production (Kg)	6,088,892	5,969,502
Utilization	75.83%	74.34%
Apparels:		
Installed Capacity (Pcs)	49,920,000	49,920,000
Actual Production (Pcs)	34,690,032	33,696,000
Utilization	69.49%	67.50%

37.00 Transaction in foreign currency

C & F value of import		
Finishing Materials	7,689,252	8,494,767
Yarn	16,155,253	22,310,481
Dyes & Chemicals	4,546,032	6,232,779
Capital Machinery	671,136	671,136
	29,061,672	**37,709,163**
FOB Value of Export (USD)	**93,667,010**	**59,051,944**

38.00 Financial risk management

The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

*Credit Risk
*Interest Rate Risk
*Currency Risk
*Liquidity/funding risk
*Market risk

38.01 Credit risk

Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables.

As the company is involved in 100% export oriented business, all the sales are made against Letter of Credit (L/C). L/Cs provide guarantee against credit sales and minimise the credit risk to an acceptable level. Bills receivable arises due to the time difference between submission of bills to the bank for collection of proceeds and actual realisation of the proceeds.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

		Amount in Taka	
		30-Jun-2021	30-Jun-2020
Accounts receivables	8.00	1,236,543,153	470,602,348
Advance, deposit and prepayments	10.00	912,214,697	858,868,308
Cash & Bank Balances	12.00	677,140,433	1,726,398,625
		2,825,898,283	**3,055,869,281**

The maximum exposure to credit risk for trade and other receivables as at the statement of financial position date by geographic regions was:

Domestic	2,524,039,057	2,533,303,768
Foreign	301,859,226	522,565,513
	2,825,898,283	**3,055,869,281**

38.02 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to managing liquidity (cash and cash equivalents) 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, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast 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.

The following are the contractual maturities of financial liabilities of the company:

As on 30 June 2021

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	641,808,815	-	641,808,815
Finance Lease obligation	11,968,552	-	11,968,552
Short term loan	1,479,436,051	887,661,630	591,774,420
Provision for income tax	184,988,739	184,988,739	-
Liabilities for expenses	174,632,350	174,632,350	-
Accounts payable	998,950,865	998,950,865	-
	3,491,785,372	**2,246,233,584**	**1,245,551,788**

As on 30 June 2020

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Long term loan	194,242,023	-	194,242,023
Finance Lease obligation	18,580,271	-	18,580,271
Short term loan	898,998,063	539,398,838	359,599,225
Provision for income tax	99,471,801	99,471,801	-
Liabilities for expenses	87,795,656	87,795,656	-
Accounts payable	916,507,610	916,507,610	-
	2,215,595,423	**1,643,173,904**	**572,421,519**

38.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

In the past, in some occasion large buyers of different RMG exporters has decided to withdraw business, or has become bankrupt or were subject to regulatory injunction from importing from Bangladesh, creating a strong impact on the exporter. For EKCL single buyer concentration is not a major issue and they have longstanding relationship with overseas buyers. All of them regard EKCL as their global partners and the relationship can only be disrupted if EKCL fails to perform its commitments. Also, because of its dominant position in the export market it is always sought after by many buyers.

38.04 Currency risk

The company is exposed to currency risk on receiving of sales proceeds and payments made for raw materials purchase as well. Maximum of the company's foreign currency transactions are denominated in USD.

i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

	30.06.2021 USD	30.06.2020 USD
Foreign currency denominated assets		
Accounts Receivable	14650354.45	5546285.78
FBPAR A/C with DBBL-in USD(78)	14,650,354	208,461
FBPAR A/C with Dutch Bangla Bank Limited (USD)	87,612	248,987
FBPAR A/C with Dutch Bangla Bank Limited (Euro)	1,630	1,630
Margin A/C with Eastern Bank Limited (USD)	378,593	10,664
Margin A/C with Eastern Bank Limited (Euro)	863	863
Dutch Bangla Bank Limited FCAD (USD account)	579,942	140,887
Dutch Bangla Bank Limited FCAD (Euro account)	63	63
DBBL FCAD-in Dollar	4,693,862	14,000,000
Eastern Bank Limited (USD account)	684	885
	35,043,958	**20,158,726**
Foreign currency denominated liabilities		
DBBL-EDF	(2,193,651)	(1,953,667)
EBL-EDF	(532,888)	(8,755)
DEG Loan-II	(14,000,000)	(14,000,000)
Accounts Payable	(11,777,303)	(10,248,277)
	(28,503,842)	**(26,210,699)**
Net exposure	**6,540,116**	**(6,051,974)**

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
The following rate has been applied:		
Taka/USD	84.80	84.85
Taka/EURO	100.86	95.40

38.05 Business Risk

Managing Compliance – Currently RMG buyers specially the large buyers are very demanding and constantly tightening the compliance criteria. EKCL has been in the forefront of compliance among the RMG exporters in the county. They have compliant plants with effluent water treatment facility, childcare facility, adequate ventilation, spacious infrastructure lay out, etc. Till now they were able to meet all the compliance challenge in their 30 year plus business experience and is likely to do so in the coming years. EKCL mitigates compliance risk since it is WRAP certified and passed other audits from Department of Environment (DOE) and overseas buyers.

Achievement of sales volume – Historically, EKCL has been successful to achieve its sales target after expansion as most of its expansions are planned after receiving order indications from its buyers.

38.06 Interest Rate Risk

EKCL is enjoying banks finance in the form of working capital as well as term loan. As a bank fund borrower, the entity has to pay a significant amount of loan interests and charges. Bangladesh Bank has moved to remove the interest rate ceiling on lending in the wake of a massive liquidity crisis in the financial market letting the price to be determined by functioning of demand-supply interaction. This measure may invite interest rate instability, which may create volatility in the profitability of business like EKCL. It is the company risk of gain or losses on assets and liabilities due to changes in interest rates.

	Amount in Taka	
	30-Jun-2021	30-Jun-2020
Exposure of Interest Rate Risk		
Fixed Rate Bearing		
Term Loan	2,794,742,511	2,782,586,529
Short Term Loan	1,479,436,051	984,070,652

38.07 Operation Risk

Technology is a continuous process of development. Innovation of new and cost effective technology may obsolete existing technology, which may cause negative impact on the business. The project is equipped with good machineries and technology to cope with the modern textile world. The management both in head office and production premises seem to be competent and maintain the standard level of quality and to run the operations effectively. However, in order to reduce the operational risk, the company is yet to ensure an external control mechanism. The company has minimum exposure to operational risk.

38.08 Raw Material Supply Risk

The company receives yarn, dyes & chemicals both from local as well as foreign suppliers. Import based supplies are likely to be affected by any uncontrollable event or country risk to transaction or political barrier. Since inception the company did not face any such uncontrollable events so far because of maintaining good supply chain relationship with the suppliers of raw materials and in exceptional cases, it is confident to make alternative arrangement at shorter notice.

38.09 Exchange Rate Risk

Exchange rate risk arises from currency fluctuation in international trade. If Bangladeshi Taka is devalued and/or foreign currency revalued than the price of imported raw materials will go up which will decrease the overall profit margin. As the company is dependent upon the import for yarn, dyes, chemicals & accessories and in future it will be the same, volatility of exchange rate will have an impact on profitability of the company. For last couple of years, Bangladeshi Taka found carrying floated value and expected to follow the same which expose the company to significant exchange rate risk.

38.10 Power Generation Risk

The industrial bases of Bangladesh are mainly aided by natural gas-driven power generation which causes disruption occasionally and the weaving industry is not an exception. Smooth availability of gas will ensure the maximum functioning of the machineries. EKCL uses natural gas to produce power from captive power plant. Currently a circular from government has emerged to arrange alternate of gas due to recent acute gas crisis. The company is connected with 15 PSI gas line and currently does not any problem of gas pressure. So other things being constant, EKCL does not foresee significant risk for power generation.

39.00 Date of Authorisation

The Board of directors has authorised these financial statements for issue on 30 October 2021.

Chairman	Managing Director	Director	Company Secretary	Chief Financial Officer

Schedule of Property, Plant and Equipment

As at 30 June 2021

(Annexure-A)

Name of the assets	Cost			Rate (%)	Depreciation			Written Down Value as on 30.06.2021
	Balance as on 01.07.2020	Addition During the period	Balance as on 30.06.2021		Balance as on 01.07.2020	Charges for the period	Balance as on 30.06.2021	
a. Freehold assets								
Land & Land development	123,453,152		123,453,152	-	-	-	-	123,453,152
Building	1,221,060,029		1,221,060,029	5%	477,239,629	61,053,001	538,292,630	682,767,398
Plant & Machinery	3,128,136,547	49,984,354	3,178,120,901	7%	1,546,638,673	141,193,902	1,687,832,575	1,490,288,326
Furniture and Office Equipment	234,165,150	5,699,141	239,864,291	10%	153,779,752	23,510,200	177,289,952	62,574,339
Motor Vehicle	28,894,445		28,894,445	13%	28,894,445		28,894,445	-
Software & IT	32,440,757		32,440,757	10%	7,487,949	3,244,075.70	10,732,024	21,708,733
Sub-Total	**4,768,150,079**	**55,683,495**	**4,823,833,574**		**2,214,040,447**	**229,001,178**	**2,443,041,626**	**2,380,791,948**
b. Revalued assets								
Land & Land Development	2,069,365,092	1,825,727,757	3,895,092,849	-	-	-	-	3,895,092,849
Sub-Total	**2,069,365,092**	**1,825,727,757**	**3,895,092,849**		**-**	**-**	**-**	**3,895,092,849**
c. Leasehold assets								
Motor Vehicle	99,420,368		99,420,368	13%	47,295,472	12,427,546	59,723,018	39,697,350
Sub-Total	**99,420,368**	**-**	**99,420,368**		**47,295,472**	**12,427,546**	**59,723,018**	**39,697,350**
Grand total as on 30 June 2021	**6,936,935,539**	**1,881,411,252**	**8,818,346,791**		**2,261,335,919**	**241,428,725**	**2,502,764,644**	**6,315,582,147**
Grand total as on 30 June 2020	**6,516,089,520**	**420,846,019**	**6,936,935,539**		**2,028,753,916**	**232,582,003**	**2,261,335,919**	**4,675,599,621**

Break-up of Land and Land Development:

Land acquisition cost	83,297,266
Land development cost	40,155,886
	123,453,152

Allocation of depreciation:

Factory overhead	202,246,903
Office & Administrative Expenses	39,181,821
	241,428,725

Note: Land and land development has been revalued on 20 July 2020 by an independent valuer

i) Name of Valuer : Masih Muhith Haque & Co. Chartered Accountants

ii) Valuation method : Estimated Net Realizable Value Method (the market approach).

iii) Date of Capitalization: Revaluation surplus capitalized on 20 July 2020

Addition of Capital work in Progress

As at 30 June 2021

(Annexure-B)

1. Machineries in Transit

LC Number	Country of Origin	Items	PI #	Supplier	Amount in USD	Amount in Taka
2102-2101-0023	China	LED LIGHT	BDLE2021-001	Foshan Jontech Trading Co. Ltd.	24,298	2,542,886
		Total			**24,298**	**2,542,886**

2. Expansion project -Valuka

Particulars	Total Cost	Cost incurred
Valuka Building construction	1,900,000,000	1,671,580,884
Total	**1,900,000,000**	**1,671,580,884**
Grand Total	**1,902,060,449**	**1,674,123,770**

Store Ledger Summary

As at 30 June 2021

(Annexure-C)

Sl #	Particulars	Opening		Purchase		Issue/Consumption		Closing Balance	
		Qty	BDT	Qty	BDT	Qty	BDT	Qty	BDT
Raw material									
1	Yarn	2,649,002	850,671,540	9,432,790	2,870,885,965	9,777,204	2,883,685,853	2,304,588	837,871,652
2	Dyes	210,191	246,474,278	65,573	132,021,702	60,235	136,158,338	215,529	242,337,642
3	Chemical	1,418,353	152,827,600	1,957,537	245,298,932	2,058,936	267,970,550	1,316,954	130,155,983
Finishing Materials									
4	Packing materials	-	307,681,222	-	239,254,532	-	144,780,010	-	402,155,744
5	Accessories	-	319,207,604	-	410,531,533	-	491,685,770	-	238,053,367
6	Sewing Thread	-	65,892,910	-	31,350,568	-		-	97,243,478
7	Printing & Embroidery materials	-	27,023,920	-	7,071,264	-	31,369,491	-	2,725,693
WIP and Finished Goods									
8	Work in Process	-	679,717,479	-	-	-	-	-	791,466,248
9	Finished goods	-	196,992,470	-	-	-	-	979,950	274,046,371
10	Materials in transit	-	93,448,584		-	-	-		129,872,558
Sub-Total		**4,277,546**	**2,939,937,607**	**11,455,899**	**3,936,414,496**	**11,896,375**	**3,955,650,011**	**4,817,021**	**3,145,928,736**
Factory overhead (Repair and Maintenance)									
1	Spare parts & consumable items	-	159,905,869	-	184,265,216	-	98,958,005	-	245,213,080
2								-	-
	Sub-Total	**-**	**159,905,869**	**-**	**184,265,216**	**-**	**98,958,005**	**-**	**245,213,080**
	Grand Total	**4,277,546**	**3,099,843,476**	**11,455,899**	**4,120,679,712**	**11,896,375**	**4,054,608,017**	**4,817,021**	**3,391,141,815**

