

**Third Quarter & Nine Months  
Financial Statement 2022-2023  
(Unaudited)**

***ESQUIRE KNIT COMPOSITE PLC***  
**(Consolidated and Separate)**

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.



Certified by :

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

## Esquire Knit Composite PLC and its subsidiary

### Consolidated Statement of Financial Position

As at 31 March 2023

| Particulars  | Notes | Amount in Taka        |                       |
|--|-------|-----------------------|-----------------------|
|  |       | 31-Mar-2023           | 30-Jun-2022           |
| <b>Assets</b>  |       |                       |                       |
| <b>Non-Current Assets</b>  |       | <b>10,210,394,348</b> | <b>9,319,977,108</b>  |
| Property, plant and equipment                                      | 4     | 6,949,991,277         | 6,509,714,766         |
| Capital work-in-progress   | 5     | 3,150,128,072         | 2,699,987,342         |
| Investment in shares   | 6     | 110,275,000           | 110,275,000           |
| <b>Current Assets</b>  |       | <b>5,969,296,660</b>  | <b>6,368,151,867</b>  |
| Inventories  | 7     | 3,700,962,827         | 3,746,164,398         |
| Accounts receivables   | 8     | 967,515,964           | 1,311,122,533         |
| Other receivables  | 9     | 4,043,522             | 4,146,703             |
| Advance, deposit and prepayments                                   | 10    | 689,936,933           | 640,809,298           |
| Investment   | 11    | 39,138,135            | 102,180,441           |
| Cash and cash equivalents  | 12    | 567,699,279           | 563,728,494           |
| <b>TOTAL ASSETS</b>  |       | <b>16,179,691,008</b> | <b>15,688,128,975</b> |
| <b>EQUITY &amp; LIABILITIES</b>                                    |       |                       |                       |
| <b>Shareholders' Equity</b>  |       | <b>8,753,706,468</b>  | <b>8,796,757,255</b>  |
| Share capital  | 13    | 1,348,958,330         | 1,348,958,330         |
| Non-controlling Interest   | 13.01 | 184,853               | 272,241               |
| Share Premium Account  | 14    | 1,086,653,150         | 1,086,653,150         |
| Revaluation surplus  | 15    | 3,739,289,135         | 3,739,289,135         |
| Retained earnings  | 16    | 2,578,621,000         | 2,621,584,399         |
| <b>Non Current Liabilities</b>                                     |       | <b>2,564,421,853</b>  | <b>2,708,128,459</b>  |
| Deferred Tax liabilities   | 17    | 301,691,782           | 278,376,872           |
| Long term loan net of current maturity                             | 18    | 2,261,058,785         | 2,427,474,711         |
| Finance lease obligation net of current maturity                   | 19    | 1,671,287             | 2,276,877             |
| <b>Current Liabilities</b>   |       | <b>4,861,562,687</b>  | <b>4,183,243,261</b>  |
| Short term loan  | 20    | 3,069,935,072         | 2,307,892,211         |
| Current portion of long term loan                                  | 18    | 323,620,304           | 291,839,388           |
| Current portion of finance lease obligation                        | 19    | 6,016,886             | 9,635,741             |
| Unclaimed Dividend   | 21    | 3,475,908             | 3,475,908             |
| Accounts payable   | 22    | 1,180,021,741         | 1,192,574,016         |
| Liabilities for expenses   | 23    | 278,492,776           | 377,825,997           |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>                              |       | <b>16,179,691,008</b> | <b>15,688,128,975</b> |
| <b>Net Asset Value (NAV) per share with revaluation reserve</b>    |       | <b>64.89</b>          | <b>65.21</b>          |
| <b>Net Asset Value (NAV) per share without revaluation reserve</b> |       | <b>37.17</b>          | <b>37.48</b>          |

The annexed notes form an integral part of these financial statements

  
Chief Financial Officer

  
Director

  
Managing Director

  
Chairman

Dhaka,  
17 April 2023

  
Company Secretary

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



Esquire Knit Composite PLC and its subsidiary  
Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the period ended 31 March 2023

| Particulars                                      | Notes | Figure in Taka     |                    |                      |                      |
|--|-------|--------------------|--------------------|----------------------|----------------------|
|  |       | 3rd Quarter        |                    | Year to Date         |                      |
|  |       | Jan to Mar-23      | Jan to Mar-22      | July to Mar-23       | July to March-22     |
| Revenue  | 24    | 2,460,631,896      | 2,350,878,933      | 6,349,383,952        | 7,367,949,316        |
| Less: Cost of Goods Sold                         | 25    | 1,947,557,494      | 1,930,544,119      | 5,159,108,931        | 6,040,795,487        |
| <b>Gross profit</b>                              |       | <b>513,074,402</b> | <b>420,334,814</b> | <b>1,190,275,021</b> | <b>1,327,153,829</b> |
| Less: Operating expenses                         | 26    | 305,523,362        | 214,823,170        | 857,164,956          | 783,988,258          |
| <b>Gross operating profit</b>                    |       | <b>207,551,040</b> | <b>205,511,644</b> | <b>333,110,064</b>   | <b>543,165,571</b>   |
| Less: Financial expenses                         | 27    | 87,467,684         | 88,222,013         | 272,764,901          | 203,713,484          |
| <b>Net operating profit</b>                      |       | <b>120,083,356</b> | <b>117,289,631</b> | <b>60,345,163</b>    | <b>339,452,087</b>   |
| Add: Non-Operating income                        | 28    | 2,130,531          | 3,096,992          | 5,821,179            | 9,290,977            |
| <b>Profit before WPPF &amp; WF</b>               |       | <b>122,213,887</b> | <b>120,386,624</b> | <b>66,166,342</b>    | <b>348,743,064</b>   |
| Less: Provision for contribution to Central Fund | 29    | 563,382            | 772,406            | 1,838,665            | 1,914,169            |
| <b>Profit before tax</b>                         |       | <b>121,650,505</b> | <b>119,614,218</b> | <b>64,327,678</b>    | <b>346,828,896</b>   |
| Less: Income tax expenses                        |       | 43,682,991         | 18,468,678         | 48,405,344           | 56,265,750           |
| Current Tax                                      | 30    | 21,849,046         | 14,879,522         | 25,090,434           | 46,530,440           |
| Deferred Tax                                     | 17.02 | 21,833,945         | 3,589,156          | 23,314,910           | 9,735,310            |
| <b>Profit after tax</b>                          |       | <b>77,967,514</b>  | <b>101,145,540</b> | <b>15,922,334</b>    | <b>290,563,145</b>   |
| <b>Earnings Per Share (EPS) - Basic</b>          | 31.01 | <b>0.58</b>        | <b>0.75</b>        | <b>0.12</b>          | <b>2.15</b>          |

Chief Financial Officer

Director

Managing Director

Chairman

Dhaka,  
17 April 2023

Company Secretary



Factory :  
Kanchpur, Sonargaon, Naraygonj, Bangladesh.

Certified by :



**Esquire Knit Composite PLC and its subsidiary**  
Consolidated Statement of Changes in Equity  
For the period ended 31 March 2023

| Particulars                   | Amount in Taka       |                      |                      |                          |                      | Total Equity         |
|-------------------------------|----------------------|----------------------|----------------------|--------------------------|----------------------|----------------------|
|                               | Share Capital        | Share premium        | Revaluation Surplus  | Non-controlling interest | Retained Earnings    |                      |
| Balance at 01 Jan 2023        | 1,348,958,330        | 1,086,653,150        | 3,739,289,135        |                          | 2,621,584,399        | 8,796,485,014        |
| Net profit for the year       | -                    | -                    | -                    |                          | 15,922,334           | 15,922,334           |
| Non-controlling Interest      |                      |                      |                      | 184,853                  | -                    | 184,853              |
| Dividend paid                 |                      |                      |                      |                          | (58,885,733)         | (58,885,733)         |
| <b>Balance at 31 Mar 2023</b> | <b>1,348,958,330</b> | <b>1,086,653,150</b> | <b>3,739,289,135</b> | <b>184,853</b>           | <b>2,578,621,000</b> | <b>8,753,706,468</b> |
| Balance at 01 July 2022       | 1,348,958,330        | 1,086,653,150        | 3,739,289,135        |                          | 2,481,375,217        | 8,656,275,832        |
| Non-controlling Interest      |                      |                      |                      | 288,793                  | -                    | 288,793              |
| Net profit for the year       |                      |                      |                      |                          | 290,563,145          | 290,563,145          |
| Dividend paid                 |                      |                      |                      |                          | (202,343,750)        | (202,343,750)        |
| <b>Balance at 31 Mar 2022</b> | <b>1,348,958,330</b> | <b>1,086,653,150</b> | <b>3,739,289,135</b> | <b>288,793</b>           | <b>2,569,594,612</b> | <b>8,744,784,020</b> |

Chief Financial Officer

Director

Managing Director

Chairman

Company Secretary

Dhaka,  
17 April 2023



## Esquire Knit Composite PLC and its subsidiary

### Consolidated Statement of Cash Flows For the period ended 31 March 2023

| Particulars   | Notes | Amount in Taka       |                      |
|---|-------|----------------------|----------------------|
|   |       | July to Mar-23       | July to March-22     |
| <b>A. Cash flows from operating activities</b>            |       |                      |                      |
| Cash receipts from customers                              |       | 6,692,990,521        | 7,159,316,633        |
| Cash receipt from other income                            |       | 5,924,360            | 7,200,589            |
| Payment to suppliers for import of Raw materials          |       | (3,005,978,090)      | (4,272,576,894)      |
| Payment to others   |       | (3,259,088,835)      | (2,708,259,162)      |
| Interest paid   |       | (301,680,644)        | (183,613,699)        |
| Income tax paid   |       | (63,773,285)         | (32,489,004)         |
| <b>Net cash flow from operating activities</b>            |       | <b>68,394,027</b>    | <b>(30,421,537)</b>  |
| <b>B. Cash flows from investing activities</b>            |       |                      |                      |
| Acquisition of property, plant and equipment              |       | (96,091,375)         | (512,432,691)        |
| Investment in capital work in progress                    |       | (450,140,730)        | (128,916,974)        |
| Investment in FDR   |       | 63,042,306           | (6,519,997)          |
| <b>Net cash used in investing activities</b>              |       | <b>(483,189,800)</b> | <b>(647,869,662)</b> |
| <b>C. Cash flows from financing activities</b>            |       |                      |                      |
| Proceeds from share issue                                 |       | -                    | -                    |
| Share premium received                                    |       | -                    | -                    |
| Dividend paid   |       | (59,748,233)         | (202,343,750)        |
| Receipt of Long Term Loan                                 |       | (124,527,238)        | 51,590,533           |
| Receipt/(Repayment) of Short Term Loan                    |       | 1,067,121,926        | 548,459,677          |
| <b>Net cash flow from/(used in) financing activities</b>  |       | <b>882,846,455</b>   | <b>397,706,461</b>   |
| <b>D. Net cash surplus during the year (A+B+C)</b>        |       | <b>468,050,683</b>   | <b>(280,584,738)</b> |
| <b>E. Cash and bank balances at beginning of the year</b> |       | <b>563,728,493</b>   | <b>742,195,902</b>   |
| Effect of movements in exchange rates on cash held        |       | 2,490,512            | (154,304)            |
| <b>F. Cash and bank balances at the end of the year</b>   |       | <b>1,034,269,688</b> | <b>461,456,860</b>   |
| <b>Cash and bank balances</b>                             |       |                      |                      |
| Cash in hand  |       | 2,032,624            | 2,476,814            |
| Cash at bank  |       | 565,666,655          | 458,980,045          |
| <b>Total</b>  |       | <b>567,699,279</b>   | <b>461,456,859</b>   |
| <b>Net Operating Cash Flow Per Share (NOCFPS)</b>         | 32    | <b>0.51</b>          | <b>(0.23)</b>        |

Chief Financial Officer

Director

Managing Director

Chairman

Dhaka,  
17 April 2023

Company Secretary



## ESQUIRE KNIT COMPOSITE PLC AND IT'S SUBSIDIARY

Notes to the Consolidated Interim Financial Statements (Unaudited)  
For The 3rd Quarter Period Ended 31 March 2022

### 01. Business Activities

Esquire Knit Composite PLC is cent percent export – oriented Company. It produces different types of Knit garments through its six units namely knitting units fabric dyeing units, printing, embroidery, industrial laundry and garments units and subsidiary too and sell the same to foreign buyers.

### 02. Basis of preparation of the Consolidated Interim Financial Statements:

These Financial Statements (They) are the unaudited consolidated interim financial statements (hereinafter “The Consolidated Interim Financial Statements”) of Esquire Knit Composite PLC and L’Esquire Limited Companies incorporated in Bangladesh under Companies Act, 1994 for the 1st quarter period ended September 30, 2021 (hereinafter “The Interim Period”). They are prepared in accordance with the International Accounting Standard (IAS 34) “Interim Financial Reporting”. These financial statements should read in conjunction with the Annual Financial Statements as on June 30, 2022, as they provide an update of previously reported information.