Spare Parts Items

As at 30 June 2021

(Annexure-D)

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
1	Air Conditioner	BOTTLE	8	45,516	7	33,343
2	Air Conditioner	PCS	14	51,900	13	38,019
3	Air Conditioner	SET	7	383,296	6	280,782
4	Ball Bearing	PCS	1,948	2,403,603	1,771	1,760,752
5	Timing Belt	MTR	57	13,754	51	10,076
6	Timing Belt	PCS	664	955,391	604	699,869
7	Toothed Belt	PCS	360	1,061,238	327	777,407
8	V-Belt	PCS	2,281	1,088,071	2,074	797,063
9	Common (All)	KG	6	1,981	5	1,451
10	Common (All)	LBS	598	1,490,281	544	1,091,701
11	Common (All)	PCS	3,570	408,305	3,245	299,103
12	Common (All)	SET	15	15,949	14	11,684
13	Band Knife M/C	SET	14	6,681	13	4,894
14	Common M/C (Cutting)	PCS	4,119	828,641	3,745	607,018
15	FK Spreading Machine 590	PCS	17	3,423	15	2,507
16	FK Top Cut 9 M/C	PCS	135	605,951	123	443,887
17	Manual M/C	PCS	3,704	12,902,643	3,368	9,451,794
18	Spreader M/C (Brio 100)	PCS	305	1,335,551	277	978,354
19	VT-7000 M/C	BOX	1,106	704,994	1,005	516,441
20	VT-7000 M/C	PCS	1,126	1,666,739	1,024	1,220,965
21	VT-MX M/C	PCS	851	3,011,527	774	2,206,085
22	VT-MX M/C	PAIR	7	35,701	6	26,152
23	Automatic Tubular Emb M/C	PCS	946	523,892	860	383,776
24	Laser Cutter M/C	PCS	40	325,410	36	238,378
25	MG M/C	MTR	14	14,478	13	10,606
26	MG M/C	PCS	4,175	765,243	3,796	560,577
27	MG M/C	SET	8	3,269	7	2,395
28	Sunstar M/C	PCS	914	159,011	831	116,483
29	Tajima M/C	PCS	2,862	368,708	2,602	270,096
30	Auto Brass M/C	PCS	29	4,691	26	3,436
31	Biancalani Dryer Machine	PCS	9	497,529	8	364,463
32	Corino Slitting Machine	PCS	455	397,750	414	291,370
33	Dozzatex M/C	PCS	7	72,064	6	52,791
34	Egalizing Dryer M/C	PCS	8	839,402	7	614,901
35	Ferraro Compacting M/C	FEET	94	37,804	85	27,693
36	Ferraro Compacting M/C	PCS	149	1,446,863	136	1,059,895
37	Ferraro Compacting M/C	ROLL	15	426,416	14	312,370
38	Ferraro Compacting M/C	SET	7	711	6	521
39	Fongs M/C (F/D)	PCS	62	84,947	56	62,228
40	Fongs M/C (F/D)	SET	57	77,004	52	56,409
41	Lafer Compacting M/C	PCS	18	865,246	16	633,834
42	Lafer Sueding M/C	MTR	517	261,535	470	191,587

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
43	Mario Crosta(Brassing) M/C	MTR	87	71,466	79	52,352
44	Mario Crosta(Brassing) M/C	PCS	8	14,214	7	10,412
45	NPL M/C	PCS	30	853	27	625
46	NPL M/C	SET	12	853	11	625
47	Q Sun M/C	PCS	25	52,591	23	38,526
48	Robolab M/C	PCS	1,021	798,925	928	585,250
49	Santex M/C	FEET	78	2,587	71	1,895
50	Santex M/C	PCS	113	209,262	103	153,295
51	Sclavos M/C	PCS	1,399	1,730,069	1,272	1,267,357
52	Sclavos M/C	SET	84	35,578	76	26,063
53	Slitting M/C	FEET	112	85,875	101	62,908
54	Slitting M/C	MTR	142	23,417,236	129	17,154,228
55	Slitting M/C	PCS	255	4,961,427	232	3,634,479
56	Slitting M/C	SET	79	266,731	72	195,393
57	Smartex M/C	FEET	90	7,113	82	5,210
58	Smartex M/C	PCS	124	90,570	113	66,347
59	Soft Flow Dyeing M/C	PCS	81	225,239	73	164,998
60	Soft Flow Dyeing M/C	SET	79	24,895	72	18,237
61	Stenter M/C	COIL	76	21,101	69	15,458
62	Stenter M/C	FEET	122	16,426	111	12,033
63	Stenter M/C	MTR	711	292,752	647	214,454
64	Stenter M/C	PCS	1,875	1,249,232	1,705	915,121
65	Tube Tex M/C	FEET	227	105,507	207	77,289
66	Tube Tex M/C	PCS	220	9,229,307	200	6,760,902
67	Tube Tex M/C	SET	81	170,708	73	125,051
68	Ultra Soft M/C	PCS	92	61,058	83	44,728
69	Washing M/C	PCS	78	91,151	71	66,772
70	Bartack M/C	PCS	75	510	68	373
71	Bartack M/C	SET	75	4,544	68	3,329
72	Button Hole & Stitch M/C	PCS	1,624	564,005	1,477	413,161
73	Button Hole & Stitch M/C	SET	82	35,542	75	26,036
74	Common (Garments)	PCS	795	301,274	722	220,697
75	Common (Garments)	POT	76	4,268	69	3,126
76	Feet of the Arm M/C	PCS	73	1,263	66	925
77	Feet of the Arm M/C	SET	78	14,226	71	10,421
78	Finishing Section	PCS	607	413,790	551	303,121
79	Finishing Section	SET	79	137	72	100
80	Flat Lock M/C	PCS	2,928	917,053	2,661	671,784
81	Flat Lock M/C	SET	121	89,706	110	65,714
82	Flat Seamer M/C	PCS	102	13,751	93	10,074
83	Fusing M/C	PCS	73	46,355	66	33,957
84	Kancai M/C	PCS	82	8,034	75	5,885
85	Kancai M/C	SET	93	75,347	85	55,195

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
86	Needle (Garments)	PCS	95	376	86	276
87	Needle (Garments)	PKT	7,712	1,234,787	7,011	904,540
88	Over Lock M/C	PCS	3,445	894,512	3,132	655,272
89	Over Lock M/C	SET	98	41,059	89	30,077
90	Pattern Cutting M/C	PCS	75	5,690	68	4,168
91	Plain M/C	PCS	5,155	293,756	4,687	215,190
92	Plain M/C	SET	139	61,197	127	44,829
93	Rib Cutter M/C	PCS	3,271	579,890	2,974	424,797
94	Rib Cutter M/C	SET	294	149,684	267	109,651
95	Snap Button M/C	PCS	75	27,503	68	20,147
96	Snap Button M/C	SET	72	-	65	-
97	8 Needles Cord Knitting Machin	PCS	72	-	65	-
98	Fukuhara M/C	PCS	855	1,254,925	777	919,291
99	Jack	PCS	5,391	680,700	4,901	498,645
100	Mayer & Cie M/C	BOX	76	107	69	78
101	Mayer & Cie M/C	PCS	4,187	1,686,930	3,806	1,235,755
102	Mayer & Cie M/C	PKT	78	5,216	71	3,821
103	Mayer & Cie M/C	SET	113	21,576	103	15,805
104	Needle (Knitting)	PCS	214,468	999,301	194,971	732,035
105	Orizo M/C	FEET	-	-	-	
106	Orizo M/C	PCS	39	1,748,738	35	1,281,033
107	Orizo M/C	SET	2,165	130,449	1,968	95,560
108	Pailung M/C	PCS	70	1,281,484	63	938,747
109	Re-winder M/C	PCS	1,494	330,324	1,358	241,978
110	Santoni Machine	PCS	205	85,129	187	62,361
111	Shima Shiki M/C	LTR	82	27,100	74	19,852
112	Shima Shiki M/C	PCS	263	1,159,670	239	849,513
113	Shima Shiki M/C	SET	1,343	41,065	1,221	30,082
114	Sinker	PCS	70	799,134	63	585,403
115	Stoll M/C	KG	28,408	79,380	25,826	58,150
116	Stoll M/C	LTR	70	125,612	63	92,017
117	Stoll M/C	SET	181	29,472	164	21,590
118	Photo Copier	PCS	63	87,243	58	63,910
119	Injection Moulding M/C SA-3	PCS	70	107,173	63	78,509
120	Label Cutting(Hy-2080) M/C	PCS	83	108,662	76	79,600
121	Label Printer(PT-6/2) M/C	PCS	89	226,826	81	166,161
122	Thermal Printer(SP4011-R) M/C	PCS	90	47,039	82	34,459
123	Alpha-8 26 Station 12Color M/C	PAIR	72	68,731	65	50,349
124	Alpha-8 26 Station 12Color M/C	PCS	61	533,391	56	390,734
125	Auto M/C	PCS	122	549,279	111	402,372
126	Caynne Quartz Flash "D" M/C	PCS	250	229,760	228	168,310
127	Caynne Quartz Flash "E" M/C	PCS	88	144,175	80	105,615
128	Challenger M/C	PCS	65	651,381	59	477,167

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
129	Chamelion M/C (Manual)	PCS	74	246,384	67	180,488
130	Diamond Back M/C	PCS	131	233,381	119	170,963
131	Exposer M/C (Manual)	PCS	84	195,520	76	143,228
132	Gas Dryer M/C	PCS	126	157,193	114	115,151
133	Hit Press M/C	PCS	74	221,206	67	162,044
134	Motif Setter Machine	SET	92	126,845	84	92,920
135	Performa-18 Colour Auto M/C	PCS	174	380,768	159	278,930
136	Takana Quartz Flash (CE03) M/C	PCS	392	237,094	356	173,682
137	Value Jet 1638 Printer (Sublim)	PCS	109	1,428,267	99	1,046,273
138	Rubber & Seal Items	COIL	120	7,950	109	5,824
139	Rubber & Seal Items	FEET	63	44,427	58	32,545
140	Rubber & Seal Items	LBS	773	24,011	702	17,589
141	Rubber & Seal Items	PCS	283	2,353,962	258	1,724,388
142	Rubber & Seal Items	SET	16,216	461,216	14,742	337,862
143	Tools	BOX	115	436,498	104	319,755
144	Tools	PAIR	153	357,870	139	262,156
145	Tools	PCS	230	1,744,204	209	1,277,712
146	Tools	PKT	1,025	35,200	932	25,786
147	Tools	SET	92	129,767	84	95,061
148	Boiler	KG	60	343,317	54	251,496
149	Boiler	LBS	448	333,078	407	243,995
150	Generator (Gas)	PCS	226	1,328,230	205	972,991
151	Valve	PCS	251	853,363	228	625,128
152	S.S.M. M/C	PCS	190	34,344	173	25,159
153	Tong Gang M/C	PCS	62	346,844	56	254,079
154	Automobile	LTR	46	264,835	42	194,004
155	Automobile	ML	765	8,531,282	695	6,249,565
156	Automobile	MTR	-	43,638	-	31,967
157	Automobile	PCS	198	442,186	180	323,922
158	Automobile	POT	7	6,521	6	4,777
159	Computer Accessories	COIL	20	553,111	18	405,180
160	Computer Accessories	PCS	541	1,886,992	492	1,382,310
161	Computer Accessories	PKT	136	198,822	124	145,647
162	Medical Equipment	SET	29	225,683	26	165,323
163	Medicine	BOTTLE	-	52,042	-	38,124
164	Medicine	BOX	-	12,461	-	9,128
165	Medicine	PCS	-	4,512,500	-	3,305,619
166	Medicine	TUBE	-	51,719	-	37,887
167	Auxilary Contructor	PCS	497	431,757	452	316,282
168	Balast	PCS	134	148,871	122	109,055
169	Cable	COIL	463	2,116,987	421	1,550,793
170	Cable	FEET	743	72,339	675	52,992
171	Cable	KG	209	627,340	190	459,556

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
172	Cable	MTR	563	1,418,163	512	1,038,871
173	Cable Socket	PCS	47,531	690,753	43,210	506,009
174	Capacitor	PCS	4,313	501,984	3,921	367,727
175	Charger Battery	PCS	936	95,321	851	69,827
176	Circuit Breaker	PCS	41	1,392,904	37	1,020,368
177	Common (Electrical)	FEET	54	403	49	295
178	Common (Electrical)	KG	78	85,818	71	62,865
179	Common (Electrical)	MTR	1,562	125,414	1,420	91,871
180	Common (Electrical)	PCS	9,581	706,160	8,710	517,296
181	Common (Electrical)	PKT	375	207,949	341	152,332
182	Common (Electrical)	SET	98	38,926	89	28,515
183	Converter	PCS	78	1,123,191	71	822,791
184	Cooling Fan	PCS	437	522,978	397	383,106
185	Cut Out	PCS	541	38,059	492	27,880
186	DB Board	PCS	232	127,475	211	93,381
187	Electric Bulb	PCS	1,563	960,838	1,421	703,859
188	Electronic Card	PCS	21	977,894	19	716,354
189	Fuse	PCS	10,668	509,762	9,698	373,425
190	Holder	PCS	937	98,738	852	72,330
191	Holder	SET	427	189,105	388	138,528
192	Inverter	PCS	4	1,385,356	4	1,014,838
193	Magnetic Contructor	PCS	68	2,289,767	62	1,677,362
194	Meter	PCS	134	1,491,673	122	1,092,721
195	Motor	PCS	281	670,383	255	491,087
196	Overload Relay	PCS	289	1,708,670	263	1,251,681
197	Plug (Electrical)	PCS	438	320,971	398	235,126
198	Plug (Electrical)	PKT	166	14,770	151	10,820
199	Relay	PCS	763	393,900	694	288,550
200	Relay Base	PCS	44	16,505	40	12,091
201	Saddle Clamp	PCS	4,752	1,576,149	4,320	1,154,604
202	Saddle Clamp	PKT	-	19,799	-	14,504
203	Socket (Electrical)	PCS	209	238,789	190	174,924
204	Solenoide Valve	PCS	94	215,662	85	157,982
205	Starter	PCS	780	12,954	709	9,490
206	Switch	PCS	195	977,110	177	715,779
207	Tape (Electrical)	FEET	11,386	464,771	10,351	340,467
208	Tape (Electrical)	MTR	3,235	8,361	2,941	6,125
209	Tape (Electrical)	PCS	7,954	1,066,491	7,231	781,255
210	Tape (Electrical)	ROLL	107	11,841	97	8,674
211	Tape (Electrical)	SET	7	2,007	6	1,470
212	Timer	PCS	45	110,470	41	80,924
213	Transformer	PCS	35	139,527	32	102,210
214	Tube Light	PCS	988	950,067	898	695,969

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
215	Warning Light	PCS	92	104,117	84	76,271
216	Fire Fighting Equipment	COIL	-	7,873,824	-	228,115
217	Fire Fighting Equipment	PCS	695	6,873,822	632	5,035,398
218	Fire Fighting Equipment	SET	21	1,347,418	19	987,047
219	Band	PCS	361	482,014	328	353,098
220	Channel	PCS	386	55,414	351	40,593
221	Elbow	PCS	254	988,263	231	723,949
222	Flanges	PCS	243	873,643	221	639,984
223	Nipple	PCS	215	95,397	195	69,883
224	Nut	PCS	-	10,101	-	7,400
225	Nut Bolt	PCS	-	212,564	-	155,713
226	Pipe	FEET	6,380	804,302	5,800	589,189
227	Plug	PCS	343	7,811	312	5,722
228	Reducer	PCS	134	114,857	122	84,138
229	Socket	PCS	4,631	215,458	4,210	157,833
230	Tee Socket	PCS	353	205,482	321	150,525
231	Union Socket	PCS	138	70,038	125	51,306
232	Hardware	COIL	21	604,399	19	442,751
233	Hardware	LBS	3	1,721	3	1,261
234	Hardware	KG	354	7,788,095	322	2,042,411
235	Hardware	LTR	15	303,874	14	222,602
236	Hardware	PKT	-	6,973,822	-	
237	Hardware	POT	136	418,616	124	306,656
238	Hardware	ROLL	20	168,604	18	123,510
239	Hardware	SET	58	23,327	53	17,088
240	Paint & Vernish	PCS	232	94,131	211	68,955
241	Paint & Vernish	PKT	276	10,592	251	7,759
242	Sanitary	GM	6,073	523,319	5,521	383,356
243	Sanitary	KG	105	19,072	95	13,971
244	Sanitary	LTR	100	175,253	91	128,381
245	Sanitary	PCS	1,696	674,956	1,542	494,437
246	Sanitary	PKT	21	2,323	19	1,701
247	Sanitary	SET	212	67,624	193	49,537
248	Laboratory Instrument	BOX	74	67,245	67	49,260
249	Laboratory Instrument	LTR	673	25,813	612	18,909
250	Laboratory Instrument	PAIR	70	19,063	64	13,964
251	Laboratory Instrument	PCS	1,131	1,889,420	1,028	1,384,089
252	Laboratory Instrument	PKT	29	47,516	26	34,808
253	Laboratory Instrument	ROLL	463	469,277	421	343,767
254	Oil & Lubricants	DRUM	31	4,167,244	28	3,052,702
255	Oil & Lubricants	PCS	2,079	1,220,813	1,890	894,303
256	Other Material	BOX	1,596	1,180,623	1,451	864,862
257	Other Material	MTR	-	1,368,055	-	1,002,164

Spare Parts Items

As at 30 June 2021

Sl. No.	Items	Unit	30.06.2021		30.06.2020	
			Qty	Amount	Qty	Amount
258	Other Material	YDS	-	1,549,053	-	1,134,754
259	Pack & Package	MTR	1,002	1,298,256	911	951,034
260	Pack & Package	PCS	1,276,772	1,804,585	1,160,702	1,321,943
261	Pack & Package	ROLL	5,985	1,328,308	5,441	973,048
262	Supplies Items	BOOK	935	5,615,785	850	2,648,732
263	Supplies Items	PCS	34,320	2,943,489	31,200	2,156,244
264	Supplies Items	SHEET	11,468	9,531,554	10,425	6,982,312
265	Supplies Items	BOX	457	2,098,671	415	1,537,376
266	Supplies items	KG	2,860	426,227	2,600	312,231
267	Supplies items	PKT	2,234	329,371	2,031	241,280
268	Supplies items	POT	20	352,137	18	257,957
269	Supplies items	SET	-	619,104	-	453,523
270	Supplies Items	PCS	101,545	8,289,491	92,314	6,072,443
271	Supplies Items	REAM	96	2,492,928	87	75,889
272	Supplies Items	ROLL	387	3,312,888	352	229,205
	Total			**245,213,080**		**159,905,869**

Work- in- Process

As at 30 June 2021

(Annexure-E)

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	23,474,718	1,398,467,648	1,398,232,901	23,709,465
Finished Fabric	437,679,725	1,227,700,266	1,099,518,918	565,861,073
Cutting	119,322,308	1,235,489,335	1,253,387,681	101,423,962
Embroidery	1,531,864	368,745,913	368,975,692	1,302,084
Printing	3,083,613	360,400,113	360,831,818	2,651,908
Sewing	94,625,250	4,704,458,419	4,702,565,914	96,517,755
Total	**679,717,479**			**791,466,248**

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	686,024	6,460,703	7,057,179	89,549
Finished Fabric (kg)	1,382,420	8,015,651	8,296,137	1,101,933
Cutting (Pcs)	5,220,221	33,401,160	35,226,218	3,395,163
Embroidery (Pcs)	3,770	1,988,336	1,987,770	4,336
Printing (Pcs)	6,798	4,881,210	4,880,462	7,546
Sewing (Pcs)	1,038,240	30,948,477	30,890,336	1,096,381

Work- in- Process

As at 30 June 2020

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting	97,693,995	1,216,058,824	1,290,278,102	23,474,718
Finished Fabric	257,799,760	909,407,604	729,527,639	437,679,725
Cutting	174,008,958	915,177,285	969,863,935	119,322,308
Embroidery	1,445,737	567,301,405	567,215,278	1,531,864
Printing	2,444,292	831,692,568	831,053,247	3,083,613
Sewing	96,324,736	4,276,780,381	4,278,479,867	94,625,250
Total	**629,717,479**			**679,717,479**

Particulars	Opening	Addition in the process	Transfer into next process	Closing Balance
Knitting (kg)	512,255	5,618,003	5,444,234	686,024
Finished Fabric (kg)	1,000,891	6,679,709	6,298,179	1,382,420
Cutting (Pcs)	3,892,789	24,741,600	23,414,168	5,220,221
Embroidery (Pcs)	43,770	3,181,338	3,221,338	3,770
Printing (Pcs)	173,511	8,834,769	9,001,482	6,798
Sewing (Pcs)	979,950	28,134,979	28,076,689	1,038,240

Accounts Receivable and Aging

As at 30 June 2021

(Annexure-F)

Sl. No.	Parties	Total	0-3 Months	3-6 Months	More than 1 Year
1	AVON COSMETICS LTD. (CONNOR) - [$] - Dr.	7,659,549	7,659,549	-	-
2	Best Seller Fashion - Dr. [$]	47,750,181	47,750,181	-	-
3	Bluestem Global Sourcing Limited - Dr [$]	2,696,100	2,696,100	-	-
4	C & A Buying KG [$] - Dr.	253,655,030	253,655,030	-	-
5	CARREFOUR IMPORTS SAS [$] - Dr.	42,091,316	42,091,316	-	-
6	Celio Sourcing Ltd- [$]- Dr	31,978,083	31,978,083	-	-
7	Caran BV	6,335,337	6,335,337	-	-
8	ESOTIQ & HENDERSON S.A. - [$] - Dr.	334,660	334,660	-	-
9	Esprit Macao Commercial Offshore Ltd. [$]- Dr.	33,378,540	33,378,540	-	-
10	Fynch-Hatton Textile - Dr[$]	7,030,789	7,030,789	-	-
11	GIORDANO CORP LTD - [$] - Dr.	5,022,016	5,022,016	-	-
12	GUESS Eur Sagl - Dr. [$]	38,779,580	38,779,580	-	-
13	GramTech Knit Dyeing & Finishing Ltd	109,331	109,331	-	-
14	Hoflers APS [$] - Dr.	69,052,143	69,052,143	-	-
15	Impress Newtex Composite Textile Ltd-Dr	20,618,797	20,618,797	-	-
16	HTMS International FZE - Dr [$]	14,236,732	14,236,732	-	-
17	LIDL [Top Grade Int. Enterprise Ltd.] - Dr. [$]	347,947,338	347,947,338	-	-
18	Mascot International- Dr [$]	54,858,349	54,858,349	-	-
19	Michael Kors [USA] - Dr [$]	31,226,736	31,226,736	-	-
20	Masco Industries	2,885,814	2,885,814	-	-
21	Next Limited - Dr. [$]	41,477,289	41,477,289	-	-
22	P & C [Peek Und Cloppenburg] - Dr. [$]	6,317,536	6,317,536	-	-
23	Pentex Limited - Dr [$]	51,048,009	51,048,009	-	-
24	RNA RESOURCES GROUP LIMITED - LANDMARK - [$] - Dr.	7,317,312	7,317,312	-	-
25	ROSS PROCUREMENT,INC. - [$] - Dr.	6,622,973	6,622,973	-	-
26	Rose Garden Apparels	181,613	181,613	-	-
27	SEIDENSTICKER GMBH - [$] - Dr.	1,435,861	1,435,861	-	-
28	Ted Bernhardtz - Dr. [$]	2,751,282	2,751,282	-	-
29	Tasniah Fabrics Ltd	7,821,953	7,821,953	-	-
30	Victory Time International (Puma) - Dr [$]	57,073,731	57,073,731	-	-
31	Impress Newtex Composite Textile Ltd-Dr	24,841,906	24,841,906		
32	Masco Industries	2,704,030	2,704,030		
33	Tasniah Fabrics Ltd	7,423,206	7,423,206		
34	Zaheen Knitwear	1,702,498	1,702,498		
35	Radical Design Ltd	177,530	177,530		
	Total	**1,236,543,153**	**1,236,543,153**	**-**	**-**

Schedule of Advance Given to Creditors

As at 30 June 2021

(Annexure-G)