### 03. Accounting Policies

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements, except where noted below. Where necessary, the comparatives have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management’s best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The Company has no reportable operating segments as per requirement of IFRS-8, “Operating Segments”.

There is no significant event after the end of the interim period that has to be reflected in the Consolidated Financial Statements for the interim period except.

Figures have been rounded off to the nearest Taka.



|             |   | Amount in Taka       |                      |
|-------------|---|----------------------|----------------------|
|             |   | 31-Mar-2023          | 30-Jun-2022          |
| <b>4</b>    | <b>Property, plant and equipment</b>                              |                      |                      |
|             | (A) Cost/ Revaluation   |                      |                      |
|             | i) Freehold assets  |                      |                      |
|             | Opening balance   | 9,090,003,341        | 8,718,926,424        |
|             | Add: Addition during the year                                     | 96,091,375           | 371,076,917          |
|             |   | <u>9,186,094,716</u> | <u>9,090,003,341</u> |
|             | ii) Leasehold assets  |                      |                      |
|             | Opening balance   | 99,420,368           | 99,420,368           |
|             | Add: Addition during the year                                     | -                    | -                    |
|             |   | <u>99,420,368</u>    | <u>99,420,368</u>    |
|             | Total (A)   | <u>9,285,515,084</u> | <u>9,189,423,709</u> |
|             | Add: Property, Plant and Equipment of L'Esquire Ltd ( Subsidiary) | 562,812,302          | 95,379,395           |
|             |   | <u>9,848,327,386</u> | <u>9,284,803,104</u> |
|             | (B) Accumulated depreciation                                      |                      |                      |
|             | i) Freehold assets  |                      |                      |
|             | Opening balance   | 2,685,272,482        | 2,443,042,346        |
|             | Add: Charged during the year                                      | 121,807,615          | 242,230,137          |
|             |   | <u>2,807,080,097</u> | <u>2,685,272,482</u> |
|             | ii) Leasehold assets  |                      |                      |
|             | Opening balance   | 72,150,564           | 59,723,018           |
|             | Add: Charged during the year                                      | 9,320,660            | 12,427,546           |
|             |   | <u>81,471,224</u>    | <u>72,150,564</u>    |
|             | Total (B)   | <u>2,888,551,321</u> | <u>2,757,423,046</u> |
|             | Add: Property, Plant and Equipment of L'Esquire Ltd ( Subsidiary) | 9,784,788            | 17,665,292           |
|             |   | <u>2,898,336,109</u> | <u>2,775,088,338</u> |
|             | (C) Written Down Value (A-B)                                      | <u>6,949,991,277</u> | <u>6,509,714,766</u> |
| <b>5</b>    | <b>Capital work-in-progress</b>                                   |                      |                      |
|             | Opening balance   | 2,272,873,152        | 1,671,580,884        |
|             | Add: Addition during the year                                     | 597,053,637          | 946,495,332          |
|             |   | <u>2,869,926,789</u> | <u>2,618,076,216</u> |
|             | Less: Transferred to Property, Plant & Equipment                  | -                    | 345,203,064          |
|             |   | <u>2,869,926,789</u> | <u>2,272,873,152</u> |
|             | Add: Capital work in progress of L'Esquire Ltd ( Subsidiary)      | 280,201,282          | 427,114,189          |
|             |   | <u>3,150,128,072</u> | <u>2,699,987,342</u> |
| <b>5.01</b> | <b>Addition during the year</b>                                   |                      |                      |
|             | Valuka Project  | 597,053,637          | 447,384,527          |
|             | Machineries in work in process                                    | -                    | 345,203,064          |
|             | Building materials  | -                    | 153,907,741          |
|             |   | <u>597,053,637</u>   | <u>946,495,332</u>   |
| <b>6.00</b> | <b>Investment in shares</b>                                       |                      |                      |
|             | Esquire Accessories Limited                                       | 10,275,000           | 10,275,000           |
|             | L' Esquire Ltd  | 42,000,000           | 42,000,000           |
|             | Investment in ICL Unit Fund                                       | 100,000,000          | 100,000,000          |
|             |   | <u>152,275,000</u>   | <u>152,275,000</u>   |
|             | Less: Investment in L'Esquire Ltd ( Subsidiary)                   | 42,000,000           | 42,000,000           |
|             |   | <u>110,275,000</u>   | <u>110,275,000</u>   |
| <b>7.00</b> | <b>Inventories</b>  |                      |                      |
|             |   | <b>31.03.23</b>      | <b>30.06.2022</b>    |
|             |   | <b>Taka</b>          | <b>Taka</b>          |
|             | Yarn (kg)   | 1,302,331,733        | 659,657,698          |
|             | Dyes (kg)   | 61,135,900           | 226,045,504          |
|             | Chemical (kg)   | 53,827,459           | 132,240,273          |
|             | Finishing Materials   | 893,340,907          | 1,185,015,121        |
|             | Materials in transit  | 65,970,455           | 160,307,088          |
|             | Spare parts and consumable items                                  | 287,638,311          | 287,638,311          |
|             | Work in process   | 658,196,297          | 857,289,380          |
|             | Finished goods (pcs.)   | 285,502,312          | 230,016,352          |
|             |   | <u>3,607,943,375</u> | <u>3,738,209,727</u> |
|             | Add: Inventories of L'Esquire Ltd ( Subsidiary)                   | 93,019,452           | 7,954,670            |
|             |   | <u>3,700,962,827</u> | <u>3,746,164,397</u> |

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
Kanchpur, Sonargaon, Narayangonj, Bangladesh.

Certified by :



|          |  | Amount in Taka |               |
|----------|--|----------------|---------------|
|          |  | 31-Mar-2023    | 30-Jun-2022   |
| 8.00     | Accounts receivables   | 909,913,946    | 1,297,557,977 |
|          | Add: Inventories of AR( Subsidiary )                             | 57,602,018     | 13,564,556    |
|          |  | 967,515,964    | 1,311,122,533 |
| 9.00     | Other receivables  |                |               |
|          | Cash incentive   | 3,089,000      | 3,089,000     |
|          | Accrued interest on FDR  | 954,522        | 1,057,703     |
|          |  | 4,043,522      | 4,146,703     |
| 10.00    | Advance, deposit and prepayments                                 |                |               |
|          | Advance  | 519,896,661    | 391,442,265   |
|          | Deposit  | 157,407,264    | 229,033,513   |
|          | Prepayments  | 10,739,052     | 12,320,052    |
|          |  | 688,042,977    | 632,795,830   |
|          | Add: Adance , deposit and Prepayments of L'Esquire Ltd           | 1,893,956      | 8,013,468     |
|          |  | 689,936,933    | 640,809,298   |
| 10.01    | Advance  |                |               |
|          | Advance against Land   | -              | -             |
|          | Advance to creditors   | 372,596,564    | 272,596,564   |
|          | Advance against salaries   | 13,909,152     | 12,418,886    |
|          | Payment to L'esquire for Valuka project                          | 704,336,816    | 385,037,935   |
|          | Advance Income Tax   | 133,390,945    | 106,426,815   |
|          |  | 1,224,233,477  | 776,480,199   |
|          | A schedule of advance given to creditors is given in Annexure-G. |                |               |
|          | Less: Payment to L'Esquire Ltd ( subsidiary)                     | 704,336,816    | 385,037,935   |
|          |  | 519,896,661    | 391,442,265   |
| 10.1.1   | Advance Income Tax   |                |               |
|          | Opening balance  | 31.12.22       | 30.06.2022    |
|          | Add: Addition during the year                                    | 106,426,815    | 83,175,302    |
|          |  | 63,773,285     | 60,060,668    |
|          | Less: Adjustment for assessment year-2020-21                     | 170,200,100    | 143,235,970   |
|          |  | 36,809,155     | 36,809,155    |
|          |  | 133,390,945    | 106,426,815   |
| 10.1.1.1 | Advance Income Tax addition                                      |                |               |
|          | Advance Income Tax on Car  | 2,416,000      | 2,919,000     |
|          | Advance Income Tax on FDR Interest                               | -              | 388,683       |
|          | Tax on unit fund-ICL   | -              | 1,695,000     |
|          | TDS on Cash Incentive  | -              | 4,035,380     |
|          | TDS on Import Stage  | -              | 3,007,336     |
|          | TDS on Export Proceeds   | 61,357,285     | 48,015,269    |
|          |  | 63,773,285     | 60,060,668    |
| 10.02    | Deposit  |                |               |
|          | Guarantee margin   | 885,530        | 2,892,017     |
|          | Security deposit   | 9,762,781      | 12,691,354    |
|          | FBPAR & margin account   | 146,758,953    | 213,450,141   |
|          |  | 157,407,264    | 229,033,513   |
| 10.2.1   | Security deposit   |                |               |
|          | Rural Electrification Board (REB) for electricity                | 4,366,944      | 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     |
|          |  | 9,762,781      | 12,691,354    |
| 10.2.2   | FBPAR & margin account   |                |               |
|          | FBPAR A/C with DBBL -in Dollar (783)                             | 583,076        | 10,773,990    |
|          | FBPAR A/C with DBBL -in Dollar (63)                              | 688,692        | 3,524,284     |
|          | FBPAR A/C with DBBL -in EURO                                     | 76,185         | 139,974       |
|          | FBPAR A/C with EBL -in Dollar                                    | 145,354,335    | 183,332,220   |
|          | FBPAR A/C with EBL -in EURO                                      | 56,666         | 13,575,790    |
|          | Margin A/C with EBL -in Dollar                                   |                | 59,041        |
|          | Margin A/C with EBL -in EURO                                     |                | 2,044,843     |
|          |  | 146,758,953    | 213,450,141   |

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.



Factory :  
 Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :

|       |   | Amount in Taka |             |
|-------|---|----------------|-------------|
|       |   | 31-Mar-2023    | 30-Jun-2022 |
| 10.03 | Prepayments                                     |                |             |
|       | Insurance premium                               | 10,739,052     | 12,320,052  |
| 11.00 | Investment                                      |                |             |
|       | Investment in FDR                               | 39,138,135     | 102,180,441 |
|       |   | 39,138,135     | 102,180,441 |
| 12.00 | Cash and cash equivalents                       |                |             |
|       | Cash in hand                                    | 2,032,624      | 2,526,893   |
|       | Cash at bank                                    | 552,457,639    | 509,041,672 |
|       |   | 554,490,263    | 511,568,565 |
|       | Add: Cash and cash Equivalents of L'Esquire Ltd | 13,209,016     | 52,159,929  |
|       |   | 567,699,279    | 563,728,494 |

|       |  |               |               |
|-------|--|---------------|---------------|
| 13.00 | Share capital  |               |               |
|       | <u>Authorized capital</u>                            |               |               |
|       | 200,000,000 Ordinary shares of Tk.10 each            | 2,000,000,000 | 2,000,000,000 |
|       | <u>Issued, subscribed and paid-up capital</u>        |               |               |
|       | 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 |             | 31.03.2023    | 30.06.2022    |
|--------------------------------|--------|---------------|-------------|---------------|---------------|
|                                |        | 31.03.2023    | 30.06.2022  | 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. Peera 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% | 34,895,833    | 34,895,833  | 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.

|       |  |           |           |
|-------|--|-----------|-----------|
| 13.01 | Non-controlling interest                           |           |           |
|       | Share Capital (42000 Ordinary shares @ Tk.10 each) | 420,000   | 420,000   |
|       | <b>Retained Earnings</b>                           |           |           |
|       | Opening balance                                    | (147,759) | (59,575)  |
|       | Add: Net profit after tax for the year             | (87,388)  | (88,184)  |
|       |  | (235,147) | (147,759) |
|       |  | 184,853   | 272,241   |

|       |               |               |               |
|-------|---------------|---------------|---------------|
| 14.00 | Share premium |               |               |
|       | Share premium | 1,086,653,150 | 1,086,653,150 |
|       |               | 1,086,653,150 | 1,086,653,150 |

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 | 3,739,289,135 |
| 16.00 | Retained earnings                      |               |               |
|       | Opening balance                        | 2,621,584,399 | 2,481,375,217 |
|       | Add: Net profit after tax for the year | 15,922,334    | 318,755,675   |
|       | Less: Cash dividend                    | 58,885,733    | 178,546,493   |
|       |  | 2,578,621,000 | 2,621,584,399 |
|       | Add: Share Capital of L'Esquire Ltd    |               |               |
|       |  | 2,578,621,000 | 2,621,584,399 |



Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :

| Amount in Taka |             |
|----------------|-------------|
| 31-Mar-2023    | 30-Jun-2022 |