Sl. No.	Name of the creditors	Nature of Transaction	Balance	3-6 Month	6-12 Month	Exceeding 1 year
1	A. Hak Engineering - Cr.	Service	590,000	590,000	-	-
2	ALUMINIUM MULTI LINK -Cr.	Electrtical Items	700,000	700,000	-	-
3	Adury Knit Composite Ltd-Cr.	Service	2,400,244	2,400,244	-	-
4	Adury Fashion & Print Ltd - Cr [$]	Service	488,234	488,234	-	-
5	Arabi Fashion Limited - Cr.	Accessories	278,816	278,816	-	-
6	Asgar Trading(Cr)	Service	5,009,273	2,504,637	2,504,637	-
7	Badsha Enterprise - Cr.	Accessories	284,881	284,881	-	-
8	Bangladesh Steel Re-Rolling Mills Ltd. - Cr.	Consulatncy	848,546	848,546	-	-
9	B.Brothers Garments Co.Ltd. - Cr.	Accessories	288,584	288,584	-	-
10	Bogra Knit Garments Industries Ltd. - Cr.	Accessories	1,290,185	1,290,185	-	-
11	Bureau Veritas (Bnagladesh) Private Limited	Accessories	313,600	313,600	-	-
12	Chaity Composite Ltd.-Cr	Insurance	1,157,357	1,157,357	-	-
13	Cleanco Services Ltd. - Cr.	Accessories	2,338,945	701,684	1,637,262	-
14	Consumer Testing Labrotires, Ltd. - Cr.	Accessories	154,906	154,906	-	-
15	Control Data System - Cr	Service	75,890	75,890	-	-
16	CREATIVE ENGINEERS LTD. - Cr.	Service	1,140,000	684,000	456,000	-
17	Cross Freight Ltd. - Cr.	Service	2,816,357	1,126,543	1,689,814	-
18	Dana Engineers International Ltd. - Cr.	Service	1,150,121	1,150,121	-	-
19	DBL Ceramics Limited - Cr.	Chemicals	10,021,482	-	10,021,482	-
20	Delcot Limited - [$] - Cr.	Accessories	10,670,000	650,000	10,020,000	-
21	Electro-Mechanical Control Services	Accessories	1,000,000	400,000	300,000	300,000
22	Esquire Knit Composite Ltd (C&F) - Cr	Accessories	17,011,719	6,804,688	5,103,516	5,103,516
23	Euro Bengal International Ltd. - [$] - Cr.	Consultancy	1,570,186	628,075	471,056	471,056
24	Explore Knitwear - Cr.	Chenicals	2,260,481	904,193	678,144	678,144
25	Farha Engineering - Cr.	Service	2,158,998	863,599	647,699	647,699
26	Fast React Systems Limited. Cr.	Service	1,855,638	742,255	556,691	556,691
27	Global Brand Pvt. Ltd. - Cr.	Service	884,762	353,905	265,429	265,429
28	GPH Ispat Ltd. - Cr.	Chemicals	46,862,388	18,744,955	14,058,716	14,058,716
29	Harris & Menuk Pvt. Ltd. - Cr.	Service	1,992,110	796,844	597,633	597,633
30	Home Creations Ltd. - Cr.	Service	8,536,942	3,414,777	2,561,083	2,561,083
31	Industrial Automation & Engineering Co. - Cr.	Accessories	3,766,590	1,506,636	1,129,977	1,129,977
32	INNOVATIVE PRODUCT NETWORK - Cr.	Accessories	12,491,709	4,996,683	3,747,513	3,747,513
33	ITS Labtest BD. Ltd.-Cr.	Service	12,329,181	4,931,672	3,698,754	3,698,754
34	JAMAL & SON'S - Cr.	Accessories	16,399,809	6,559,924	4,919,943	4,919,943
35	Kai World Transport - Cr.	Accessories	11,694,095	4,677,638	3,508,229	3,508,229
36	Lubricants Asia Limited - Cr.	Accessories	10,671,846	4,268,738	3,201,554	3,201,554
37	Mangrove Motors - Cr.	Accessories	44,500	17,800	13,350	13,350
38	Mostofa Machineries - Cr	Accessories	75,000	30,000	22,500	22,500
39	National Polymer Industries Ltd.-Cr	Accessories	5,849,064	2,339,626	1,754,719	1,754,719
40	Nemrac Design Ltd.- [$] - Cr.	Accessories	496,288	198,515	148,886	148,886
41	Pacific Associates Ltd. - Cr.	Accessories	2,589,059	1,035,624	776,718	776,718
42	Panwin Design Ltd - Cr	Accessories	4,519,299	1,807,719	1,355,790	1,355,790

Schedule of Advance Given to Creditors

As at 30 June 2021

Sl. No.	Name of the creditors	Nature of Transaction	Balance	3-6 Month	6-12 Month	Exceeding 1 year
43	Pinnacle Construction Management Ltd. - Cr.	Accessories	203,708,007	81,483,203	61,112,402	61,112,402
44	Power Property Care Service Ltd. - Cr.	Accessories	2,000	800	600	600
45	RR-Imperial Electricals Ltd. - Cr.	Service	16,788,421	6,715,368	5,036,526	5,036,526
46	Sabur Construction - Cr	Accessories	10,636,524	4,254,610	3,190,957	3,190,957
47	Schenker Logistics (Bangladesh) Ltd.- Cr	Accessories	15,778,854	6,311,541	4,733,656	4,733,656
48	Tex Excellence Corporation - Cr	Accessories	7,598,322	3,039,329	2,279,497	2,279,497
49	Universal Procurement Systems Pte Ltd. -Cr	Service	4,664,114	1,865,646	1,399,234	1,399,234
50	Vision Tex Co.-Cr.	Accessories	2,405,082	962,033	721,524	721,524
51	Waterchem Technology - Cr	Accessories	1,971,519	788,608	591,456	591,456
52	Zeal Tex Services - Cr.	Accessories	157,250	62,900	47,175	47,175
53	Scarlet Services-Cr.	Chemicals	184,945	73,978	55,484	55,484
54	Schenker Logistics (Bangladesh) Ltd.- Cr	Service	95,126	38,050	28,538	28,538
55	SGS Bangladesh Ltd. - Cr.	Service	1,560,448	624,179	468,134	468,134
56	Sharp Accessories -Cr	Accessories	49,349	19,739	14,805	14,805
57	Skylink Logistics Ltd. - Cr.	Service	141,982	56,793	42,595	42,595
58	Sporty Wheels Ltd. - Cr.	Service	1,100,000	440,000	330,000	330,000
59	Sunstar Co. Ltd. - Cr.	Accessories	255,000	102,000	76,500	76,500
60	Tangon Garments Ltd. - Cr.	Accessories	499,000	199,600	149,700	149,700
61	Tex Excellence Corporation - Cr	Accessories	958,000	383,200	287,400	287,400
62	Tex Shinining Engineering - Cr	Accessories	90,000	36,000	27,000	27,000
63	Tiles World -Ideal -Cr.	Accessories	238,530	95,412	71,559	71,559
64	Tootal Quality Resources Ltd.-Cr.	Chemicals	187,900	75,160	56,370	56,370
65	Trade Zentrum - Cr.	Accessories	9,915	3,966	2,975	2,975
66	Ultimate Information Technology - Cr	Accessories	20,000	8,000	6,000	6,000
67	Z3 Corporation - Cr.	Service	127,200	50,880	38,160	38,160
	Total		**476,304,571**	**189,403,086**	**156,615,339**	**130,286,145**

Schedule of Accounts Payable

As at 30 June 2021

(Annexure-H)

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
1	4-Tex Trims. Cr. [$]	Accessories	72,122	72,122	-	-
2	A & T Flat Knit Industry - [$] - Cr.	Accessories	2,117,544	2,117,544	-	-
3	A. K. Tex International. Cr. [$]	Accessories	1,409,481	1,409,481	-	-
4	A.R International - [$] - Cr.	Accessories	1,790,060	1,790,060	-	-
5	A.S.F.Fiber Mills Ltd. - [$] - Cr.	Yarn	13,410,260	13,410,260	-	-
6	AARA International Co- [$] Cr	Yarn	8,758,923	8,758,923	-	-
7	ADAMJEE KNIT FABRICS - [$] - Cr.	Accessories	1,970,973	1,970,973	-	-
8	Adury Fashion & Print Ltd - Cr [$]	Accessories	4,784,148	4,784,148	-	-
9	ADZI Trims Ltd. Cr. [$]	Accessories	370,875	370,875	-	-
10	AFFAN INTERLININGS LTD. - [$] - Cr.	Accessories	366,336	366,336	-	-
11	Albi Enterprise [$] - Cr.	Accessories	565,083	565,083	-	-
12	Alien Weaving Factory Limited - [$] - Cr.	Accessories	543,695	543,695	-	-
13	AL-MODINA GARMENTS - Cr.	Accessories	735,927	735,927	-	-
14	Alpha Plastic Packaging. Cr. [$]	Accessories	21,936,830	21,936,830	-	-
15	ALPS & EVE - [$] - Cr.	Accessories	486,895	486,895	-	-
16	American & Efird (Bangladesh) Ltd - [$] - Cr	Accessories	532,904	532,904	-	-
17	Anhui Yifeng Mesh Co. Ltd. Cr. [$]	Accessories	2,231,300	2,231,300	-	-
18	APS Packing	Accessories	165,487	165,487	-	-
19	Arif Knitspin Ltd. - [$] - Cr.	Yarn	2,318,844	2,318,844	-	-
20	Asia Composite Mills Ltd [$] Cr	Yarn	60,537,778	60,537,778	-	-
21	Asia Linkage. Cr. [$]	Accessories	1,745,734	1,745,734	-	-
22	Avalon Packaging - [$] - Cr.	Accessories	2,006,609	2,006,609	-	-
23	Badsha Textile Ltd. - [$] - Cr.	Yarn	20,766,672	20,766,672	-	-
24	Baig Trimming Ltd. Cr. [$]	Accessories	260,958	260,958	-	-
25	BAIKAI INDUSTRY (VIETNAM) CO., LTD. [$] - Cr.	Accessories	596,080	596,080	-	-
26	Banga Plastic International Ltd. - [$] - Cr.	Accessories	356,160	-	356,160	-
27	BAS PRINTS [$] - Cr.	Accessories	468,384	468,384	-	-
28	Bengal Plastics Ltd-Unit-3. Cr. [$]	Accessories	318,486	318,486	-	-
29	Bengal Tex [$] - Cr.	Accessories	216,129	216,129	-	-
30	BENGAL WINDSOR THERMOPLASTICS LTD - [$] - Cr.	Accessories	767,246	767,246	-	-
31	Broadway Printing Ind's - [$] - Cr.	Accessories	1,835,398	1,835,398	-	-
32	BTS. Cr. [$]	Accessories	794,715	794,715	-	-
33	Checkpoint System BD Ltd [$]-Cr	Accessories	3,038,932	3,038,932	-	-
34	Chishtia Sizing Mills - [$] - Cr.	Accessories	1,170,100	1,170,100	-	-
35	CHT GERMANY GMBH - Cr.	DNC	933,258	933,258	-	-
36	CHT TURKEY KIMYA SAN. VE TIC. A.S. - Cr. [$]	DNC	1,227,264	-	1,227,264	-
37	Clotex-Labelon(BD) Limited. Cr. [$]	Accessories	49,475	49,475	-	-
38	Coats Bangladesh Ltd. [$] - Cr.	Accessories	120,331	120,331	-	-
39	Crony Apparels Ltd. - [$] - Cr.	Accessories	239,144	239,144	-	-
40	Cytrax Business International. Cr. [$]	DNC	2,791,800	2,791,800	-	-
41	DB Tex Ltd. - [$] - Cr.	Accessories	288,002	288,002	-	-
42	Dekko Accessories Ltd.[$]-Cr	Accessories	660,370	-	660,370	-
43	Delcot Limited - [$] - Cr.	Spare Parts	1,315,988	1,315,988	-	-
44	Didar Fabrics. Cr. [$]	Accessories	146,768	146,768	-	-
45	DONGGUAN FUYUAN GARMENT CO LTD - [$] - Cr.	Accessories	281,066	281,066	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
46	DOWAS-LAND DYEING AND FINISHING IND'S LTD.-[$]-Cr.	Accessories	742,907	-	742,907	-
47	Dystar Singapore PTE Ltd - [$] Cr.	DNC	1,693,880	1,693,880	-	-
48	EMINENCE SOURCING. - [$] - Cr.	Accessories	3,126,676	3,126,676	-	-
49	Enayetpur Spinning Mills Ltd. - [$] - Cr.	Yarn	4,958,881	4,958,881	-	-
50	Epyllion Limited - Cr. [$]	Accessories	1,861,689	1,861,689	-	-
51	Erum BD Ltd - Cr [$]	Accessories	2,814,077	2,814,077	-	-
52	Esquire Accessories Ltd.-[$]-Cr.	Accessories	25,304,323	25,304,323	-	-
53	Esquire Dyeing Industries Ltd.- [$] - Cr.	Accessories	26,552,633	26,552,633	-	-
54	Esquire Electronics Ltd		135,195		135,195	
55	Esquire Testing (Bd) ltd		4,506,704		4,506,704	
56	Etasia BD Ltd. - [$] - Cr.	Accessories	379,743	379,743	-	-
57	Ever Chem Corporation. Cr. [$]	DNC	756,700	-	756,700	-
58	EVERTEX INK - [$] - Cr.	DNC	589,750	589,750	-	-
59	EYE Accessories Ind. Ltd. Cr. [$]	Accessories	123,190	123,190	-	-
60	Fabitex Industries Ltd. - [$] - Cr.	Accessories	176,374	176,374	-	-
61	Fariha Knit Tex Ltd. [$] - Cr.	Accessories	928,724	928,724	-	-
62	FASHION ACCESSORIES & PACKAGES. - [$] - Cr.	Accessories	123,302	123,302	-	-
63	Fashion Syndicate BD. - [$] - Cr.	Accessories	2,333,501	-	2,333,501	-
64	Fashion Trims. Cr. [$]	Accessories	3,739,718	3,739,718	-	-
65	Fortune Top Inc - [$] Cr	DNC	2,934,758	2,934,758		-
66	FR Traders. Cr. [$]	Accessories	2,623,879	-	2,623,879	-
67	Fujian Baikai Elastic Weaving Co. Ltd. Cr. [$]	Accessories	1,087,403	1,087,403	-	-
68	Fujian SBS Zipper Science & Techn. Co. Ltd-[$]- Cr	Accessories	1,245,113	1,245,113	-	-
69	Giant Textiles Ltd. - [$] - Cr.	Accessories	142,110	142,110	-	-
70	GMS Trims Limited. Cr. [$]	Accessories	697,399	697,399	-	-
71	Hangzhou Ruitan Textile Co. Ltd. Cr. [$]	Accessories	2,246,578	2,246,578	-	-
72	HANGZHOU YOUCHEN IMPORT & EXPORT CO. LTD - [$]- Cr.	Accessories	1,400,342	1,400,342	-	-
73	Huntsman (Singapore) PTE Ltd [$] -Cr.	DNC	419,336	419,336	-	-
74	IBRAHIM KNIT GARMENTS (PVT.) LTD. - [$] - Cr.	Accessories	365,573	-	365,573	-
75	IDT Global Labels Bangladesh Ltd. - [$] - Cr.	Accessories	402,871	402,871	-	-
76	Int'L TRIMMINGS & LABELS (BD) PVT. LTD. Cr. [$]	Accessories	2,532,839	2,532,839	-	-
77	J. H. Accessories International. Cr. [$]	Accessories	860,734	860,734	-	-
78	J.H.M Cotton Ltd. - Cr.	Accessories	312,713	312,713	-	-
79	JB. Enterprise [$] - Cr	Accessories	385,592	385,592	-	-
80	Jiangsu Golden Autum Elastic Fabric Co Ltd [$] Cr.	Accessories	785,714	785,714	-	-
81	Jiangsu One Touch Business Service - [$] - Cr.	Accessories	360,434	360,434	-	-
82	K. M. Accessories. [$] Cr.	Accessories	355,953	355,953	-	-
83	K.C. Apparels Ltd. (Dyeing Unit) - Cr.	Accessories	550,568	550,568	-	-
84	Kamal Yarm Ltd. [$] - Cr.	Yarn	2,849,280	-	2,849,280	-
85	Kazi Knit Wear Ltd.	Accessories	3,337,304	3,337,304	-	-
86	KCTEX INTERNATIONAL LTD. - [$] - Cr.	Accessories	5,804,680	5,804,680	-	-
87	KDS Accessories Ltd (Unit-2) [$] - Cr	Accessories	432,439	432,439	-	-
88	LATIF KNITTING MILLS LTD. - Cr.	Accessories	316,322	316,322	-	-
89	Loyal Textile Mills Ltd. [$]-Cr	Accessories	6,375,110	6,375,110	-	-
90	M & U Packaging Ltd. Cr. [$]	Yarn	733,657	733,657	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
91	M R Tex. Cr. [$]	Accessories	409,328	409,328	-	-
92	M. S. Printing & Packaging. Cr. [$]	Accessories	446,358	446,358	-	-
93	M.M.Corporation. Cr. [$]	Accessories	2,856,111	2,856,111	-	-
94	M/S Best Trims Care & Accessories - Cr [$]	Spare Parts	1,798,443	1,798,443	-	-
95	M/S BHAI-BON COLLAR HOUSE - [$] - Cr.	Accessories	1,738,400	1,738,400	-	-
96	M/S MUKUL TEXTILE - [$] - Cr.	Accessories	2,002,657	2,002,657	-	-
97	M/S RAFIK ENTERPRISE - [$] - Cr.	Accessories	372,854	372,854	-	-
98	M/S. Ayesha Green Signal - [$] - Cr.	Accessories	2,165,000	2,165,000	-	-
99	M/S. HAJI TEXTILE - Cr.	DNC	772,738	-	772,738	-
100	MAH Textiles LLP - [$] - Cr.	Accessories	9,139,351	9,139,351	-	-
101	Mainetti (Bangladesh) Pvt. Ltd. - [$] - Cr.	Yarn	299,618	299,618	-	-
102	Mainetti Packaging Bangladesh Pvt. Ltd. Cr. [$]	Accessories	861,682	861,682	-	-
103	Maria Knitting - [$] - Cr.	Accessories	6,669,216	6,669,216	-	-
104	McDry Desiccant Limited. Cr. [$]	Accessories	2,393,600	2,393,600	-	-
105	Mehmud Inds Pvt. Ltd. - [$] - Cr.	Accessories	27,144,560	27,144,560	-	-
106	Metro Knitting & Dyeing Mills Ltd. [$] - Cr.	Yarn	5,183,188	5,183,188	-	-
107	Micro Trims Ltd. - [$] - Cr.	Accessories	5,240,675	5,240,675	-	-
108	MM TRADING [$] - Cr.	Accessories	999,270	999,270	-	-
109	Mode Makers Impression Limited - Cr.	Accessories	412,264	412,264	-	-
110	Modern Poly Industries Limited - Cr. [$]	Accessories	2,379,539	-	2,379,539	-
111	Mon Trims Ltd. [$] - Cr.	Yarn	2,543,537	2,543,537	-	-
112	Mondol Knitwears Ltd. [$] - Cr.	Accessories	4,788,095	4,788,095	-	-
113	NASIMA TEXTILE - Cr.	Accessories	1,553,282	1,553,282	-	-
114	Naturub Accessories (BD) Ltd.-[$]-Cr.	Accessories	1,132,206	1,132,206	-	-
115	Nearchimica SPA - [$] - Cr.	Accessories	1,851,790	1,851,790	-	-
116	Nemrac Design Ltd.- [$] - Cr.	DNC	1,700,537	1,700,537	-	-
117	Nine United Bangladesh Ltd. Cr. [$]	Accessories	732,703	732,703	-	-
118	NITIN SPINNERS LTD. - [$] - Cr.	Accessories	4,305,689	4,305,689	-	-
119	Nitu Knit World Limited - [$] - Cr.	Yarn	1,851,617	1,851,617	-	-
120	NRG Spinning Mills Ltd- [$] - Cr	Yarn	19,418,499	19,418,499	-	-
121	NRG-Composite Yarn Dyeing-[FD] - [$]- Cr.	Yarn	1,746,796	1,746,796	-	-
122	NZ Textile Ltd. - [$] - Cr.	Accessories	1,473,652	1,473,652	-	-
123	OHYOUNG INC. Cr. [$]	Yarn	7,582,604	7,582,604	-	-
124	Omax Cotspin (PVT). Ltd. - Cr.	DNC	12,104,558	12,104,558	-	-
125	Osman Interlinings Ltd - [$]-Cr.	Yarn	286,515	286,515	-	-
126	Pahartali Textile & Hosiery Mills - [$] - Cr.	Accessories	23,277,515	23,277,515	-	-
127	Pakiza Apparels Ltd. - [$] - Cr.	Yarn	39,469,953	39,469,953	-	-
128	Pannatex International. Cr. [$]	Accessories	84,975	84,975	-	-
129	Papyrus FastQ (BD) Limited. Cr. [$]	Accessories	160,900	160,900	-	-
130	Parkway Packaging & Printing Ltd. Cr. [$]	Accessories	169,300	169,300	-	-
131	Plastic Concern (Pvt) - [$] - Cr.	Accessories	1,517,966	1,517,966	-	-
132	Plummy Fashions Limited - [$] - Cr.	Accessories	2,320,056	2,320,056	-	-
133	Prime Textile Spinning Mills Ltd. - [$] - Cr.	Accessories	19,386,490	19,386,490	-	-
134	PROSPEROUS GLORY ASIA LIMITED - [$] - Cr.	Yarn	5,824,423	5,824,423	-	-
135	Quenby Transfer (India) PVT. Ltd. Cr. [$]	Accessories	6,024,419	6,024,419	-	-
136	R.K.Fashion Ltd.	Accessories	1,597,350	1,597,350	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
137	R.M.T Textile Mills Ltd. - [$] - Cr.	Accessories	17,311,536	17,311,536	-	-
138	R.R International. Cr. [$]	Yarn	263,304	263,304	-	-
139	RABEYA KNIT FASHION	Accessories	333,094	333,094	-	-
140	Red Box Hong Kong Ltd. Cr. [$]	Accessories	14,003,502	14,003,502	-	-
141	Red Rose Accessories [$] - Cr.	Accessories	334,394	334,394	-	-
142	RM Interlinning Ltd. Cr. [$]	Accessories	895,488	895,488	-	-
143	Root Source - Cr [$]	Accessories	598,688	598,688	-	-
144	Rotex Bangladesh Ltd. Cr. [$]	Accessories	68,688	68,688	-	-
145	R-Pac Bangladesh Packaging Co. Ltd. - [$] - Cr.	Accessories	7,865,556	7,865,556	-	-
146	R-Tex Trims & Fabs International - [$] - Cr.	Accessories	241680	241,680	-	-
147	S & Brothers Flat Knit Industry - [$] - Cr.	Accessories	377,688	377,688	-	-
148	S & A Trims and Tags - Cr. [$]	Accessories	115,396	115,396	-	-
149	S.B Knit Composite - [$] -Cr.	Accessories	1,071,112	1,071,112	-	-
150	S.K.KNIT COMPOSITE	Accessories	626,689	626,689	-	-
151	SAATBIK TEX - [$] - Cr.	Accessories	881,920	881,920	-	-
152	Sami Printing Limited - Cr.	Accessories	67,626	67,626	-	-
153	Samuda Chemical Complex Ltd. [$]- Cr	Accessories	680,000	680,000	-	-
154	Sans Packaging and Accessories Industries Ltd. Cr. [$]	DNC	1,624,323	1,624,323	-	-
155	SCANDEX TEXTILE INDUSTRIES LTD. - [$] - Cr.	Accessories	1,542,656	1,542,656	-	-
156	Shah Sharif's Resources Ltd. - [$] - Cr.	Accessories	867,000	867,000	-	-
157	Sharuk Enterprise - [$] - Cr.	DNC	1,015,997	1,015,997	-	-
158	Sheikh Brother's Knitwear - Cr	Accessories	828,525	828,525	-	-
159	Shinest Button. Cr. [$]	Accessories	74,408	74,408	-	-
160	Siam Computerized Elastic Inds. Ltd. - [$] - Cr.	Accessories	10,110,861	10,110,861	-	-
161	SIF Textile Industries Ltd. - [$] - Cr.	Accessories	14,952,001	14,952,001	-	-
162	Silver Composite Textile Mills Ltd. Cr. [$]	Accessories	6,215,840	6,215,840	-	-
163	Smart Narrow Fabrics. Cr. [$]	Yarn	3,132,635	3,132,635	-	-
164	SML Packaging Solutions BD Ltd- Cr [$]	Accessories	523,988	523,988	-	-
165	Sonali Fabrics & Textile Mills (PVT) Ltd.- Cr.	Accessories	312,025	312,025	-	-
166	South China Bleaching & Dyeing Fac. Ltd.-[$]- Cr.	Accessories	261,484	261,484	-	-
167	Sportking India Ltd. - [$] - Cr.	Accessories	6,392,690	6,392,690	-	-
168	STL ACCESSORIES LTD	Yarn	1,495,872	1,495,872	-	-
169	T & S BUTTONS BANGLADESH LTD. Cr. [$]	Accessories	93,500	93,500	-	-
170	TAM PLASTIK Ve KALIP SAN. TIC. LTD. STI. [$] - Cr.	Accessories	1,225,869	1,225,869	-	-
171	Team Star Asia. [$] Cr.	Accessories	1,636,939	1,636,939	-	-
172	Tex-R Accessories Int'l - [$] - Cr.	Accessories	403,032	403,032	-	-
173	Textile Auxilaries - Cr. [$]	Accessories	918,000	918,000	-	-
174	TEXTOWN LIMITED - [$] - Cr.	DNC	18,093,791	18,093,791	-	-
175	TM Chemicals Ltd. [$] -Cr.	Accessories	3,313,906	3,313,906	-	-
176	Trade Asia International Pte Ltd.[$]-Cr.	DNC	7,492,080	7,492,080	-	-
177	TRIMS INTERNATIONAL (BD) LTD. [$] - Cr.	DNC	100,297	100,297	-	-
178	Trims Maker Bangladesh [$] - Cr.	Accessories	590,654	590,654	-	-
179	Trims World - Cr [$]	Accessories	703,230	703,230	-	-
180	Trims Zone International - [$] - Cr.	Accessories	187,068	187,068	-	-
181	TUBINGEN CHEMICALS (BD) LTD. Cr. [$]	Accessories	3,347,700	3,347,700	-	-
182	Uniglory Packaging Industries Ltd. Cr. [$]	DNC	796,213	796,213	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
183	Uniglory Paper & Packing Ltd. Cr. [$]	Accessories	2,053,935	2,053,935	-	-
184	United Nine Bangladesh Ltd. Cr. [$]	Accessories	468,043	468,043	-	-
185	UNITEX COMPOSITE MILLS LTD. -[$] - Cr.	Accessories	1,645,044	1,645,044	-	-
186	Unitex Spinning Ltd. - [$] - Cr.	Yarn	9,036,237	9,036,237	-	-
187	Viyellatex Spinning Mills Ltd. [$] - Cr.	Yarn	35,215,379	35,215,379	-	-
188	Ware House Accessories (BD). [$] Cr.	Yarn	84,176	84,176	-	-
189	Well Accessories Ltd - Cr [$]	Accessories	223,798	223,798	-	-
190	Weixing Industrial Bangladesh Co. Ltd. [$]- Cr.	Accessories	1,402,935	1,402,935	-	-
191	Winsome Textile Industries Limited - Cr.	Accessories	17,058,126	17,058,126	-	-
192	Xinchang Fuwei Trading Co. Ltd. [$] - Cr.	Yarn	11,255,222	11,255,222	-	-
193	Yester Accessories Company Ltd-Cr [$]	Spare Parts	830,760	830,760	-	-
194	YKK Bangladesh Pte Ltd. - [$] - Cr.	Accessories	929,113	929,113	-	-
195	Yokohama Labels & Printing (Bd) Ltd. - [$]-Cr.	Accessories	122,282	122,282	-	-
196	Young Associates - [$] - Cr.	Accessories	1,464,719	1,464,719	-	-
197	Yunusco T&A(BD) Limited (Unit-2). Cr. [$]	Accessories	248,456	248,456	-	-
198	ZDD Industries Limited. Cr. [$]	Accessories	769,420	769,420	-	-
199	Zenith Enterprise - [$] - Cr.	Accessories	2,169,184	2,169,184	-	-
200	ZSCHIMMER AND SCHWARZ MOHSDORF GMBH AND CO. Cr. [$]	Accessories	9,119,277	9,119,277	-	-
201	ZUBAIR INDUSTRIES LIMITED - [$] - Cr.	DNC	633,595	633,595	-	-
202	The Lycra Company Singapore PTE. Ltd. [$] - Cr.	Yarn	38,679,585	38,679,585	-	-
203	ARK Garments Accessories. Cr. [$]	Accessories	5,040,000	5,040,000	-	-
204	Ace Trend Ltd. (H.K) - [$] - Cr.	Accessories	2,628,103	2,628,103	-	-
205	JIASHAN ZHANWANG GARMENT ACCESSORIES - [$] - Cr.	Accessories	3,087,824	3,087,824	-	-
206	Huafu Macao Commercial Ltd. - [$] - Cr	Yarn	6,005,024	6,005,024	-	-
207	Fortunetex Internationa Ltd. - Cr. [$]	Accessories	2,046,240	2,046,240	-	-
208	INDORAMA INDUSTRIES LTD. - [$] - Cr.	Yarn	3,160,040	3,160,040	-	-
209	HELSA-ICON INDIA PVT. LTD - [$] - Cr.	Accessories	1,537,372	1,537,372	-	-
210	FUJIAN CAI-TEXTILE IMP AND EXP CO. - [$] - Cr.	Accessories	1,435,725	1,435,725	-	-
211	M.S. DYEING, PRINTING AND FINISHING LTD. - [$] - Cr	Accessories	367,231	367,231	-	-
212	Jun Feng Trading Co. Ltd. [$] - Cr.	Accessories	474,956	474,956	-	-
213	AMERICAN BILTRITE FAR EAST INC. - [$] - Cr.	Accessories	528,142	528,142	-	-
214	Stretchline (PVT). Ltd. [$] - Cr.	Accessories	467,221	467,221	-	-
215	Manan Incorporation Ltd. - [$] - Cr.	Yarn	5,952,679	5,952,679	-	-
216	Kardnee Industrial Holdings Ltd.- Cr	Accessories	809,940	809,940	-	-
217	Huzhou Xinxi Wuxing Silk. [$] - Cr.	Accessories	3,267,563	3,267,563	-	-
218	Sun Tek Industries Group Ltd [$] - Cr	Accessories	2,349,682	2,349,682	-	-
219	CHANGZHOU J-TEX FABRICS CO., LTD. [$] - Cr.	Accessories	1,481,845	1,481,845	-	-
220	JIANJIA (HONGKONG) GROUP LTD. - [$] - Cr.	Accessories	956,400	956,400	-	-
221	SUN HING TEXTILES (HONG KONG) LIMITED - [$] - Cr.	Accessories	1,544,727	1,544,727	-	-
222	TONG XIN TEXTILE INDUSTRIES LIMITED - [$] - Cr.	Yarn	15,727,980	15,727,980	-	-
223	CRYSTAL CORPORATION - [$] - Cr.	Accessories	634,418	634,418	-	-
224	SOOCHOW RELIANCE INTERNATIONAL TRADING - [$] - Cr.	Accessories	532,399	532,399	-	-
225	FUJIAN BAOGANG IMP & EXP TRADING CO.,LTD-[$]-Cr.	Accessories	500,212	500,212	-	-
226	New Horizon Investment [HK] Ltd. - Cr [$]	Accessories	3,010,554	3,010,554	-	-