## 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 | 130,364,952        | 121,710,267        |
| Deferred tax Liabilities related to other comprehensive income |       | 155,803,714        | 155,803,714        |
|  |       | <u>286,168,666</u> | <u>277,513,981</u> |
| Add: Deferred tax of L'Esquire Ltd                             |       | 15,523,116         | 862,890            |
|  |       | <u>301,691,782</u> | <u>278,376,872</u> |

## 17.01 Deferred tax liabilities

As at 30 September 2022

Deferred tax liabilities related to Profit and Loss A/C

|  | Carrying amount<br>Taka | Tax base<br>Taka | Taxable temporary<br>difference<br>Taka |
|--|-------------------------|------------------|---|
| Property, plant and equipment excluding land | 2,378,417,763           | 1,292,043,165    | 1,086,374,598                           |
| Applicable tax rate                          |                         |                  | 12.00%                                  |
| Deferred tax liability                       |                         |                  | <u>130,364,952</u>                      |

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       |               |     | <u>155,803,714</u> |

As at 30 June 2022

Deferred tax liabilities related to Profit and Loss A/C

|  | Carrying amount<br>Taka | Tax base<br>Taka | Taxable temporary<br>difference<br>Taka |
|--|-------------------------|------------------|---|
| Property, plant and equipment excluding land | 2,413,454,661           | 1,399,202,434    | 1,014,252,227                           |
| Applicable tax rate                          |                         |                  | 12%                                     |
| Deferred tax liability                       |                         |                  | <u>121,710,267</u>                      |

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       |               |     | <u>155,803,714</u> |

## 17.02 Deferred Tax Expenses

|   |                   |                  |
|---|-------------------|------------------|
| Deferred Liabilities at the end of the period       | 130,364,952       | 121,710,267      |
| Deferred Liabilities at the beginning of the period | 121,710,267       | 117,058,209      |
| Deferred Tax expenses                               | <u>8,654,684</u>  | <u>4,652,058</u> |
| Add: Deferred tax expenses of L'Esquire Ltd         | 14,660,226        | 862,890          |
|   | <u>23,314,910</u> | <u>5,514,949</u> |

## 18.00 Long term loan net of current maturity

|  |       |                      |                      |
|--|-------|----------------------|----------------------|
| International Finance Corporation          | 18.01 | 930,177,259          | 1,177,976,188        |
| Jamuna Bank Limited                        | 18.02 | 24,567,463           | 24,661,058           |
| Al arafa Islamic Bank Ltd                  | 18.03 | 1,603,271,819        | 1,489,314,847        |
| IDLC Finance Limited                       |       | 26,662,547           | 27,362,006           |
|  |       | 2,584,679,089        | 2,719,314,099        |
| Less: Current portion of long term loan    |       | 323,620,304          | 291,839,388          |
| Al arafa Islamic Bank Ltd                  |       | 258,872,304          | 256,271,616          |
| Jamuna Bank Limited                        |       | 14,748,000           | 15,495,492           |
| International Finance Corporation          |       | 50,000,000           | 20,072,280           |
|  |       | <u>2,261,058,785</u> | <u>2,427,474,711</u> |
| Add/less : Long term loan of L'Esquire Ltd |       | -                    | -                    |
|  |       | <u>2,261,058,785</u> | <u>2,427,474,711</u> |

18.01 International Finance Corporation

|             |               |
|-------------|---------------|
| 930,177,259 | 1,177,976,188 |
|-------------|---------------|

18.02 Jamuna Bank Limited

|            |            |
|------------|------------|
| 24,567,463 | 24,661,058 |
|------------|------------|

18.03 Al arafa Islamic Bank Ltd

|               |               |
|---------------|---------------|
| 1,603,271,819 | 1,489,314,847 |
|---------------|---------------|



Factory :  
 Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



**19.00 Finance lease obligation net of current maturity**

IDLC Finance Limited  
 IPDC Finance Limited  
  
 Less: Current portion of finance lease obligation-IDLC  
 Less: Current portion of finance lease obligation-IPDC

| Amount in Taka   |                  |
|------------------|------------------|
| 31-Mar-2023      | 30-Jun-2022      |
| 1,241,844        | 4,215,177        |
| 582,134          | 1,720,844        |
| 1,823,978        | 5,936,022        |
| 1,241,844        | 3,328,665        |
| 582,134          | 1,720,844        |
| 1,823,978        | 5,049,509        |
| -                | 886,513          |
| 1,671,287        | 1,390,364        |
| <b>1,671,287</b> | <b>2,276,877</b> |

Net changes of finance lease of L'esquire Ltd

**19.01 Lease Liability (Current Portion)**  
 Add: Lease Liability of L'Esquire Ltd

|                  |                  |
|------------------|------------------|
| 1,823,978        | 5,049,509        |
| 4,192,908        | 4,586,232        |
| <b>6,016,886</b> | <b>9,635,741</b> |

**20.00 Short term loan**

Dutch Bangla Bank Limited  
 Al arafa Islamic Bank Ltd.  
 Eastern Bank Limited  
 United commercial Bank Ltd  
 Shimanto Bank Ltd  
 The City Bank Limited  
 Bank Asia Ltd  
 Lanka Alliance  
 South Bangla Agriculture Ltd  
 IPDC Finance Limited  
 IFIL  
 IDLC  
 IDCOL  
 IPDC Finance Limited  
  
 Add: Short term loan of L'Esquire Ltd

|       |                      |                      |
|-------|----------------------|----------------------|
| 20.01 | -                    | 217,891,244          |
| 20.02 | 820,273,797          | 605,882,000          |
| 20.03 | 158,702,270          | 81,421,780           |
| 20.04 | 267,023,075          | 228,656,365          |
|       | 250,000,000          | 250,000,000          |
|       | 32,185,608           |                      |
|       | 263,119,259          | 13,980,103           |
|       | 302,449,395          | 300,025,000          |
|       | 258,570,954          | 250,000,000          |
|       | -                    |                      |
|       | 101,700,541          | 124,497,541          |
|       | 15,571,915           |                      |
|       | 350,000,000          | 101,508,345          |
|       | 102,088,609          | -                    |
|       | <b>2,921,685,423</b> | <b>2,173,862,378</b> |
|       | 148,249,649          | 134,029,833          |
|       | <b>3,069,935,072</b> | <b>2,307,892,211</b> |

**20.01 Short Term Loan Dutch Bangla Bank Limited**

HPSM (Transport) Short Term  
 Estimulas fund  
 Other loans

|   |                    |
|---|--------------------|
| - | -                  |
| - | 217,891,244        |
| - | -                  |
| - | <b>217,891,244</b> |

**20.02 Al arafa Islamic Bank Ltd**  
 HPSM (Transport) Short Term  
 LTR-MPI (Trust Receipt)  
 Overdraft  
 Loan against EDF  
 Overdraft  
 Other loans

|         |                    |                    |
|---------|--------------------|--------------------|
|         | 7,709,334          | 9,600,000          |
|         | 181,813,784        | 78,360,000         |
|         | 572,378,088        |                    |
|         | -                  | -                  |
| 20.02.1 | -                  | 517,922,000        |
|         | <b>820,273,797</b> | <b>605,882,000</b> |

**20.02.1 Overdraft**

| Name of the Bank          | Branch | Account # |                    |                    |
|---------------------------|--------|-----------|--------------------|--------------------|
|                           |        |           |                    | -                  |
|                           |        |           |                    | -                  |
| OD- Bai-Muazzal (Gen) MEF |        |           | 572,378,088        | 517,922,000        |
|                           |        |           |                    | -                  |
|                           |        |           | <b>572,378,088</b> | <b>517,922,000</b> |

Particulars such as the terms & conditions of the above short term loans are same as stated under Note # 17.3.

**20.03 Eastern Bank Limited**

Overdraft  
 Time loan normal  
 EDF  
 CORPORATE - PACKING CREDIT

|                    |                   |
|--------------------|-------------------|
| 29,957,754         | 30,634,280        |
| 23,781,704         | 50,787,500        |
| -                  | -                 |
| 104,962,811        | -                 |
| <b>158,702,270</b> | <b>81,421,780</b> |





Factory :  
Kanchpur, Sonargaon, Naraygonj, Bangladesh.

Certified by :

|   | Jan23 to March 23    | Jan22 to March 22    | YTD (Nine months) July 22 to March-23 | YTD (Nine months) July 21 to March-22 |
|---|----------------------|----------------------|---------------------------------------|---------------------------------------|
|   | Taka                 | Taka                 | Taka                                  | Taka                                  |
| <b>24. Consolidated Sales</b>                           |                      |                      |                                       |                                       |
| Export sales  | 2,207,325,031        | 2,278,126,647        | 6,089,069,164                         | 7,286,837,530                         |
| L'Esquire Ltd.  | 253,306,865          | 72,572,286           | 260,314,788                           | 81,111,786                            |
|   | <b>2,460,631,896</b> | <b>2,350,698,933</b> | <b>6,349,383,952</b>                  | <b>7,367,949,316</b>                  |
| <b>25. Consolidated Cost of Goods Sold</b>              |                      |                      |                                       |                                       |
| Cost of materials consumed (Garments Unit) (Note: 25.1) | 890,637,465          | 1,281,809,674        | 2,937,165,485                         | 4,133,427,286                         |
| Cost of direct labor (Note: 25.2)                       | 570,626,362          | 429,471,460          | 1,471,182,557                         | 1,304,362,630                         |
| Prime cost  | 1,461,263,827        | 1,711,281,134        | 4,408,348,042                         | 5,437,789,916                         |
| Factory overheads (Note: 25.3)                          | 310,553,544          | 241,695,372          | 484,682,409                           | 519,471,844                           |
| Cost of Goods put into Process                          | 1,771,817,371        | 1,952,976,506        | 4,893,030,451                         | 5,957,261,759                         |
| Opening Work in process                                 | 721,376,305          | 482,104,520          | 791,466,248                           | 791,466,248                           |
| Closing Work in process                                 | (658,196,297)        | (687,154,512)        | (658,196,297)                         | (687,154,512)                         |
| Cost of Goods Manufactured                              | 1,834,997,380        | 1,747,926,514        | 5,026,300,402                         | 6,061,573,495                         |
| Opening Finished Goods                                  | 186,572,744          | 498,117,400          | 186,572,744                           | 274,046,371                           |
| Cost of Goods Available for Sale                        | 2,021,570,124        | 2,246,043,915        | 5,212,873,146                         | 6,335,619,866                         |
| Closing Finished Goods                                  | (285,502,312)        | (376,117,101)        | (285,502,312)                         | (376,117,101)                         |
|   | <b>1,736,067,812</b> | <b>1,869,926,814</b> | <b>4,927,370,834</b>                  | <b>5,959,502,765</b>                  |
| L'Esquire Ltd.  | 211,489,682          | 60,617,305           | 231,738,097                           | 81,292,722                            |
| <b>Total</b>  | <b>1,947,557,494</b> | <b>1,930,544,119</b> | <b>5,159,108,931</b>                  | <b>6,040,795,487</b>                  |
| <b>25.1 Consolidated Raw Materials Consumption</b>      |                      |                      |                                       |                                       |
| Yarn  | 275,414,206          | 983,170,256          | 1,760,731,890                         | 3,220,569,575                         |
| Dyes  | 70,139,987           | 41,072,108           | 128,730,230                           | 111,004,680                           |
| Chemical  | 156,960,156          | 80,501,357           | 258,730,257                           | 206,493,310                           |
| Finishing Materials                                     | 388,123,116          | 177,065,953          | 788,973,108                           | 595,359,721                           |
|   | <b>890,637,465</b>   | <b>1,281,809,674</b> | <b>2,937,165,485</b>                  | <b>4,133,427,286</b>                  |
| <b>25.2 Consolidated Cost of direct labor</b>           |                      |                      |                                       |                                       |
| Workers wages   | 300,681,972          | 191,849,490          | 948,436,561                           | 699,894,182                           |
| Workers overtime  | 38,875,006           | 69,572,698           | 177,442,107                           | 201,684,401                           |
| Daily labor   | 1,837,504            | 5,637,576            | 6,109,689                             | 14,327,062                            |
| Salary  | 213,305,679          | 109,491,531          | 285,303,382                           | 331,536,836                           |
| Festival bonus and Provident Fund                       | 15,926,201           | 52,920,165           | 53,890,819                            | 56,920,149                            |
|   | <b>570,626,362</b>   | <b>429,471,460</b>   | <b>1,471,182,557</b>                  | <b>1,304,362,630</b>                  |
| <b>25.3 Consolidated Factory overheads</b>              |                      |                      |                                       |                                       |
| Gas and electricity                                     | 143,269,038          | 56,527,880           | 238,103,082                           | 157,022,990                           |
| Insurance premium                                       | 8,563,043            | 3,982,845            | 12,829,049                            | 12,015,783                            |
| Tiffin expenses for workers                             | 7,746,740            | 6,021,349            | 10,545,301                            | 14,026,180                            |
| Spare Parts Consumption                                 | 71,703,027           | 39,676,850           | 104,222,756                           | 102,501,631                           |
| Consumable items  | -                    | 51,799,154           | -                                     | 58,517,758                            |
| Vehicle running ( Oil and fuel)                         | 7,661,526            | 3,522,682            | 10,888,293                            | 10,077,245                            |
| Rent, rates and taxes                                   | 708,753              | -                    | 1,563,441                             | -                                     |
| Local conveyance  | 2,484,402            | 1,500,452            | 2,972,862                             | 5,344,555                             |
| Telephone & Mobile bills                                | 60,245               | 526,900              | 1,022,470                             | 1,519,001                             |
| Depreciation  | 68,356,770           | 78,137,260           | 102,535,155                           | 158,446,701                           |
|   | <b>310,553,544</b>   | <b>241,695,372</b>   | <b>484,682,409</b>                    | <b>519,471,844</b>                    |
| <b>26. Consolidated Operating expenses</b>              |                      |                      |                                       |                                       |
| Office & administrative expenses (Note: 26.1)           | 100,771,860          | 90,915,115           | 234,974,943                           | 223,639,933                           |
| Selling & distribution expenses (Note: 26.2)            | 198,123,184          | 121,875,732          | 610,449,742                           | 553,780,360                           |
|   | <b>298,895,044</b>   | <b>212,790,847</b>   | <b>845,424,685</b>                    | <b>777,420,293</b>                    |
| L'Esquire Ltd.  | 6,628,318            | 2,032,323            | 11,736,312                            | 6,567,965                             |
| <b>Total</b>  | <b>305,523,362</b>   | <b>214,823,170</b>   | <b>857,160,996</b>                    | <b>783,988,258</b>                    |



Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :

## 26.1 Consolidated Office & administrative expenses

|  |                    |                   |                    |                    |
|--|--------------------|-------------------|--------------------|--------------------|
| Director remuneration                    | 7,500,000          | 7,895,000         | 22,500,000         | 22,895,000         |
| Salary & allowances                      | 50,074,301         | 40,532,273        | 125,531,342        | 115,922,319        |
| Contribution to employees provident fund | -                  | 292,967           | 3,277,279          | 2,111,111          |
| Vehicle maintenance                      | 581,000            | 115,489           | 581,000            | 617,162            |
| Vehicle running expenses                 | 1,366,998          | 1,095,504         | 5,228,996          | 5,610,567          |
| Entertainment                            | 702,662            | 999,800           | 1,275,173          | 1,644,946          |
| Printing expenses                        | 238,108            | 130,475           | 238,108            | 281,500            |
| Stationery expenses                      | 615,634            | 1,650,175         | 1,381,080          | 3,009,404          |
| Telephone, mobile & internet             | 154,467            | 640,086           | 463,400            | 1,813,748          |
| Travelling & conveyance                  | 295,501            | 486,640           | 613,526            | 1,314,790          |
| Bank charges                             | 6,913,136          | 1,100,970         | 13,566,303         | 6,518,030          |
| License, renewal & registration          | 1,049,365          | 2,117,286         | 2,832,839          | 4,617,644          |
| Utility expenses                         | 474,367            | 418,055           | 1,778,858          | 1,694,476          |
| Audit fees                               | -                  | 4,229,623         | -                  | 4,660,873          |
| Exchange loss                            | (1,978,198)        | 534,802           | (4,322,419)        | (154,304)          |
| Floor rent                               | 5,596,000          | 7,118,000         | 8,640,000          | 8,640,000          |
| Depreciation                             | 9,531,040          | 10,314,693        | 28,593,120         | 30,336,845         |
| Miscellaneous expenses                   | 17,657,481         | 11,243,278        | 22,796,339         | 12,105,822         |
|  | <b>100,771,860</b> | <b>90,915,115</b> | <b>234,974,943</b> | <b>223,639,933</b> |

## 26.2 Selling & distribution expenses

|   |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|
| Inspection & certificate issue expenses | 23,500,960         | 28,515,007         | 222,789,207        | 109,500,595        |
| Export permission                       | 16,141,222         | 8,691,624          | 33,956,811         | 20,006,986         |
| Foreign Travel for marketing            | 7,772,238          | 3,254,609          | 14,230,131         | 4,809,916          |
| Sample and courier expenses             | 5,326,186          | 12,617,929         | 14,571,873         | 20,668,320         |
| Bank charges on export proceeds         | 79,127,236         | 26,180,163         | 204,968,301        | 201,064,493        |
| Freight charges on export               | 27,871,256         | 12,174,616         | 58,852,344         | 100,209,046        |
| C&F expenses on export                  | 22,785,278         | 10,648,914         | 32,484,312         | 56,642,084         |
| Carriage outward on export              | 15,598,808         | 19,792,870         | 28,596,763         | 40,878,920         |
|   | <b>198,123,184</b> | <b>121,875,732</b> | <b>610,449,742</b> | <b>553,780,360</b> |

## 27. Consolidated Financial expenses

|                             |                   |                   |                    |                    |
|-----------------------------|-------------------|-------------------|--------------------|--------------------|
| Interest on Short term loan | 41,616,188        | 37,947,109        | 128,418,337        | 96,459,135         |
| Interest on Long term loan  | 42,734,626        | 48,803,084        | 134,989,501        | 105,666,572        |
| Interest on Finance lease   | -                 | 1,471,821         | -                  | 1,587,778          |
|                             | <b>84,350,814</b> | <b>88,222,013</b> | <b>263,407,838</b> | <b>203,713,484</b> |
| L'Esquire Ltd.              | 3,116,870         | -                 | 9,357,063          | -                  |
| Total                       | <b>87,467,684</b> | <b>88,222,013</b> | <b>272,764,901</b> | <b>203,713,484</b> |

## 28. Consolidated Non operating income

|                          |                  |                  |                  |                  |
|--------------------------|------------------|------------------|------------------|------------------|
| Interest income from FDR | 285,207          | 1,251,668        | 285,207          | 3,755,005        |
| Lease rental             | 1,845,324        | 1,845,324        | 5,535,972        | 5,535,972        |
|                          | <b>2,130,531</b> | <b>3,096,992</b> | <b>5,821,179</b> | <b>9,290,977</b> |

## 29. Consolidated Provision for contribution to Central Fund

|  |         |         |           |           |
|--|---------|---------|-----------|-----------|
|  | 563,382 | 772,406 | 1,838,665 | 1,914,169 |
|--|---------|---------|-----------|-----------|

## 30. Consolidated Income tax expenses

|  |            |            |            |            |
|--|------------|------------|------------|------------|
|  | 22,855,671 | 14,879,522 | 25,090,434 | 46,530,440 |
|--|------------|------------|------------|------------|

L'Esquire Ltd.

## Calculation of Current tax/ Tax expenses

| Particulars          | Tk            | Rate  | Taka              |
|----------------------|---------------|-------|-------------------|
| Revenue              | 2,207,325,031 |       |                   |
| Income rate          |               | 1.00% | 22,073,250        |
| Non-operating income | 5,821,179     | 25%   | 1,455,295         |
| <b>Current Tax</b>   |               |       | <b>23,528,545</b> |



Certified by :

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

### 31.00 Net Asset Value (NAV) Per Share

|   |                 |                 |
|---|-----------------|-----------------|
| Total assets  | 16,179,691,008  | 15,688,128,975  |
| Total Liabilities   | (7,425,984,540) | (6,891,371,718) |
| Net Asset Value (NAV) (A)   | 8,753,706,468   | 8,796,757,257   |
| Revaluation reserve   | (3,739,289,135) | (3,739,289,135) |
| Net Asset Value (NAV) without revaluation reserve (B)             | 5,014,417,333   | 5,057,468,122   |
| Weighted Average Number of shares (C)                             | 134,895,833     | 134,895,833     |
| Net Asset Value (NAV) per share with revaluation reserve (A÷C)    | <u>64.89</u>    | <u>65.21</u>    |
| Net Asset Value (NAV) per share without revaluation reserve (B÷C) | <u>37.17</u>    | <u>37.48</u>    |

### 31.01 Earnings Per Share (EPS)

|  |             |             |
|--|-------------|-------------|
| Earning attributable to ordinary shareholders (Taka) | 77,967,514  | 101,145,540 |
| Weighted Average Number of shares                    | 134,895,833 | 134,895,833 |
| Earnings Per Share (Taka)                            | <u>0.58</u> | <u>0.75</u> |

### 31.02 Earnings Per Share (EPS) (Ytd)

|  |             |             |
|--|-------------|-------------|
| Earning attributable to ordinary shareholders (Taka) | 15,922,334  | 290,563,145 |
| Weighted Average Number of shares                    | 134,895,833 | 134,895,833 |
| Earnings Per Share (Taka)                            | <u>0.12</u> | <u>2.15</u> |

### 32.00 Net Operating Cash Flow Per Share (NOCFPS)

|                                     |             |               |
|-------------------------------------|-------------|---------------|
| Net operating cash flows            | 68,394,027  | (30,421,537)  |
| Weighted Average Number of shares   | 134,895,833 | 134,895,833   |
| Net operating cash flows per shares | <u>0.51</u> | <u>(0.23)</u> |

#### Calculation 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:<br>Februray 07, 2019     |                       |                    |                    |
| <b>Weighted Average Number of shares</b> |                       | <b>134,895,833</b> | <b>134,895,833</b> |

### 33.00 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                   | 15,922,334        | 290,563,145         |
| <b>Adjustment for non-cash items:</b>               |                   |                     |
| Depreciation  | 140,913,063       | 163,980,740         |
| Deferred Tax Adjustment                             | 23,314,910        | 9,735,310           |
| <b>Changes in Working Capital:</b>                  |                   |                     |
| (Increase)/decrease in Inventory                    | 45,201,571        | 128,554,505         |
| Decrease in Accounts receivable                     | 343,709,751       | (210,723,071)       |
| (Increase)/decrease in Advance deposit and Payments | (389,644,606)     | (208,074,341)       |
| Increase in Accounts payable                        | (12,552,275)      | (189,291,718)       |
| Decrease in Accrued Expenses                        | (98,470,721)      | (15,166,106)        |
| <b>Net cash flow from operating activities</b>      | <u>68,394,027</u> | <u>(30,421,537)</u> |

### 34.00 Related party disclosures

#### i) Related party transactions

(Amount in Taka)

| Name                              | Nature of relationship | Nature of Transaction | Opening Balance | Purchase   | Payment     | Outstanding as on 31.03.2023 (Receivable)/ Payable |
|-----------------------------------|------------------------|-----------------------|-----------------|------------|-------------|--|
| Esquire Accessories Limited       | Common Management      | Purchase              | 757,925         | 34,725     | 83,193      | 709,457  |
| Esquire Dyeing Industries Limited | Common Management      | Dyeing                | 201,240,128     | 45,780,893 | 125,619,830 | 121,401,191  |
|                                   |                        |                       |                 |            |             | <u>122,110,648</u>                                 |

**Third Quarter Un-Audited Financial Statements  
[Separate]**

**Period ended 31 March 2023**

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



Un-Audited

## Esquire Knit Composite PLC Statement of Financial Position As at 31 March 2023

| Notes  | 31.03.23<br>Taka      | 30.06.2022<br>Taka    |
|--|-----------------------|-----------------------|
| <b>Assets</b>  |                       |                       |
| <b>Non-Current Assets</b>  | <b>9,419,165,554</b>  | <b>8,857,148,816</b>  |
| Property, plant and equipment                                      | 4 6,396,963,765       | 6,432,000,664         |
| Capital work in progress   | 5 2,869,926,789       | 2,272,873,152         |
| Investment in shares   | 6 152,275,000         | 152,275,000           |
| <b>Current Assets</b>  | <b>6,507,909,036</b>  | <b>6,671,497,178</b>  |
| Inventories  | 7 3,607,943,375       | 3,738,209,728         |
| Accounts receivables   | 8 909,913,946         | 1,297,557,977         |
| Other receivables  | 9 4,043,522           | 4,146,703             |
| Advance, deposit and prepayments                                   | 10 1,392,379,794      | 1,017,833,764         |
| Investment   | 11 39,138,135         | 102,180,441           |
| Cash and bank balances   | 12 554,490,263        | 511,568,565           |
| <b>TOTAL ASSETS</b>  | <b>15,927,074,590</b> | <b>15,528,645,994</b> |
| <b>EQUITY &amp; LIABILITIES</b>                                    |                       |                       |
| <b>Shareholders' Equity</b>  | <b>8,776,952,680</b>  | <b>8,811,173,323</b>  |
| Share capital  | 13 1,348,958,330      | 1,348,958,330         |
| Share Premium Account  | 14 1,086,653,150      | 1,086,653,150         |
| Revaluation surplus  | 15 3,739,289,135      | 3,739,289,135         |
| Retained earnings  | 16 2,602,052,066      | 2,636,272,708         |
| <b>Non Current Liabilities</b>                                     | <b>2,547,227,451</b>  | <b>2,705,875,205</b>  |
| Deferred Tax liabilities   | 17 286,168,666        | 277,513,981           |
| Long term loan net of current maturity                             | 18 2,261,058,785      | 2,427,474,711         |
| Finance lease obligation net off current maturity                  | 19 -                  | 886,513               |
| <b>Current Liabilities</b>   | <b>4,602,894,460</b>  | <b>4,011,597,466</b>  |
| Short term loan  | 20 2,921,685,423      | 2,173,862,378         |
| Current portion of long term loan                                  | 18 323,620,304        | 291,839,388           |
| Current portion of finance lease obligation                        | 19 1,823,978          | 5,049,509             |
| Uncalimed dividend   | 21 3,475,908          | 3,475,908             |
| Accounts payable   | 22 1,109,268,152      | 1,185,400,836         |
| Liabilities for expenses   | 23 243,020,695        | 351,969,447           |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>                              | <b>15,927,074,590</b> | <b>15,528,645,994</b> |
| <b>Net Asset Value (NAV) per share with revaluation reserve</b>    | <b>65.06</b>          | <b>65.32</b>          |
| <b>Net Asset Value (NAV) per share without revaluation reserve</b> | <b>37.34</b>          | <b>37.59</b>          |

The annexed notes from 1 to 30 form an integral part of these financial statements.