Schedule of Accounts Payable

As at 30 June 2021

Sl. No.	Supplier name	Items	Total	0-3 Months	3-6 Months	More than 1 Year
227	BRILLIANT BRA CUP COMPANY LTD. - [$] - Cr.	Accessories	3,017,910	3,017,910	-	-
228	HUAFON CHONGQING SPANDEX CO., LTD. - [$] - Cr.	Yarn	3,952,207	3,952,207	-	-
229	Haining Waytai Imp. & Exp. Co. Ltd- Cr	Accessories	1,818,869	1,818,869	-	-
230	Hong Hu Textile Industries Ltd. - [$] - Cr.	Yarn	5,019,991	5,019,991	-	-
231	J-LONG LTD. HK. [$] Cr.	Accessories	3,252,930	3,252,930	-	-
232	M. K. ACCESSORIES - [$] - Cr.	Accessories	651,571	651,571	-	-
233	Huafu HK Company Ltd.-[$]- Cr.	Yarn	3,937,080	3,937,080	-	-
234	Fariha Spinning Mills Ltd - Cr [$]	Yarn	2,319,660	2,319,660	-	-
235	Maheen Dizayn Etiket (BD) Ltd. - [$] - Cr.	Accessories	316,034	316,034	-	-
236	Robintex (BD) Ltd. - [$] - Cr.	Accessories	854,125	854,125	-	-
237	Zhejiang Guanmu Textile Tecnology Co. Ltd. Cr. [$]	Accessories	2,628,239	2,628,239	-	-
238	NPP - [$] - Cr.	Accessories	128,218	128,218	-	-
239	SUNTEX ENTERPRISE CO. - [$] - Cr.	Accessories	1,992,453	1,992,453	-	-
240	A-Tex International Ltd. [$] Cr.	Accessories	1,366,861	1,366,861	-	-
241	NICE TRIMS INDUSTRIAL CO LTD. - [$] - Cr.	Accessories	3,745,924	3,745,924	-	-
242	XINXIANG CHEMICAL FIBRE CO., LTD. -[$] - Cr.	Yarn	7,371,000	7,371,000	-	-
243	Jaba Textile Mills Ltd. - [$] - Cr.	Yarn	2,575,514	2,575,514	-	-
244	NINGBO FENGSHENG KNITTING CO. , LTD - [$] - Cr.	Accessories	3,776,228	3,776,228	-	-
245	ZHEJIANG SHAOXING YONGDA KNITTING & Art of Work- [$]-Cr	Accessories	8,080,529	8,080,529	-	-
246	HONGKONG TEXTILES IMPORT AND EXPORT - [$] - Cr.	Accessories	15,887,469	15,887,469	-	-
247	ARTSAN TEKSTIL TRANSFER KAGITLARI - [$] - Cr.	Accessories	1,066,509	1,066,509	-	-
248	Kingpro Manufacturing Co. Ltd. [$] - Cr.	Accessories	31,668	31,668	-	-
249	STAR LIGHT TRADING (CLOTHING ACC.) LTD. - [$] - Cr.	Accessories	1,452,398	1,452,398	-	-
250	ECOLOT TEXTILE CO., LTD. - [$] - Cr.	Accessories	6,612,169	6,612,169	-	-
251	Paxar (China) Limited - [$] - Cr.	Accessories	168,682	168,682	-	-
252	PANAMA COMPOSITE TEXTILE MILLS LIMITED - [$] - Cr.	Yarn	19,073,900	19,073,900	-	-
253	PT.Embee Plumbon Tekstil - [$] - Cr.	Yarn	10,208,675	10,208,675	-	-
254	Shree Gayatri Cottex Engineers Pvt. Ltd. - [$] -Cr.	Yarn	7,544,406	7,544,406	-	-
255	BAL-CIN TEKSTIL BOYA SAN. VE TIC. - Cr.	Yarn	6,784,664	6,784,664	-	-
256	Maral Overseas Ltd. [$] - Cr.	Yarn	8,806,546	8,806,546	-	-
257	Perfect Filaments Ltd. Cr. [$]	Yarn	9,466,450	9,466,450	-	-
	Total		**998,950,865**	**979,241,055**	**19,709,810**	

Schedule of Financial Asset and Liabilities Held in Foreign Currency

As at 30 June 2021

(Annexure-I)

Sl. No.	Particulars	Amount (USD)	Amount (Euro)	Amount as per Bangladesh Bank rate (Taka)	As per Ledger (Taka)	(Gain)/Loss (Taka)
	Monetary Assets					
1	Accounts Receivable	14,650,354	-	1,242,350,058	1,236,543,153	(5,806,905)
2	FBPAR A/C with DBBL-in USD(783)	130,925	-	11,102,459	11,102,459	-
3	FBPAR A/C with DBBL -in Euro		1,434	144,633	144,724	91
4	FBPAR A/C with DBBL-in USD(63)	87,612	-	7,429,461	7,429,461	-
5	Margin A/C with EBL-in USD	378,593	-	32,104,705	32,104,705	(0)
6	Margin A/C with EBL -in EURO	-	760	76,603	76,603	(0)
7	DBBL FCAD-in Dollar	579,942	-	49,179,088	49,179,088	-
8	DBBL FCAD-in Euro	-	55	5,581	5,581	0
9	DBBL FCAD-in Dollar	4,693,862		398,039,467	398,039,467	(0)
11	EBL FCAD in USD	684	-	58,003	58,087	84
12	UCBL -FACD in USD A/C # 0193	86,822		7,362,473	7,366,814	4,341
13	UCBL -FACD in USD A/C # 0267	664,495		56,349,212	56,349,212	-
		21,273,289	**2,249**	**1,804,201,742**	**1,798,399,353**	**(5,802,389)**
	Monetary Liabilites			-		-
	DBBL-EDF	2,193,651	-	186,021,590	186,021,590	-
10	EBL-EDF	532,888	-	45,188,869	45,188,869	-
	UCBL-EDF	2,655,233		225,163,785	225,163,785	-
11	IFC loan	14,000,000	-	1,187,200,000	1,187,480,000	(280,000)
12	Accounts Payable	11,777,303	-	998,715,319	998,950,865	(235,546)
		31,159,075	**-**	**2,642,289,563**	**2,642,805,109**	**(515,546)**
	Total	**52,432,364**	**2,249**	**4,446,491,305**	**4,441,204,462**	**(6,317,935)**

Conversion rate at closing rate

Euro	100.86
USD	84.80
30.06.2021 Bangladesh Bank	

L'ESQUIRE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Directors' Report

for the year ended 30 June 2021

To the Members

L' Esquire Limited

On behalf of the Board of Directors of L' Esquire Limited, I am pleased to present the Directors' Report and the Audited Financial Statements for the year ended 30 June 2021 together with the Auditors' Report thereon.

L' Esquire Limited was incorporated in Bangladesh on 20 June 2019 as a Private Company Limited by Share sunder the Companies Act 1994 (Act XVIII of 1994). The Company is a majority owned (99.01%) Subsidiary of Esquire Knit Composite Limited (L' Esquire).

This Company was established to run a manufacturing business unit of lingerie, active wear, Intimax, Sportswear, Knitwear Readymade Garments including knitting, dyeing, sewing, printing, embroidery. The Company can also produce all kind of garments products such as men's and women's Shirt, Trousers, baby dresses, jeans pants, jeans shirt, sportswear and any kind of 100 % export oriented readymade garments.

The location of the company is in Jamirdia, Valuka, Mymenshing.

The Company is specialized for the production of Lingerie products. Which is in huge demand in the global market. During this financial year the company has started its operation and export activities on a limited scale.

1. Operating Performance

During this financial year the company has started its operation and export activities on a limited scale. The operational performance during this year 2020-2021 is as follows:

Amount in Taka

Particulars	2020-2021
Revenue	24,291,420
Cost of Goods Sold	27,086,602
Gross Profit	(2,795,182)
Operating Expenses	2,450,336
Profit / (Loss) from Operation	(5,245,518)
Other Income (Interest Income)	372,000
Net Profit before Tax	(4,873,518)
Net Profit after Tax	(4,961,922)
Basic Earnings Per Share	(1.17)

2. Market Operations

Similar to the Esquire Knit Composite Limited, L' Esquire is also 100% export-oriented Lingerie production company. This is in line with the group's policy to invest in export-oriented company for the greater interest of the company.

3. Share Capital

The Authorized Share Capital of our company as on 30 June 2021 stood at taka 1,000.00 Million divided into 100,000,000 ordinary shares of taka 10.00 each. The Issued Share Capital of our company is Taka 42.42 Million divided into 4,242,000 ordinary shares of Taka 10.00 each and the subscribed and paid-up Share Capital is Taka 42.42 Million into 4,242,000 ordinary shares of Taka 10.00 each, fully paid-up.

4. Shareholding

The Company has issued total of 4,242,000shares of Taka 10.00each. The present shareholding pattern of the company is as follows:

Name of the Shareholders	Shareholding (No. of Shares)	Percentage (%)
Mr. Md. Moffazal Hossain	16,000	.38
Mr. Md. Ehsanul Habib	15,000	.35
Mr. Arifur Rahman	6,000	0.14
Mr. Md. Muddasar Hossain	5,000	0.12
Esquire Knit Composite Limited	4,200,000	99.01
Total Shares & Percentage	**4,242,000**	**100%**

On the basis of the above shareholdings, L' Esquire Limited has the status of subsidiary to Esquire Knit Composite Limited.

5. Dividend

The Board of Directors of the Company do not recommend any dividend for the financial year 2020-2021.

6. Board of Directors

The following persons are the Members of the Board of Directors of the Company:

Mr. Md. Ehsanul Habib	- Chairman
Mr. Arifur Rahman	- Managing Director
Mr. Md. Mofazzal Hossain	- Director
Mr. Md. Muddassar Hossain	- Director
Mr. Swapan Kumar Sarker	- Director

(Nominee of Esquire Knit Composite Limited)

7. Board Meeting

Board Meetings During the financial year ended 30 June 2021, 4 (four) meetings of the Board of Directors were held on 26 November 2020, 31 December 2020, 27 January 2021 and 29 April 2021.