Chief Financial Officer

Director

Managing Director

Chairman

Dhaka,  
17 April 2023

Company Secretary

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.



Factory :  
 Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :

Un-Audited

Esquire Knit Composite PLC  
 Statement of Profit or Loss and Other Comprehensive Income  
 For the period ended 31 March 2023

| Particulars                                      | Notes | Figure in Taka     |                    |                      |                      |
|--|-------|--------------------|--------------------|----------------------|----------------------|
|  |       | 2nd Quarter        |                    | Year to Date         |                      |
|  |       | Jan To Mar 31,23   | Jan To Mar 31,22   | July to Mar-23       | July to Mar-22       |
| Revenue  | 24    | 2,207,325,031      | 2,278,126,647      | 6,089,069,164        | 7,286,837,530        |
| Less: Cost of Goods Sold                         | 25    | 1,736,067,812      | 1,869,926,813      | 4,927,370,834        | 5,959,502,765        |
| <b>Gross profit</b>                              |       | <b>471,257,220</b> | <b>408,199,834</b> | <b>1,161,698,330</b> | <b>1,327,334,765</b> |
| Less: Operating expenses                         | 26    | 298,895,044        | 212,790,847        | 845,424,685          | 777,420,293          |
| <b>Gross operating profit for the year</b>       |       | <b>172,362,175</b> | <b>195,408,986</b> | <b>316,273,645</b>   | <b>549,914,472</b>   |
| Less: Financial expenses                         | 27    | 84,350,814         | 88,222,013         | 263,407,838          | 203,713,484          |
| <b>Net operating profit for the year</b>         |       | <b>88,011,361</b>  | <b>107,186,973</b> | <b>52,865,807</b>    | <b>346,200,987</b>   |
| Add: Non operating income                        | 28    | 2,130,531          | 3,096,992          | 5,821,179            | 9,290,977            |
| <b>Profit before WPPF &amp; WF for the year</b>  |       | <b>90,141,892</b>  | <b>110,283,966</b> | <b>58,686,986</b>    | <b>355,491,965</b>   |
| Less: Provision for contribution to Central Fund | 29    | 563,382            | 772,406            | 1,838,665            | 1,914,169            |
| <b>Profit before tax for the year</b>            |       | <b>89,578,510</b>  | <b>109,511,560</b> | <b>56,848,321</b>    | <b>353,577,796</b>   |
| Less: Income tax expenses                        |       | 27,934,370         | 18,032,164         | 32,183,230           | 55,779,080           |
| Current Tax                                      | 30    | 20,329,205         | 14,443,008         | 23,528,545           | 46,043,770           |
| Deferred Tax                                     |       | 7,605,165          | 3,589,156          | 8,654,685            | 9,735,310            |
| <b>Net profit after tax for the year</b>         |       | <b>61,644,141</b>  | <b>91,479,396</b>  | <b>24,665,091</b>    | <b>297,798,716</b>   |
| Add: Other comprehensive income, net of tax      |       | -                  | -                  | -                    | -                    |
| <b>Total comprehensive income</b>                |       | <b>61,644,141</b>  | <b>91,479,396</b>  | <b>24,665,091</b>    | <b>297,798,716</b>   |
| <b>Earnings Per Share (EPS) - Basic</b>          | 32    | <b>0.46</b>        | <b>0.68</b>        | <b>0.18</b>          | <b>2.21</b>          |

Chief Financial Officer

Director

Managing Director

Chairman

Dhaka,  
 April 17, 2023

Company Secretary

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
 Kanchpur, Sonargaon, Narayangonj, Bangladesh.

Certified by :



**Esquire Knit Composite PLC**  
**Statement of Changes in Equity**  
**For the period ended 31 March 2023**

| Particulars                     | (Amount in Taka)     |                      |                      |                      |                      |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                 | Share Capital        | Share Premium        | Revaluation Surplus  | Retained Earnings    | Total Equity         |
| <b>Balance at 01 July 2022</b>  | 1,348,958,330        | 1,086,653,150        | 3,739,289,135        | 2,636,272,708        | 8,811,173,323        |
| Issuance of share               | -                    | -                    | -                    | -                    | -                    |
| Dividend paid                   | -                    | -                    | -                    | (58,885,733)         | (58,885,733)         |
| Net profit for the year         | -                    | -                    | -                    | 24,665,091           | 24,665,091           |
| <b>Balance at 31 March 2023</b> | <b>1,348,958,330</b> | <b>1,086,653,150</b> | <b>3,739,289,135</b> | <b>2,602,052,066</b> | <b>8,776,952,681</b> |
| <b>Balance at 01 July 2021</b>  | 1,348,958,330        | 1,086,653,150        | 3,739,289,135        | 2,487,333,305        | 8,662,233,920        |
| Issuance of share               | -                    | -                    | -                    | -                    | -                    |
| Dividend paid                   | -                    | -                    | -                    | (202,343,750)        | (202,343,750)        |
| Net profit for the year         | -                    | -                    | -                    | 297,798,716          | 297,798,716          |
| <b>Balance at 31 March 2022</b> | <b>1,348,958,330</b> | <b>1,086,653,150</b> | <b>3,739,289,135</b> | <b>2,582,788,271</b> | <b>8,757,688,886</b> |

Chief Financial Officer

Managing Director

Chairman

Company Secretary

Dhaka  
 April 17, 2023

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



## Esquire Knit Composite PLC

### Statement of Cash Flows For the period ended 31 March 2023

| Notes  | 31.03.23<br>Taka     | 31.03.22<br>Taka     |
|--|----------------------|----------------------|
| <b>A. Cash flows from operating activities</b>               |                      |                      |
| Cash receipts from customers                                 | 6,476,713,195        | 7,084,887,985        |
| Cash receipt from other income                               | 5,924,360            | 7,200,589            |
| Payment to suppliers   | (2,919,862,711)      | (4,171,116,870)      |
| Payment to others  | (3,076,977,278)      | (2,707,589,283)      |
| Interest paid  | (301,680,644)        | (183,613,699)        |
| Income tax paid  | (63,773,285)         | (32,489,004)         |
| <b>Net cash flow from operating activities</b>               | <b>120,343,637</b>   | <b>(2,720,282)</b>   |
| <b>B. Cash flows from investing activities</b>               |                      |                      |
| Acquisition of property, plant and equipment                 | (96,091,377)         | (310,023,858)        |
| Capital work in progress                                     | (597,053,637)        | (128,916,974)        |
| Investment in FDR  | 63,042,306           | (6,519,997)          |
| <b>Net cash used in investing activities</b>                 | <b>(630,102,708)</b> | <b>(445,460,829)</b> |
| <b>C. Cash flows from financing activities</b>               |                      |                      |
| Dividend payment   | (58,885,733)         | (202,343,750)        |
| Repayment of Long Term Loan                                  | (138,747,054)        | (114,884,263)        |
| Receipt/(Repayment) of Short Term Loan                       | 747,823,045          | 548,459,676          |
| <b>Net cash flow from/(used in) financing activities</b>     | <b>550,190,258</b>   | <b>231,231,663</b>   |
| <b>D. Net cash surplus/(deficit) during the year (A+B+C)</b> | <b>40,431,186</b>    | <b>(216,949,447)</b> |
| <b>E. Cash and bank balances at beginning of the year</b>    | <b>511,568,565</b>   | <b>677,140,433</b>   |
| Effect of movements in exchange rates on cash held           | 2,490,512            | (154,304)            |
| <b>F. Cash and bank balances at end of the year</b>          | <b>554,490,263</b>   | <b>460,036,681</b>   |
| Cash and bank balances                                       |                      |                      |
| Cash in hand   | 2,032,624            | 1,056,637            |
| Cash at bank   | 552,457,639          | 458,980,045          |
| <b>Total</b>   | <b>554,490,263</b>   | <b>460,036,682</b>   |
| <b>Net Operating Cash Flow Per Share (NOCFPS)</b>            | <b>0.89</b>          | <b>(0.02)</b>        |

Chief Financial Officer

Director

Managing Director

Chairman

Dhaka,  
17 April 2023

Company Secretary

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



## Esquire Knit Composite PLC Notes to the Interim Financial Statements For The 3rd Quarter Ended March 31, 2023

### 1. Business Activities

Esquire Knit Composite PLC is a cent percent 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. Basis of preparation of the Interim Financial Statements

These Financial Statements (They) are the unaudited interim Financial statement (here after 'the Interim Financial Statements') of Esquire Knit Composite PLC for the 3rd Quarter Ended on March 31, 2023 (hereinafter the interim period). They are prepared in accordance with the Bangladesh Accounting Standard (IAS-34) 'Interim Financial Reporting'. These financial statements should read in conjunction with the Annual Financial Statements as of June 30, 2022, as they provide an update of previous reported information.

### 3. Accounting Policies

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The Company has no reportable operating segments as per requirement of IFRS-8, "Operating Segment".

Figures have been rounded off to the nearest Taka.



Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



|   | 31.03.23             | 30.06.2022           |
|---|----------------------|----------------------|
|   | Taka                 | Taka                 |
| <b>4. Property, plant and equipment</b>       |                      |                      |
| <b>(A) Cost/ Revaluation</b>                  |                      |                      |
| i) Freehold assets                            |                      |                      |
| Opening balance                               | 9,090,003,341        | 8,718,926,424        |
| Add: Addition during the period               | 96,091,375           | 371,076,917          |
|   | 9,186,094,716        | 9,090,003,341        |
| ii) Leasehold assets                          |                      |                      |
| Opening balance                               | 99,420,368           | 99,420,368           |
| Add: Addition during the year                 | -                    | -                    |
|   | 99,420,368           | 99,420,368           |
|   | 9,285,515,085        | 9,189,423,709        |
| <b>(B) Accumulated depreciation</b>           |                      |                      |
| i) Freehold assets                            |                      |                      |
| Opening balance                               | 2,685,272,480        | 2,443,041,626        |
| Add: Charged during the period                | 121,807,615          | 242,230,855          |
|   | 2,807,080,096        | 2,685,272,480        |
| Less: Adjustment for disposal                 | -                    | -                    |
|   | 2,807,080,096        | 2,685,272,480        |
| ii) Leasehold assets                          |                      |                      |
| Opening balance                               | 72,150,564           | 59,723,018           |
| Add: Charged during the year                  | 9,320,660            | 12,427,546           |
|   | 81,471,224           | 72,150,564           |
| <b>(C) Written Down Value (A-B)</b>           | <b>6,396,963,765</b> | <b>6,432,000,664</b> |
| <b>5. Capital work in progress</b>            |                      |                      |
| Opening balance                               | 2,272,873,152        | 1,671,580,884        |
| Add: Addition during the period (Note: 5.1)   | 597,053,637          | 946,495,332          |
|   | 2,869,926,789        | 2,618,076,216        |
| Less: Transfer to Property, Plant & Equipment | -                    | 345,203,064          |
|   | 2,869,926,789        | 2,272,873,152        |
| <b>5.1 Addition during the year</b>           |                      |                      |
| Valuka Project                                | 597,053,637          | 447,384,527          |
| Machineries in work in process                | -                    | 345,203,064          |
| Building materials                            | -                    | 153,907,741          |
|   | 597,053,637          | 946,495,332          |
| <b>6. Investment in shares</b>                |                      |                      |
| Esquire Accessories Limited                   | 10,275,000           | 10,275,000           |
| L' Esquire Ltd                                | 42,000,000           | 42,000,000           |
| Esquire Electronics Limited                   | -                    | -                    |
| Investment in ICL Unit Fund                   | 100,000,000          | 100,000,000          |
|   | 152,275,000          | 152,275,000          |
| <b>7. Inventories</b>                         |                      |                      |
| Yarn (kg)                                     | 1,302,331,733        | 659,657,698          |
| Dyes (kg)                                     | 61,135,900           | 226,045,504          |
| Chemical (kg)                                 | 53,827,459           | 132,240,273          |
| Finishing Materials                           | 893,340,907          | 1,185,015,121        |
| Materials in transit                          | 65,970,455           | 160,307,088          |
| Spare parts and consumable items              | 287,638,311          | 287,638,311          |
| Work in process                               | 658,196,297          | 857,289,380          |
| Finished goods (pcs.)                         | 285,502,312          | 230,016,352          |
|   | 3,607,943,375        | 3,738,209,728        |

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
 Kanchpur, Sonargaon, Narayangonj, Bangladesh.

Certified by :



|  | 31.03.23             | 30.06.2022           |
|--|----------------------|----------------------|
|  | Taka                 | Taka                 |
| <b>8. Accounts receivables</b>                                 | <b>909,913,946</b>   | <b>1,297,557,977</b> |
| <b>9. Accounts receivables</b>                                 |                      |                      |
| Cash incentive   | 3,089,000            | 3,089,000            |
| Accrued interest on FDR  | 954,522              | 1,057,703            |
| Total  | <b>4,043,522</b>     | <b>4,146,703</b>     |
| <b>10. Advance, deposit and prepayments</b>                    |                      |                      |
| Advance (Note: 10.1)   | 1,224,233,477        | 776,480,199          |
| Deposit (Note: 10.2)   | 157,407,264          | 229,033,512          |
| Prepayments (Note: 10.3)                                       | 10,739,052           | 12,320,052           |
|  | <b>1,392,379,794</b> | <b>1,017,833,764</b> |
| <b>10.1 Advance</b>  |                      |                      |
| Advance to creditors   | 272,596,564          | 272,596,564          |
| Advance against salaries                                       | 13,909,152           | 12,418,886           |
| Payment to L'esquire for Valuka project                        | 804,336,816          | 385,037,935          |
| Advance Income Tax (Note: 10.1.1)                              | 133,390,945          | 106,426,815          |
|  | <b>1,224,233,477</b> | <b>776,480,199</b>   |
| <b>10.1.1 Advance Income Tax</b>                               |                      |                      |
| Opening balance  | 106,426,815          | 83,175,302           |
| Add: Addition during the (Note: 10.1.1.1)                      | 63,773,285           | 60,060,668           |
| Less: Adjustment for assessment year                           | 170,200,100          | 143,235,970          |
|  | 36,809,155           | 36,809,155           |
|  | <b>133,390,945</b>   | <b>106,426,815</b>   |
|  | <b>31.03.23</b>      | <b>30.06.2022</b>    |
|  | <b>Taka</b>          | <b>Taka</b>          |
| <b>10.1.1.1 Advance Income Tax addition</b>                    |                      |                      |
| Advance Income Tax on Car                                      | 2,416,000            | 2,919,000            |
| Advance Income Tax on FDR Interest                             |                      | 388,683              |
| Tax on unit fund-ICL   |                      | 1,695,000            |
| TDS on Cash Incentive  |                      | 4,035,380            |
| TDS on Import Stage (AT & AIT)                                 |                      | 3,007,336            |
| TDS on Export Proceeds   | 61,357,285           | 48,015,269           |
|  | <b>63,773,285</b>    | <b>60,060,668</b>    |
| <b>10.2 Deposit</b>  |                      |                      |
| Guarantee margin   | 885,530              | 2,892,017            |
| Security deposit (Note: 10.2.1)                                | 9,762,781            | 12,691,354           |
| FBPAR & margin account (Note: 10.2.2)                          | 146,758,953          | 213,450,141          |
|  | <b>157,407,264</b>   | <b>229,033,512</b>   |
| <b>10.2.1 Security deposit</b>                                 |                      |                      |
| Rural Electrification Board (REB) for electricity              | 4,366,944            | 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              |
| Titans Gas Transmission & Distribution Company Limited for gas | 2,789,577            | 2,789,577            |
|  | <b>9,762,781</b>     | <b>12,691,354</b>    |

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
 Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



## 10.2.2 FBPAR & margin account

FBPAR A/C with DBBL -in Dollar (783)  
 FBPAR A/C with DBBL -in Dollar (63)  
 FBPAR A/C with DBBL -in EURO  
 FBPAR A/C with EBL -in Dollar  
 FBPAR A/C with EBL -in EURO  
 Margin A/C with EBL -in Dollar  
 Margin A/C with EBL -in EURO

|                    |                    |
|--------------------|--------------------|
| 583,076            | 10,773,990         |
| 688,692            | 3,524,284          |
| 76,185             | 139,974            |
| 145,354,335        | 183,332,220        |
| 56,666             | 13,575,790         |
| -                  | 59,041             |
|                    | 2,044,843          |
| <b>146,758,953</b> | <b>213,450,141</b> |

## 10.3 Prepayments

Insurance premium

|            |            |
|------------|------------|
| 10,739,052 | 12,320,052 |
|------------|------------|

## 11. Investment

Investment in FDR

(Note: 11.1)

|            |             |
|------------|-------------|
| 31.03.23   | 30.06.2022  |
| Taka       | Taka        |
| 39,138,135 | 102,180,441 |

## 12. Cash and bank balances

Cash in hand  
 Cash at bank

(Note: 12.1)  
 (Note: 12.2)

|                    |                    |
|--------------------|--------------------|
| 2,032,624          | 2,526,893          |
| 552,457,639        | 509,041,672        |
| <b>554,490,263</b> | <b>511,568,565</b> |

## 12.1 Cash in hand

Head Office  
 Factory

|                  |                  |
|------------------|------------------|
| 800,000          | 800,000          |
| 1,232,624        | 1,726,893        |
| <b>2,032,624</b> | <b>2,526,893</b> |

## 12.2 Cash at bank

| Bank Name                                  | Branch        | A/C Type  | A/C Type  | A/C #     |                   |                    |                    |
|--|---------------|-----------|-----------|-----------|-------------------|--------------------|--------------------|
| Dutch Bangla Bank Ltd                      | Local office  | FCAD(\$)  | FCAD(\$)  | FCAD(\$)  | 101.117.163       | 688,692            | 8,501,685          |
| Dutch Bangla Bank Ltd                      | Local office  | FCAD(€)   | FCAD(€)   | FCAD(€)   | 101.119.20        |                    | 530,147            |
| Dutch Bangla Bank Ltd                      | Local office  | FCAD(\$)  | FCAD(\$)  | FCAD(\$)  | 101.110.0006900   |                    | 26,234             |
| Dutch Bangla Bank Ltd                      | Kawran Bazar  | CD        | CD        | CD        | 101.110.36941     | 17,130             | 12,825             |
| Dutch Bangla Bank Ltd                      | Kawran Bazar  | CD        | CD        | CD        | 101.120.5645      | 211,928            | 267,856            |
| Dutch Bangla Bank Ltd                      | Kawran Bazar  | CD        | CD        | CD        | 101.120.5692      | 146,082            | 29,750             |
| Eastern Bank Ltd.                          | Principal     | FCAD(\$)  | FCAD(\$)  | FCAD(\$)  | 101.305.3310      | 4,524,699          | 63,990             |
| Eastern Bank Ltd.                          | Principal     | EOQ(\$)   |           |           | 101310.060.5881   |                    | 31,989,757         |
| Dutch Bangla Bank Ltd                      | Kawran Bazar  | CD        | CD        | CD        | 107.120.484       | 108,484            | 108,484            |
| BRAC Bank Ltd.                             |               | CD        | CD        | CD        | 1505203551787001  | 152,189            | 5                  |
| Jamuna Bank Ltd.                           | Mohakhali     | CD        | CD        | CD        | 102.100.15098     | 6,963              | 2,043              |
| NCC Bank CD A/C                            | Baridhara     | CD        | CD        | CD        | 107.021.000.1597  | 23,667             | 21,837             |
| One Bank Ltd.                              | Agrabad, Ctg. | CD        | CD        | CD        | 003.105.0001366   | 204,619            | 20,386             |
| Al-Arafah Islami Bank Ltd                  |               | CD        | CD        | CD        | 0141020047786     | 15,000             | 3,485              |
| Al-Arafah Islami Bank Ltd                  |               | CD        | CD        | CD        | 541.020.010.677   | 44,974             | 12,981,794         |
| Al-Arafah Islami Bank Ltd                  |               | FCAD(\$)  |           |           | 0549580000352     | 868,499            | 23,152             |
| Al-Arafah Islami Bank Ltd                  |               | FCAD(\$)  |           |           | 0549580000366     | 184,216            | 19,579             |
| Al-Arafah Islami Bank Ltd                  |               | FCAD(\$)  |           |           | 0549580000453     | 377,751,994        | 58,028,198         |
| Bank Asia                                  |               | CD        |           |           | 62733000256       | 214,268            | 6,079,129          |
| Dutch Bangla Bank Ltd.                     |               | CD        | CD        | CD        | 107.110.0031497   | 1,876,427          | 1,880,972          |
| Shahajalal Islamic Bank                    |               | CD        | CD        | CD        | 40331100000679    | -                  | -                  |
| South Bangla Ariculture                    |               | CD        | CD        | CD        | 001.011.1005482   | 29,892             | 16,446             |
| United Commercial Bank                     |               | CD        | CD        | CD        | 781.101.000002124 | 148,351,487        | 50,631,409         |
| United Commercial Bank                     |               | FCAD(\$)  | FCAD      | FCAD      | 078118400000267   | -                  | 321,459,164        |
| UCBL -FACD in USD A/C                      |               | FCAD(\$)  |           |           | 0781181000000193  | 14,611,250         | 14,611,250         |
| UCBL-SND                                   |               |           |           |           | 0781301000000584  | 167,202            |                    |
| UCBL-SND                                   |               |           |           |           | 0781301000000653  | 592,673            |                    |
| UCBL-CD                                    |               |           |           |           | 0781301000000653  |                    |                    |
| HSBC                                       |               | CD        | CD        | CD        | 001-011576-011    | 41,415             | 91,657             |
| Dutch Bangla Bank Ltd                      |               | CD        | CD        | CD        | 101.120.0007676   | 816,661            | 840,314            |
| One Bank Ltd.                              |               | CD        | CD        | CD        | 0031020009947     | 15,758             | 14,838             |
| Dutch Bangla Bank Ltd.                     |               | CD        | CD        | CD        | 0010111005482     | 54,559             | 754,622            |
| Dutch Bangla Bank Ltd local office, Dilkus |               | FC ( USD) | FC ( USD) | FC ( USD) |                   | 29,477             | -                  |
| Shimanto Bank Ltd                          |               |           |           |           |                   | 2,470              |                    |
| Dutch Bangla Bank Ltd.                     |               |           |           |           | 1011200007863     | 701,658            |                    |
| City Bank                                  |               | CD        |           |           | 1103309469001     |                    | 28,048             |
| One Bank Ltd.                              | Mirpur        |           |           |           | 110039901005      | 3,306              | 2,616              |
|  |               |           |           |           |                   | <b>552,457,639</b> | <b>509,041,672</b> |



Certified by :

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

### 13. Share capital

|  |               |               |
|--|---------------|---------------|
| <u>Authorized capital</u>                            |               |               |
| 200,000,000 Ordinary shares of Tk.10 each            | 2,000,000,000 | 2,000,000,000 |
| <u>Issued, subscribed and paid-up capital</u>        |               |               |
| 100,000,000 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 |               | 31.03.23      | 30.06.2022    |
|--------------------------------|--------|---------------|---------------|---------------|---------------|
|                                |        | 31.03.23      | 30.06.22      | Taka          | Taka          |
| Mr. Md. Mofazzal Hossain       | 21.34% | 28,791,667    | 28,791,667    | 287,916,670   | 287,916,670   |
| Mr. Md. Ehsanul Habib          | 11.14% | 15,032,960    | 15,032,960    | 150,329,600   | 150,329,600   |
| Mr. Arifur Rahman              | 5.87%  | 7,925,000     | 7,925,000     | 79,250,000    | 79,250,000    |
| Mr. 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                 | 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.

|  |               |               |
|--|---------------|---------------|
| 14 Share Premium account               | 1,086,653,150 | 1,086,653,150 |
| 15 Revaluation surplus                 | 3,739,289,135 | 3,739,289,135 |
| 16 Retained earnings                   |               |               |
| Opening balance                        | 2,636,272,708 | 2,487,333,307 |
| Add: Net profit after tax for the year | 24,665,091    | 327,485,893   |
| Less: Cash dividend                    | 58,885,733    | 178,546,493   |
|  | 2,602,052,066 | 2,636,272,708 |

### 17 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        | (Note: 17.1) | 130,364,952 | 121,710,267 |
| Deferred tax Liabilities related to other comprehensive income |              | 155,803,714 | 155,803,714 |
|  |              | 286,168,666 | 277,513,981 |

#### 17.1 Deferred tax liabilities

|   | Carrying amount | Tax base      | Taxable temporary difference |
|---|-----------------|---------------|------------------------------|
|   | Taka            | Taka          | Taka                         |
| <b>As at 31 March 2023</b>  |                 |               |                              |
| <b>Deferred tax liabilities related to Profit and Loss A/C</b>        |                 |               |                              |
| Property, plant and equipment excluding land                          | 2,378,417,763   | 1,292,043,165 | 1,086,374,598                |
| Applicable tax rate   |                 |               | 12.00%                       |
| Deferred tax liability  |                 |               | 130,364,952                  |
| <b>Deferred tax Liabilities related to other comprehensive income</b> |                 |               |                              |
| Revaluation reserve for land  | 3,895,092,849   | Nil           | 3,895,092,849                |
| Applicable tax rate   |                 |               | 4.00%                        |
| Deferred tax liability  |                 |               | 155,803,714                  |
| <b>As at 30 June 2022</b>   |                 |               |                              |
| <b>Deferred tax liabilities related to Profit and Loss A/C</b>        |                 |               |                              |
| Property, plant and equipment excluding land                          | 2,413,454,663   | 1,399,202,434 | 1,014,252,229                |
| Applicable tax rate   |                 |               | 12%                          |
| Deferred tax liability  |                 |               | 121,710,267                  |

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.