8. Financial Position

The Statement of Financial Position as on 30 June 2021, Statement of Profit or Loss and other Comprehensive Income, Change in Equity and cash Flows ended at 30 June 2021 are place herewith.

9. Appointment of Auditors

The existing Auditors M/. Chowdhury Bhattacharjee & Co., Chartered Accountants, 47/8, Indira Road (Ground Floor), Dhaka-1215 has carried out the audit for the year ended 30 June 2021.

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, 47/8, Indira Road (Ground Floor), Dhaka-1215, the Auditors of the Company has expressed their willingness to continue in office for the year 2021-2022. The Board after due consideration of the proposal made by the Audit Committee recommends the re-appointment of M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, as auditors for the year 2021-2022.

M/s. Chowdhury Bhattacharjee & Co., Chartered Accountants, Auditors of the Company, retired at this Annual General Meeting and being eligible offered themselves for re-appointment as Auditors for the financial year 2021-2022 and re-fixation of their remuneration.

10. Acknowledgement

The Board of Directors place on record their deep sense of appreciation for continuous support from Company's employees, customers, vendors, investors and lenders. The Board of Directors also wish to place on record their deep appreciation to the government of Bangladesh and concerned government departments / agencies for their co-operation.

For and on behalf of the Board

Md. Ehsanul Habib
Chairman

Arifur Rahman
Managing Director

Date: 28th October 2021
Place: Dhaka

Opinion

We have audited the accompanying Financial Statements of **"L'Esquire Limited"** , which comprises the Statement of Financial Position as at 30 June, 2021 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. In our opinion, the Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS), give a true and fair view of the state of the company's affairs as at 30 June, 2021 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our Responsibilities under those standards are further described in the Auditor's 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 the ethical requirements that are relevant to our audit of the Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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.

Auditor's 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:

- 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 evidences that is sufficient and appropriate to provide a basis for audit 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.
- 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 evidences 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 evidences 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.

Further to our opinion in the above paragraph, we state that:

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) In our opinion, proper books of account as required by law have been kept by **"L'Esquire Limited"** so far as it appeared from our examination of those books;

(iii) The Company's Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account ;

(iv) The expenditure incurred was for the purpose of the Company's business

Dated, Dhaka
7 November, 2021

Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC: 2111071615AS404331

STATEMENT OF FINANCIAL POSITION

As at 30 June, 2021

	Notes	2020-2021	2019-2020
		Taka	Taka
ASSETS			
Non-Current Assets :		**384,587,219**	**11,348,286**
Property, Plant and Equipment	3.00	81,190,003	176,320
Right of Use Assets	4.00	117,248,149	-
Capital Work in Progress	5.00	186,149,066	11,171,966
Current Assets :		**73,339,394**	**6,109,079**
Inventories	6.00	1,547,757	-
Accounts Receivables		6,610,564	-
Advance, Deposit and Prepayments	7.00	125,604	4,941,043
Cash and Cash Equivalents	8.00	65,055,469	1,168,036
TOTAL ASSESTS		**457,926,613**	**17,457,365**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity :		**36,402,335**	**14,154,257**
Share Capital	9.00	42,420,000	3,210,000
Share Money Deposit	10.00	-	12,000,000
Retained Earnings		(6,017,665)	(1,055,743)
Non-Current Liabilities :		**380,877,719**	**-**
Long Term Loan		265,739,053	-
Lease Liability	11.00	115,138,666	-
Current Liabilities :		**40,646,559**	**3,303,108**
Lease Liability	12.00	4,192,908	-
Liabilities for Expenses	13.00	8,054,463	13,800
Accounts payable		28,399,188	3,289,308
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**457,926,613**	**17,457,365**

The annexed notes form an integral part of these Financial Statements.

Signed as per our annexed report of even date.

Managing Director

Director

Dated, Dhaka
7 November, 2021

Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC: 2111071615AS404331

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June, 2021

	Notes	2020-2021	2019-2020
		Taka	Taka
Revenue	14.00	24,291,420	-
Cost of Goods Sold	15.00	27,086,602	9,280
Gross Profit		**(2,795,182)**	**(9,280)**
OPERATING EXPENSES		**2,450,336**	**1,046,463**
Administrative overhead	16.00	1,533,963	1,046,463
Selling and Distribution overhead	17.00	916,373	-
Profit/(Loss) from Operation		**(5,245,518)**	**(1,055,743)**
OTHER INCOME:		**372,000**	**-**
Interest Income		372,000	-
Net Profit Before Tax		**(4,873,518)**	**(1,055,743)**
Less: Income Tax Expenses		88,404	-
Net Profit After Tax		**(4,961,922)**	**(1,055,743)**
Basic Earning Per Share		**(1.17)**	**(3.29)**

The annexed notes form an integral part of these Financial Statements.

Signed as per our annexed report of even date.

Managing Director

Director

Dated, Dhaka
7 November, 2021

Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC: 2111071615AS404331

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June, 2021

Particulars	Amount in Taka			
	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as at 01 July, 2020	3,210,000	12,000,000	(1,055,743)	14,154,257
Transfer during the year	12,000,000	(12,000,000)	-	-
Addition during the year	27,210,000	-	-	27,210,000
Profit / (Loss) for the year	-	-	(4,961,922)	(4,961,922)
Balance as at 30 June, 2021	**42,420,000**	**-**	**(6,017,665)**	**36,402,335**

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June, 2020

Particulars	Amount in Taka			
	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as at 20 June, 2019	-	-	-	-
Addition during the period	3,210,000	12,000,000	-	15,210,000
Profit / (Loss) for the period	-		(1,055,743)	(1,055,743)
Balance as at 30 June, 2020	**3,210,000**	**12,000,000**	**(1,055,743)**	**14,154,257**

Signed as per our annexed report of even date.

Managing Director

Director

Dated, Dhaka
7 November, 2021

Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC: 2111071615AS404331

STATEMENT OF CASH FLOWS

For the year ended 30 June, 2021

		2020-2021	2019-2020
		Taka	Taka
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Cash received from operating activities	**18,052,856**	**-**
	Cash received from Sales Revenue	17,680,856	-
	Cash received from Other Income	372,000	-
	Cash paid for operating activities	**17,897,419**	**(1,032,663)**
	Cash paid to Suppliers	22,662,803	-
	Cash paid for Operating & Non-operating Expenses	(4,765,383)	(1,032,663)
	Net Cash Generated From Operating Activities	**35,950,275**	**(1,032,663)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payment against Property, Plant and equipment and CWIP	(265,011,895)	(16,298,609)
	Net Cash Used in Investing Activities	**(265,011,895)**	**(16,298,609)**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Share Capital	27,210,000	3,210,000
	Share Money Deposit-EKCL	-	12,000,000
	Received from others	-	3,289,308
	Long Term Loan Received	265,739,053	-
	Net Cash Used in Financing Activities	**292,949,053**	**18,499,308**
	Net increase / (Decrease) during the year (A+B+C)	**63,887,433**	**1,168,036**
	CASH AND CASH EQUVALENTS AT THE BEGING OF THE YEAR	1,168,036	-
	CASH AND CASH EQUVALENTS AT THE ENDING OF THE YEAR	**65,055,469**	**1,168,036**

Footnote: Disclosure of Non-Cash Financing Activities

Significant Non-Cash Financing Transactions

i.	Conversion of Share Money Deposit into Ordinary Shares	12,000,000	
	Total	**12,000,000**	**-**

Signed as per our annexed report of even date.

Managing Director

Director

Dated, Dhaka
7 November, 2021

Saptam Biswas, FCA
Partner
Enrollment No: 1615
Chowdhury Bhattacharjee & Co.
Chartered Accountants
DVC: 2111071615AS404331

1.00 CORPORATE INFORMATION OF THE REPORTING ENTITY :

1.01 Legal Form of the Entity:

L'Esquire Limited (hereinafter said as the Company) is a Private Company Limited by shares and registered with the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh under the Companies Act XVIII of 1994 on the 20th day of June, 2019 vide Reg. no. C-152655/2019.

Consequently the company has acquired the following Licenses and legal approvals:

Sl. No.	Name of License	Registration No.	Date of License	Renewed up to
01	Certificate of Incorporation	C-152655/2019	20-Jun-19	N/A
02	Tax Identification Number (TIN)	749287636766	1-Jul-19	N/A
03	Trade License	61	9-Jul-20	30-Jun-22
04	Business Identification Number (BIN)	002158374-0103	20-Oct-19	N/A
05	Import Registration Certificate (IRC)	260361120002120	8-Jan-20	30-Jun-22
06	Export Registration Certificate (ERC)	260361210006219	18-Dec-19	30-Jun-22

1.02 Nature of Business Activities:

L'Esquire Limited is engaged in manufacturing business unit of lingerie, active wear, Intimax, Sportswear, knitwear readymade garments including knitting, dyeing, sewing, printing, embroidery. To produce all kind of garments products viz mens and womens Shirt, Trousers, baby dresses, jeans pants, jeans shirt, sportswear. To establish any kind of 100%export oriented readymade garments business etc.

1.03 Address of Registered Office and Factory:

The registered office of the company is:

21, Shaheed Tajuddin Ahmed Sarani (7th Floor), Tejgaon Industrial Area, Dhaka-1208, Bangladesh.

Factory address of the company is:

Jamirdia, Bhaluka, Mymansingh, Bangladesh.

2.00 BASIS OF PREPARATION :

2.01 Basis of Measurement:

The financial statements of the company have been prepared under International Financial Reporting Standards (IFRSs) based on historical cost convention without taking into account the effect of inflation.

2.02 Statement of Compliance:

The financial statements have been prepared and the disclosures of information made under the Going Concern Concept on historical cost convention and on accrual basis in accordance with the requirements of the companies Act 1994 as applicable and International Accounting Standards (IAS) & International Financial Reporting Standard (IFRS), adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), Bangladesh Labor Act 2006, the Labor Rules 2015 and other applicable laws and regulations in Bangladesh.

2.03 Presentation of Financial Statements:

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994.

The Financial Statements comprise of:

(a) a Statement of Financial Position as at 30 June 2021;
(b) a Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021
(c) a Statement of Changes in Equity for the year ended 30 June 2021;
(d) a Statement of Cash Flows for the year ended 30 June 2021 and
(e) Notes, comprising summary of significant accounting policies and explanatory information.

2.04 Functional and Presentation Currency:

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

2.05 Accrual Basis:

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

2.06 Use of Estimates and Judgments:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form that basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgements

Information about judgements related to lessee accounting under IFRS 16 made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements.

2.07 Going Concern:

The financial statements of the Company have been prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern. The management do not see any issue with respect to going concern status due to recent pandemic COVID-19. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Moreover, the current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing business.

2.08 Reporting Period:

Reporting Period consist of 01 July 2020 to 30 June 2021.

2.09 Comparative Information:

Comparative information has been disclosed in respect of the period ended 30 June, 2020 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

2.10 Changes in Significant Accounting Principles:

Except for the changes below, the company has consistently applied the accounting policies to all periods presented in these financial statements.

2.11 Property, Plant and Equipment (Note 4):

(a) Recognition and Measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of acquisition comprises of purchase price, including import duties and non-refundable taxes and any directly attributable cost of bringing the assets to its working condition for its intended use.

Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

Parts of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment so disposed and is recognized with other income/general and administrative expenses in statement of profit or loss and other comprehensive income.

(b) Pre-Operating Expenses and Borrowing Costs:

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized.

(c) Subsequent Costs:

The cost of replacing component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(d) Depreciation:

Property, Plant & Equipment are depreciable after commencement of commercial activities of the company following the reducing balance method on the basis of its life expectancy. Full periods depreciation is charged in the period of acquisition and no depreciation is charged in the period when assets are retired or disposed off.

The rates at which assets are depreciated per annum, depending on the nature and estimated useful lives of assets are given below:

Category of Asset	Rate of Depreciation
Plant & machinery	10%
Furniture and Office Equipment	10%

e) Impairment of Assets (IAS 36):

The carrying amounts of the property, plant and equipment are reviewed at each balance sheet date or whenever there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses, if any, are recognized in the profit and loss account. No such indication of impairment has been observed till the end of the period.

(f) Retirements and Disposals:

An asset is derecognized on disposal or when no further economic benefits are expected from its use. Gain or loss on disposal of an asset is determined as the difference of net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income/expense in the statement of profit or loss and other comprehensive income.

2.12 Capital Work-in-Progress:

Construction-in-progress is stated at cost less any impairment losses, if any and is not depreciated. These are expenses of capital nature directly incurred for Plant & Machinery and Building & Other civil construction. No depreciation is charged on the capital work-in-progress which is in accordance with IAS-16.

2.13 Right of use Assets

L'Esquire Limited has entered into lease agreements with Esquire Knit Composite Ltd. authority for Proposed basement, basement, ground floor, mezzanine floor, 2nd floor, 3rd floor of factory building and basement, ground floor, mezzanine floor, 2nd floor of Utility building. The Company used 9% incremental borrowing rate per annum. Details of the leases are as follows.

Leased asset	Area (Sq Ft)	Expired Date
Proposed basement, basement, ground floor, mezzanine floor, 2nd floor, 3rd floor of factory building and basement, ground floor, mezzanine floor, 2nd floor of Utility building	307,554	12/31/35

Right-of-use assets are measured at their carrying amount as if IFRS 16 had been applied, discounted by using the Company's incremental borrowing rate at the date of initial application: the Company applied this approach to all of the leases.