Certified by :



Factory :  
 Kanchpur, Sonargaon, Narayangonj, Bangladesh.

| Carrying amount | Tax base | Taxable temporary difference |
|-----------------|----------|------------------------------|
| Taka            | Taka     | Taka                         |

**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       |               |     | <u>155,803,714</u> |

| 31.03.23 | 30.06.2022 |
|----------|------------|
| Taka     | Taka       |

**17.2 Deferred Tax Expenses**

|   |                  |                  |
|---|------------------|------------------|
| Deferred Liabilities at the end of the period       | 130,364,952      | 121,710,267      |
| Deferred Liabilities at the beginning of the period | 121,710,267      | 117,058,209      |
| Deferred Tax expenses                               | <u>8,654,685</u> | <u>4,652,058</u> |

**18. Long term loan net of current maturity**

|  |                      |                      |
|--|----------------------|----------------------|
| International Finance Corporation (Note: 18.1)   | 930,177,259          | 1,177,976,188        |
| Jamuna Bank Limited (Note: 18.2)                 | 24,567,463           | 24,661,058           |
| Dutch Bangla Bank Limited-Term Loan (Note: 18.3) | -                    | -                    |
| Al arafa Islamic Bank Ltd. (Note: 18.4)          | 1,603,271,819        | 1,489,314,847        |
| IDLC Finance Limited                             | 26,662,547           | 27,362,006           |
|  | 2,584,679,089        | 2,719,314,099        |
| Less: Current portion of long term loan          | 323,620,304          | 291,839,388          |
|  | 258,872,304          | 256,271,616          |
| Al arafa Islamic Bank Ltd.                       | 14,748,000           | 15,495,492           |
| Jamuna Bank Limited                              | 50,000,000           |                      |
| International Finance Corporation                |                      | 20,072,280           |
| IDLC Finance Limited                             |                      |                      |
|  | <u>2,261,058,785</u> | <u>2,427,474,711</u> |

**18.1 International Finance Corporation**

|             |               |
|-------------|---------------|
| 930,177,259 | 1,177,976,188 |
|-------------|---------------|

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



|       |  | 31.03.23      | 30.06.2022    |
|-------|--|---------------|---------------|
|       |  | Taka          | Taka          |
| 18.2  | Jamuna Bank Limited                                    | 24,567,463    | 24,661,058    |
| 18.3  | Dutch-Bangla Bank Limited                              | -             | 1,532,164,948 |
| 18.4  | Al arafa Islamic Bank Ltd.                             | 1,603,271,819 | 1,489,314,847 |
| 19.   | Finance lease obligation net off current maturity      |               |               |
|       | IDLC Finance Limited                                   | 1,241,844     | 4,215,177     |
|       | IPDC Finance Limited                                   | 582,134       | 1,720,844     |
|       |  | 1,823,978     | 5,936,022     |
|       | Less: Current portion of finance lease obligation-IDLC | 1,241,844     | 3,328,665     |
|       | Less: Current portion of finance lease obligation-IPDC | 582,134       | 1,720,844     |
|       |  | 1,823,978     | 5,049,509     |
|       |  | -             | 886,513       |
| 20.   | Short term loan  |               |               |
|       |  | 31.03.23      | 30.06.2022    |
|       |  | Taka          | Taka          |
|       | Dutch Bangla Bank Limited                              | -             | 217,891,244   |
|       | Al arafa Islamic Bank Ltd.                             | 820,273,797   | 605,882,000   |
|       | Eastern Bank Limited                                   | 158,702,270   | 81,421,780    |
|       | United commercial Bank Ltd                             | 267,023,075   | 228,656,365   |
|       | Shimanto Bank Ltd                                      | 250,000,000   |               |
|       | The City Bank Limited                                  | 32,185,608    | 13,980,103    |
|       | Bank Asia Ltd  | 263,119,259   | 250,000,000   |
|       | Lanka Alliance   | 302,449,395   | 300,025,000   |
|       | South Bangla Agriculture Ltd                           | 258,570,954   | 250,000,000   |
|       | IFIL   | 101,700,541   | 124,497,541   |
|       | IDLC   | 15,571,915    |               |
|       | IDCOL  | 350,000,000   |               |
|       | IPDC Finance Limited                                   | 102,088,609   | 101,508,345   |
|       |  | 2,921,685,423 | 2,173,862,378 |
| 20.1  | Short Term Loan Dutch Bangla Bank Limited              |               |               |
|       | Export cash credit                                     |               | -             |
|       | Loan Trust Receipts (LTR)                              |               | -             |
|       | Stimulus fund  |               | 217,891,244   |
|       | Short term loan-EMI                                    |               | -             |
|       | Other loans  |               | -             |
|       |  | -             | 217,891,244   |
| 20.02 | Al arafa Islamic Bank Ltd.                             |               |               |
|       | HPSM (Transport) Short Term                            | 7,709,334     | 9,600,000     |
|       | LTR-MPI (Trust Receipt)                                | 181,813,784   | 78,360,000    |
|       | EDF  | 58,372,591    |               |
|       | Overdraft  | 572,378,088   | 517,922,000   |
|       |  | 820,273,797   | 605,882,000   |

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.

Certified by :



Factory :  
 Kanchpur, Sonargaon, Narayanganj, Bangladesh.

## 20.02.1 - Overdraft

| Name of the Bank         | Branch | Account # |
|--------------------------|--------|-----------|
| OD-Bai-Muazzal (Gen) MEF |        |           |

|                    |                    |
|--------------------|--------------------|
| 572,378,088        | 517,922,000        |
| <u>572,378,088</u> | <u>517,922,000</u> |

## 20.03 Eastern Bank Limited

Overdraft  
 Time loan normal  
 EDF  
 CORPORATE - PACKING CREDIT

|                    |                   |
|--------------------|-------------------|
| 29,957,754         | 30,634,280        |
| 23,781,704         | 50,787,500        |
| -                  | -                 |
| 104,962,811        | -                 |
| <u>158,702,270</u> | <u>81,421,780</u> |

## 20.04 United Commercial Bank Ltd.

Overdraft  
 Time loan normal  
 CORPORATE-PACKING CREDIT  
 EDF

| Branch | Account #         |
|--------|-------------------|
|        | 07817490000000347 |

|                    |                    |
|--------------------|--------------------|
| 37,227,721         | 26,263,190         |
| 184,967,521        | 192,072,437        |
| 44,827,834         | -                  |
| -                  | 10,320,738         |
| <u>267,023,075</u> | <u>228,656,365</u> |

## 21 Unclaimed Dividend

|                  |                  |
|------------------|------------------|
| <u>3,475,908</u> | <u>3,475,908</u> |
|------------------|------------------|

|                  |                    |
|------------------|--------------------|
| 31.03.23<br>Taka | 30.06.2022<br>Taka |
|------------------|--------------------|

## 22. Accounts payable

Import liability and Other creditors

|                      |                      |
|----------------------|----------------------|
| <u>1,109,268,152</u> | <u>1,185,400,836</u> |
|----------------------|----------------------|

## 23. Liabilities for expenses

Directors' remunerations  
 Salary and wages  
 Gas Bills  
 Electricity  
 Telephone bill  
 TDS on Directors' remunerations  
 TDS on Salary  
 Tax & VAT  
 Wasa bill  
 Provision for Income Tax  
 Provision for Head office Floors  
 Financial Interest  
 TDS on Dividend  
 Audit fees  
 Head office rent

|                    |                    |
|--------------------|--------------------|
| 64,148,080         | 64,282,255         |
| 45,843,952         | 39,735,070         |
| 19,424,948         | 9,473,051          |
| 3,478,969          | 5,111,674          |
| 10,173             | 11,670             |
| -                  | 6,492,000          |
| -                  | 3,705,782          |
| 5,832,545          | -                  |
| 16,000             | 30,000             |
| 116,695,379        | 145,965,247        |
| 1,837,169          | 1,837,169          |
| 20,099,785         | 47,621,772         |
| (38,272,806)       | 23,797,257         |
| 862,500            | 862,500            |
| 3,044,000          | 3,044,000          |
| <u>243,020,695</u> | <u>351,969,447</u> |



Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

Certified by :



|  | Jan-Mar, 23<br>Taka  | Jan-Mar 22<br>Taka   | March 31, 23<br>Taka | March 31, 22<br>Taka |
|--|----------------------|----------------------|----------------------|----------------------|
| <b>24. Sales</b>                           |                      |                      |                      |                      |
| Export sales                               | 2,207,325,031        | 2,278,126,647        | 6,089,069,164        | 7,286,837,530        |
| <b>25. Cost of Goods Sold</b>              |                      |                      |                      |                      |
| Cost of materials consumed (Garments Unit) | 890,637,465          | 1,281,809,674        | 2,937,165,485        | 4,133,427,286        |
| Cost of direct labor                       | 570,626,362          | 429,471,460          | 1,471,182,557        | 1,304,362,630        |
| Prime cost                                 | 1,461,263,827        | 1,711,281,134        | 4,408,348,042        | 5,437,789,916        |
| Factory overheads                          | 310,553,544          | 241,695,372          | 484,682,409          | 519,471,844          |
| Cost of Goods put into Process             | 1,771,817,371        | 1,952,976,506        | 4,893,030,451        | 5,957,261,759        |
| Opening Work in process                    | 721,376,305          | 482,104,520          | 791,466,248          | 791,466,248          |
| Closing Work in process                    | (658,196,297)        | (687,154,512)        | (658,196,297)        | (687,154,512)        |
| Cost of Goods Manufactured                 | 1,834,997,380        | 1,747,926,514        | 5,026,300,402        | 6,061,573,495        |
| Opening Finished Goods                     | 186,572,744          | 498,117,400          | 186,572,744          | 274,046,371          |
| Cost of Goods Available for Sale           | 2,021,570,124        | 2,246,043,914        | 5,212,873,146        | 6,335,619,866        |
| Closing Finished Goods                     | (285,502,312)        | (376,117,101)        | (285,502,312)        | (376,117,101)        |
|  | <b>1,736,067,812</b> | <b>1,869,926,813</b> | <b>4,927,370,834</b> | <b>5,959,502,765</b> |
| <b>25.1 Raw Materials Consumption</b>      |                      |                      |                      |                      |
| Yarn                                       | 275,414,206          | 983,170,256          | 1,760,731,890        | 3,220,569,575        |
| Dyes                                       | 70,139,987           | 41,072,108           | 128,730,230          | 111,004,680          |
| Chemical                                   | 156,960,156          | 80,501,357           | 258,730,257          | 206,493,310          |
| Finishing Materials                        | 388,123,116          | 177,065,953          | 788,973,108          | 595,359,721          |
|  | <b>890,637,465</b>   | <b>1,281,809,674</b> | <b>2,937,165,485</b> | <b>4,133,427,286</b> |
|  |                      |                      | 0.48                 | 0.57                 |
| <b>25.2 Cost of direct labor</b>           |                      |                      |                      |                      |
| Workers wages                              | 300,681,972          | 191,849,490          | 948,436,561          | 699,894,182          |
| Workers overtime                           | 38,875,006           | 69,572,698           | 177,442,107          | 201,684,401          |
| Daily labor                                | 1,837,504            | 5,637,576            | 6,109,689            | 14,327,062           |
| Salary                                     | 213,305,679          | 109,491,531          | 285,303,382          | 331,536,836          |
| Festival bonus and Provident Fund          | 15,926,201           | 52,920,165           | 53,890,819           | 56,920,149           |
|  | <b>570,626,362</b>   | <b>429,471,460</b>   | <b>1,471,182,557</b> | <b>1,304,362,630</b> |
| <b>25.3 Factory overheads</b>              |                      |                      |                      |                      |
| Gas and electricity                        | 143,269,038          | 56,527,880           | 238,103,082          | 157,022,990          |
| Insurance premium                          | 8,563,043            | 3,982,845            | 12,829,049           | 12,015,783           |
| Tiffin expenses for workers                | 7,746,740            | 6,021,349            | 10,545,301           | 14,026,180           |
| Spare Parts Consumption                    | 71,703,027           | 39,676,850           | 104,222,756          | 102,501,631          |
| Vehicle running ( Oil and fuel)            | 7,661,526            | 51,799,154           | 10,888,293           | 58,517,758           |
| Rent, rates and taxes                      | 708,753              | 3,522,682            | 1,563,441            | 10,077,245           |
| Local conveyance                           | 2,484,402            | 1,500,452            | 2,972,862            | 5,344,555            |
| Telephone & Mobile bills                   | 60,245               | 526,900              | 1,022,470            | 1,519,001            |
| Depreciation                               | 68,356,770           | 78,137,260           | 102,535,155          | 158,446,701          |
|  | <b>310,553,544</b>   | <b>241,695,372</b>   | <b>484,682,409</b>   | <b>519,471,844</b>   |
| <b>26. Operating expenses</b>              |                      |                      |                      |                      |
| Office & administrative expenses           | 100,771,860          | 90,915,115           | 234,974,943          | 223,639,933          |
| Selling & distribution expenses            | 198,123,184          | 121,875,732          | 610,449,742          | 553,780,360          |
|  | <b>298,895,044</b>   | <b>212,790,847</b>   | <b>845,424,685</b>   | <b>777,420,293</b>   |