The Company used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. In particular, the Company:

–– did not recognize right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;

–– did not recognize right-of-use assets and liabilities for leases of low value assets; and

–– excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

2.14 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash in hand, demand deposits, short term deposits, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

2.15 Share Capital:

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognized as a deduction from equity.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.16 Provisions:

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

2.17 Revenue from Contracts with Customers (IFRS-15):

The Company has initially applied IFRS 15 Revenue from contracts with customers from 20 June 2019. The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer or its agent (Forwarder/CFS). To achieve that core principle, IFRS 15 establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods are considered as transferred when (or as) the customer or its agent (Forwarder/CFS) obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

2.18 Cash Flows Statement (IAS-7):

Statement of Cash flows have been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method".

2.19 Earnings Per Share (IAS -33):

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

2.20 Events after the Reporting Period (IAS-10):

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes wherever material.

2.21 Applicable accounting standards:

The following IASs and IFRSs are applicable to the financial statements for the period under review:

IASs:

IAS 1 Presentation of Financial Statements;
IAS 2 Inventories;
IAS 7 Statements of Cash flows;
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
IAS 10 Events after the Reporting Period
IAS 12 Income Taxes
IAS 16 Property, Plant and Equipment
IAS 19 Employee Benefits
IAS 21 The Effects of Changes in Foreign Exchange Rates
IAS 23 Borrowing Costs
IAS 24 Related Party Disclosures
IAS 32 Financial Instruments: Presentation
IAS 33 Earnings per Share
IAS 36 Impairment of Assets
IAS 37 Provisions, Contingent Liabilities and Contingent Assets
IAS 39 Financial Instruments: Recognition and Measurement

IFRSs:
IFRS 7 Financial Instruments: Disclosures
IFRS 8 Operating Segments
IFRS 9 Financial Instruments
IFRS 13 Fair Value Measurement
IFRS 15 Revenue from Contracts with Customers
IFRS 16 Leases

2.22 Directors' Responsibility Statement:

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

	30-June-2021	30-June-2020
	Taka	Taka
3.00 Property, Plant and Equipment: Tk. 81,190,003		
Details of Property, plant and equipment and depreciation as at 30 June, 2021 are shown in the annexed Schedule-A. This is arrived as follows:		
Opening Balance (cost)	185,600	-
Add: Addition during the year	90,034,795	185,600
	90,220,395	**185,600**
Less: Disposal during the year	-	-
Closing Balance (At Cost)	**90,220,395**	**185,600**
Less: Accumulated depreciation	9,030,391	9,280
Carrying Amount	**81,190,003**	**176,320**
4.00 Right of Use Assets: Tk. 117,248,149		
Details of Right of Use Assets and depreciation as at 30 June, 2021 are shown in the annexed Schedule-B. This is arrived as follows:		
Opening Balance (cost)	-	-
Add: Addition during the year	121,291,189	-
	121,291,189	**-**
Less: Disposal during the year	-	-
Closing Balance (At Cost)	**121,291,189**	**-**
Less: Accumulated depreciation	4,043,040	-
Carrying Amount	**117,248,149**	**-**
5.00 Capital Work in Progress: Tk. 186,149,066		
The above amount is made up as follows :		
Opening Balance	11,171,966	-
Add: Addition during the year	249,074,712	11,171,966
	260,246,678	**11,171,966**
Less: Transfer to Fixed Assets	74,097,612	-
Closing Balance	**186,149,066**	**11,171,966**
6.00 Inventories: Tk. 1,547,757		
The above amount is made up as follows :		
Finished Goods	1,547,757	-
	1,547,757	**-**
7.00 Advance, Deposit and Prepayments: Tk. 125,604		
The above amount is made up as follows :		
L/C margin	-	4,941,043
Advance Income Tax-FDR	37,200	
Advance Income Tax-Export	88,404	-
	125,604	**4,941,043**

	30-June-2021	30-June-2020
	Taka	Taka
8.00 Cash and Cash Equivalents: Tk. 65,055,469		
The above amount is made up as follows :		
i) Cash in Hand:	**243,899**	**-**
Head Office	158,899	-
Factory	85,000	-
ii) Cash at Bank:	**30,741,570**	**1,168,036**
Dutch Bangla Bank Ltd., Dilkusha Brunch, A/C No. 101.110.50619	21,330,785	39,687
Bank asia, Kawranbazar Brunch, A/C No. 6273300266	1,151,818	-
Shahjalal Islami Bank Ltd, Eskaton Branch, A/C No. 4033.111.00000654	8,258,967	1,128,349
iii) Investment in FDR:	**34,070,000**	**-**
FDR-Shahjalal Islami Bank Ltd.,Eskaton Branch, 2637	6,857,375	-
FDR-Shahjalal Islami Bank Ltd, Eskaton Branch, 2636	10,078,750	-
FDR-Shahjalal Islami Bank Ltd., Eskaton Branch, 2586	17,133,875	-
Total	**65,055,469**	**1,168,036**

9.00 Share Capital: Tk. 42,420,000

This is made up as follows :

Authorized:		
100,000,000 Shares of Tk.10/- each	**1,000,000,000**	**1,000,000,000**
Issued, Subscribed and Paid-up:		
42,042,000 Shares of Tk.10/- each fully paid-up in cash	**42,420,000**	**3,210,000**

Name of Share Holders	No. of Shares		Share %		Amount of Tk	Amount of Tk
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Esquire Knit Composite Ltd.	4,200,000	279,000	99.01%	86.92%	42,000,000	2,790,000
Mr. Md. Mofazzal Hossain	16,000	16,000	0.38%	4.98%	160,000	160,000
Mr. Md. Ehsanul Habib	15,000	15,000	0.35%	4.67%	150,000	150,000
Mr. Arifur Rahman	6,000	6,000	0.14%	1.87%	60,000	60,000
Mr. Md. Muddasar Hossain	5,000	5,000	0.12%	1.56%	50,000	50,000
Total	**4,242,000**	**321,000**	**100%**	**100%**	**42,420,000**	**3,210,000**

10.00 Share Money Deposit: Tk. 0

This is made up as follows :

Share Money Deposit	**-**	**12,000,000**

11.00 Lease Liability (Non-Current Portion) : Tk. 115,138,666

The above amount is made up as follows :

Opening Balance	-	-
Add: Assition During the year	121,291,189	-
Add: Interest Charged During the year	5,421,681	-
Less: Payment made during the year	(7,381,296)	-
Closing Balance	**119,331,574**	**-**
Less: Current Portion of Lease Liability	4,192,908	-
Total	**115,138,666**	**-**

	30-June-2021	30-June-2020
	Taka	Taka
12.00 Lease Liability (Current Portion) : Tk. 4,192,908		
The above amount is made up as follows :		
Current Portion of Lease Liability (Note:)	4,192,908	-
Total	**4,192,908**	**-**
13.00 Liabilities for Expenses: Tk. 8,054,463		
The above amount is made up as follows :		
Salary and wages	550,263	-
Audit fees	34,500	13,800
Provision for Income Tax	88,404	-
Payable to EKCL Lease Payment	7,381,296	-
	8,054,463	**13,800**
14.00 Revenue: Tk. 24,291,420		
This is made up of the followings:		
Export Sales	24,291,420	-
Total	**24,291,420**	**-**
15.00 Cost of Goods Sold: Tk. 27,086,602		
This is made up of the followings:		
Cost of Purchase **(Note-15.01)**	2,447,077	-
Direct Expenses **(Note-15.02)**	26,187,282	9,280
Cost of Manufacture	**28,634,359**	**9,280**
Add: Opening Finished Goods	-	-
Cost of Goods Available for Sale	**28,634,359**	**9,280**
Less: Closing Finished Goods	1,547,757	-
Total	**27,086,602**	**9,280**
15.01 Cost of Purchase: Tk. 2,447,077		
This is made up of the followings:		
Yarn	2,447,077	-
Total	**2,447,077**	**-**
15.02 Direct Expenses: Tk. 26,187,282		
This is made up of the followings:		
Workers wages	6,603,159	-
Gas and electricity	147,311	-
Insurance premium	271,051	-
Tiffin expenses for workers	107,766	-
Spare Parts Consumption	157,659	-
Consumable items	69,070	-
Vehicle running (Oil and fuel)	253,643	-
Local conveyance	64,091	-
Telephone & Mobile bills	27,700	-
Finance Charge-Lease	5,421,681	-
Depreciation **(Schedule-A)**	9,021,111	9,280
Depreciation **(Schedule-B)**	4,043,040	-
Total	**26,187,282**	**9,280**

	30-June-2021	30-June-2020
	Taka	Taka

16.00 Administrative overhead: Tk. 1,533,963

This is made up of the followings:

Salary & allowances	1,030,721	-
Vehicle running expenses	86,803	-
Entertainment	63,966	-
Telephone, mobile & internet	4,873	-
Travelling & conveyance	39,588	-
Bank charges	40,491	8,950
Excise Duty	15,000	-
License, renewal & registration	-	1,023,713
Utility expenses	81,696	
Audit fees	34,500	13,800
Central Fund	2,225	-
Miscellaneous expenses	134,100	-
Total	**1,533,963**	**1,046,463**

17.00 Selling and Distribution overhead: Tk. 916,373

This is made up of the followings:

Inspection & certificate issue expenses	298,412	-
Foreign Travel for marketing	43,937	-
Sample and courier expenses	650	-
Bank charges on export proceeds	265,845	-
Freight charges on export	224,208	-
C & F expenses on export	83,321	-
Total	**916,373**	**-**

18.00 Related party disclosures

Name	Relationship	Nature of Transaction	Opening Balance	Net transaction Value during the year	Closing Balance 30-June-2021
Esquire Knit composite Ltd	Sister Concern	Purchase	-	265,739,053	265,739,053
Esquire Customer Care Ltd.	Sister Concern	Dyeing	-	(66,150)	(66,150)

L'ESQUIRE LIMITED

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

As at 30 June, 2021

Property, Plant and Equipment Tk. 81,190,003 **SCHEDULE - A**

Sl. No.	Particulars	COST				Depreciation				Balance as at 30-June-2021	Carrying Amount as at 30-June-2021
		Balance as at 01-July-2020	During the period		Balance as at 30-June-2021	Rate	Balance as at 01-July-2020	During the period			
			Additions	Disposal/ Adjustments				Charged	Adjustment		
1	Plant & Machinery	61,600	74,097,612	-	74,159,212	10%	3,080	7,415,613	-	7,418,693	66,740,518
2	Furniture and Office Equipment	124,000	15,937,183	-	16,061,183	10%	6,200	1,605,498	-	1,611,698	14,449,485
Balance as at 30 June, 2021		**185,600**	**90,034,795**	**-**	**90,220,395**		**9,280**	**9,021,111**	**-**	**9,030,391**	**81,190,003**
Balance as at 30 June, 2020		**-**	**185,600**	**-**	**185,600**		**-**	**9,280**	**-**	**9,280**	**176,320**

L'ESQUIRE LIMITED

SCHEDULE OF RIGHT OF USE ASSETS

As at 30 June, 2021

Right of Use Assets Tk. 117,248,149 **SCHEDULE - A**

Sl. No.	Particulars	COST				Depreciation				Balance as at 30-June-2021	Carrying Amount as at 30-June-2021
		Balance as at 01-July-2020	During the period		Balance as at 30-June-2021	Rate	Balance as at 01-July-2020	During the period			
			Additions	Disposal/ Adjustments				Charged	Adjustment		
1	Lease Assets	-	121,291,189	-	121,291,189		-	4,043,040	-	4,043,040	117,248,149
Balance as at 30 June, 2021		**-**	**121,291,189**	**-**	**121,291,189**		**-**	**4,043,040**	**-**	**4,043,040**	**117,248,149**

Notes

Notes

Notes

ESQUIRE KNIT COMPOSITE LIMITED

21 Shaheed Tajuddin Ahmed Sarani, Tejgaon I/A, Tejgaon, Dhaka-1208

PROXY FORM

I/We----------of----------

----------being a member of **Esquire Knit Composite Limited** hereby appoint Mr./Ms./Miss ----------

----------of----------

------- as my proxy to attend and vote for me on my behalf at the 21st Annual General Meeting of the Esquire Knit Composite to be held on Wednesday, the 26th January 2022 at 11:00 a.m. under virtual platform and at any adjournment thereof.

As witness my hand this ---------- day of January 2022.

Signed by the said presence ----------

Revenue
Stamp
Tk 20.00

..... (Signature of Proxy)

..... (Signature of Shareholder(s)

Registered BO ID .....

..... (Signature of Witness)

..... Dated

Note: A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her stead. The proxy form duly stamped valuing Tk. 20/- must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

Signature verified

.....

Authorized Signature

www.esquireknit.com

Scan code with a QR code reader-enable mobile phone to find out more about the company

ESQUIRE KNIT COMPOSITE LIMITED

REGISTERED & CORPORATE OFFICE
Esquire Tower, 21 Shaheed Tajuddin Ahmed Sarani
(Old 30 Tejgaon Industrial Area)
Tejgaon, Dhaka-1208, Bangladesh
IP Phone: +88 09612443322

FACTORY ADDRESS
i. 22/58, Kanchpur, Sonargaon, Narayangonj
ii. Jamirdia, Valuka, Mymensingh

Email : info@esquirebd.com
Website : www.esquireknit.com

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