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.



Certified by :

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

## 26.1 Office & administrative expenses

|  |                    |                   |                    |                    |
|--|--------------------|-------------------|--------------------|--------------------|
| Director remuneration                    | 7,500,000          | 7,895,000         | 22,500,000         | 22,895,000         |
| Salary & allowances                      | 50,074,301         | 40,532,273        | 125,531,342        | 115,922,319        |
| Contribution to employees provident fund | -                  | 292,967           | 3,277,279          | 2,111,111          |
| Vehicle maintenance                      | 581,000            | 115,489           | 581,000            | 617,162            |
| Vehicle running expenses                 | 1,366,998          | 1,095,504         | 5,228,996          | 5,610,567          |
| Entertainment                            | 702,662            | 999,800           | 1,275,173          | 1,644,946          |
| Printing expenses                        | 238,108            | 130,475           | 238,108            | 281,500            |
| Stationery expenses                      | 615,634            | 1,650,175         | 1,381,080          | 3,009,404          |
| Telephone, mobile & internet             | 154,467            | 640,086           | 463,400            | 1,813,748          |
| Travelling & conveyance                  | 295,501            | 486,640           | 613,526            | 1,314,790          |
| Bank charges                             | 6,913,136          | 1,100,970         | 13,566,303         | 6,518,030          |
| License, renewal & registration          | 1,049,365          | 2,117,286         | 2,832,839          | 4,617,644          |
| Utility expenses                         | 474,367            | 418,055           | 1,778,858          | 1,694,476          |
| Audit fees                               | -                  | 4,229,623         | -                  | 4,660,873          |
| Exchange loss                            | (1,978,198)        | 534,802           | (4,322,419)        | (154,304)          |
| Floor rent                               | 5,596,000          | 7,118,000         | 8,640,000          | 8,640,000          |
| Depreciation                             | 9,531,040          | 10,314,693        | 28,593,120         | 30,336,845         |
| Miscellaneous expenses                   | 17,657,481         | 11,243,278        | 22,796,339         | 12,105,822         |
|  | <b>100,771,860</b> | <b>90,915,115</b> | <b>234,974,943</b> | <b>223,639,933</b> |

## 26.2 Selling & distribution expenses

|   |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|
| Inspection & certificate issue expenses | 23,500,960         | 28,515,007         | 222,789,207        | 109,500,595        |
| Export permission                       | 16,141,222         | 8,691,624          | 33,956,811         | 20,006,986         |
| Foreign Travel for marketing            | 7,772,238          | 3,254,609          | 14,230,131         | 4,809,916          |
| Sample and courier expenses             | 5,326,186          | 12,617,929         | 14,571,873         | 20,668,320         |
| Bank charges on export proceeds         | 79,127,236         | 26,180,163         | 204,968,301        | 201,064,493        |
| Freight charges on export               | 27,871,256         | 12,174,616         | 58,852,344         | 100,209,046        |
| C&F expenses on export                  | 22,785,278         | 10,648,914         | 32,484,312         | 56,642,084         |
| Carriage outward on export              | 15,598,808         | 19,792,870         | 28,596,763         | 40,878,920         |
|   | <b>198,123,184</b> | <b>121,875,732</b> | <b>610,449,742</b> | <b>553,780,360</b> |

## 27. Financial expenses

|                             |                   |                   |                    |                    |
|-----------------------------|-------------------|-------------------|--------------------|--------------------|
| Interest on Short term loan | 41,616,188        | 37,947,109        | 128,418,337        | 96,459,135         |
| Interest on Long term loan  | 42,734,626        | 48,803,084        | 134,989,501        | 105,666,572        |
| Interest on Finance lease   | -                 | 1,471,821         | -                  | 1,587,778          |
|                             | <b>84,350,814</b> | <b>88,222,013</b> | <b>263,407,838</b> | <b>203,713,484</b> |

## 28. Non operating income

|                          |                  |                  |                  |                  |
|--------------------------|------------------|------------------|------------------|------------------|
| Interest income from FDR | 285,207          | 1,251,668        | 285,207          | 3,755,005        |
| Lease rental             | 1,845,324        | 1,845,324        | 5,535,972        | 5,535,972        |
|                          | <b>2,130,531</b> | <b>3,096,992</b> | <b>5,821,179</b> | <b>9,290,977</b> |

## 29. Provision for contribution to Central Fund

|  |                |                |                  |                  |
|--|----------------|----------------|------------------|------------------|
|  | <b>563,382</b> | <b>772,406</b> | <b>1,838,665</b> | <b>1,914,169</b> |
|--|----------------|----------------|------------------|------------------|

## 30. Income tax expenses

|  |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | <b>20,329,205</b> | <b>14,443,008</b> | <b>23,528,545</b> | <b>46,043,770</b> |
|--|-------------------|-------------------|-------------------|-------------------|

## Calculation of Current tax/ Tax expenses

| Particulars          | Tk            | Rate  | Taka              |
|----------------------|---------------|-------|-------------------|
| Revenue              | 2,207,325,031 |       |                   |
| Income rate          |               | 1.00% | 22,073,250        |
| Non-operating income | 5,821,179     | 25%   | 1,455,295         |
| <b>Current Tax</b>   |               |       | <b>23,528,545</b> |

Corporate Office :  
ESQUIRE TOWER  
21, Shaheed Tajuddin Ahmed Sarani  
Tejgaon I/A, Dhaka-1208  
Tel : 09602333888  
Fax : 880-2-913-9390  
E-mail : ekcl@esquirebd.com  
Website : www.esquire.com.bd  
www.esquireknit.com



# Esquire Knit Composite Ltd.



Certified by :

Factory :  
Kanchpur, Sonargaon, Narayanganj, Bangladesh.

### 31 Net Asset Value (NAV) Per Share

|   | 31.03.23<br>Taka | 30.06.2022<br>Taka |
|---|------------------|--------------------|
| Total assets  | 15,927,074,590   | 15,528,645,994     |
| Total Liabilities   | (7,150,121,910)  | (6,717,472,672)    |
| Net Asset Value (NAV) (A)   | 8,776,952,680    | 8,811,173,323      |
| Revaluation reserve   | (3,739,289,135)  | (3,739,289,135)    |
| Net Asset Value (NAV) without revaluation reserve (B)             | 5,037,663,545    | 5,071,884,188      |
| Weighted Average Number of shares                                 | 134,895,833      | 134,895,833        |
| Net Asset Value (NAV) per share with revaluation reserve (A+C)    | 65.06            | 65.32              |
| Net Asset Value (NAV) per share without revaluation reserve (B+C) | 37.34            | 37.59              |

Net asset Value (NAV) per share has been decreased slightly resulting from lower incremental Net Profit during the reporting period than corresponding period of last year.

### 32 Earnings Per Share (EPS)

|  | 31.03.23<br>Taka | 31.03.22<br>Taka |
|--|------------------|------------------|
| Earning attributable to ordinary shareholders (Taka) | 24,665,091       | 297,798,716      |
| Weighted Average Number of shares                    | 134,895,833      | 134,895,833      |
| Earnings Per Share (Taka)                            | 0.18             | 2.21             |

EPS has been decreased slightly during reporting period than corresponding period of last year due to lower growth of revenue.

#### Earnings Per Share (EPS)

|  |             |             |
|--|-------------|-------------|
| Earning attributable to ordinary shareholders (Taka) | 61,644,141  | 91,479,396  |
| Weighted Average Number of shares                    | 134,895,833 | 134,895,833 |
| Earnings Per Share (Taka)                            | 0.46        | 0.68        |

### 33 Net Operating Cash Flow Per Share (NOCFPS)

|                                     |             |             |
|-------------------------------------|-------------|-------------|
| Net operating cash flows            | 120,343,637 | (2,720,282) |
| Weighted Average Number of shares   | 134,895,833 | 134,895,833 |
| Net operating cash flows per shares | 0.89        | (0.02)      |

Net operating cash flow reflects positive than corresponding period of last year as accounts receivable collection more than that of corresponding period.

#### Calculation of Weighted Average Number of shares

| Particulars  | Formula   | 31.03.23           | 31.03.22           |
|--|-----------|--------------------|--------------------|
|  |           | No of shares       | No of shares       |
| Allotment of Existing shares                                   | 100000000 | 100,000,000        | 100,000,000        |
| Allotment of new shares<br>Allotment date:<br>Februray 07,2019 | 34895833  | 34,895,833         | 34895833           |
| <b>Weighted Average Number of shares</b>                       |           | <b>134,895,833</b> | <b>134,895,833</b> |

### 34 Reconciliation of net profit with cash flow from operating activities

|                                       |             |             |
|---------------------------------------|-------------|-------------|
| Net profit after tax for the year     | 24,665,091  | 297,798,716 |
| <b>Adjustment for non-cash items:</b> |             |             |
| Depreciation                          | 131,128,275 | 154,473,544 |
| Deferred Tax Adjustment               | 8,654,685   | 9,735,310   |

#### Changes in Working Capital:

|  |                    |                    |
|--|--------------------|--------------------|
| (Increase)/decrease in Inventory                     | 130,266,353        | 135,457,770        |
| Decreases in Accounts receivable                     | 387,747,212        | (204,039,933)      |
| (Increase)/decreases in Advance deposit and Payments | (377,036,542)      | (209,477,603)      |
| Increase in Accounts payable                         | (76,132,684)       | (171,060,652)      |
| Decrease in Accrued Expenses                         | (108,948,752)      | (15,607,433)       |
| <b>Net cash flow from operating activities</b>       | <b>120,343,637</b> | <b>(2,720,282)</b> |

Corporate Office :  
 ESQUIRE TOWER  
 21, Shaheed Tajuddin Ahmed Sarani  
 Tejgaon I/A, Dhaka-1208  
 Tel : 09602333888  
 Fax : 880-2-913-9390  
 E-mail : ekcl@esquirebd.com  
 Website : www.esquire.com.bd  
 www.esquireknit.com



# Esquire Knit Composite Ltd.

Factory :  
 Kanchpur, Sonargaon, Narayangonj, Bangladesh.

Certified by :



**35-Related party disclosures**

i) Related party transactions

(Amount in Taka)

| Name                              | Nature of relationship | Nature of Transaction | Opening Balance | Purchase/col-lection | Payment     | Outstanding as on 31.03.23 (Receivable)/ Payable |
|-----------------------------------|------------------------|-----------------------|-----------------|----------------------|-------------|--|
| Esquire Accessories Limited       | Common Management      | Purchase              | 757,925         | 34,725               | 83,193      | 709,457  |
| Esquire Dyeing Industries Limited | Common Management      | Dyeing                | 201,240,128     | 45,780,893           | 125,619,830 | 121,401,191                                      |
|                                   |                        |                       |                 |                      |             | <u>122,110,648</u>                               |

**End of the  
Third Quarter & Nine Months  
Financial Statement 2022-2023  
(Unaudited)**