ANNUAL REPORT
2022–2023







GENERATION NEXT FASHIONS LTD.

ANNUAL REPORT
2022-2023



GENERATIONNEXT

GENERATION NEXT FASHIONS LTD.







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OUR VISION

"Satisfying Buyers' Needs" and to be a leading and sustainable ecofriendly fabric and apparel manufacturer in Bangladesh is our vision.

OUR MISSION

Our mission is to maximize quality products production and services strictly on ethical and moral standards at minimum costs to the society ensuring optimum benefits to the consumers, the shareholders and other stakeholders.



OUR GOAL

Enhance profitability through customers' satisfaction. Maximize the value of being of our customers, shareholders and employees. Optimize contribution to the society. Ensure ecofriendly manufacturing environment.

STRATEGIC OBJECTIVES

- Enhance productivity to extented our products market demands;
- Ensure committed and sound supply chain;
- Maintain the strict compliance of best governance norms to ensure long term sustainability of the company;





Generation Next Fashions Limited

Head Office: House # 348, Road # 05, DOHS Baridhara, Dhaka- 1206
Telephone: +8802 8411623, 8412625 & Fax: +8802 8416491
Website: www.gnf-bd.com, Email: info@gnf-bd.com

Notice of the 19th Annual General Meeting

Notice is hereby given that the 19th Annual General Meeting (AGM) of the Shareholders of Generation Next Fashions Limited will be held on Saturday, December 23, 2023 at 11:30 A.M. by using digital platform through the Link: https://gennext19thagm.digitalagmbd.net

To the following businesses: -

AGENDA

1. Report and Accounts:
To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on June 30, 2023 together with the Reports of the Board of Directors and the Auditors thereon.

2. Dividend:
To declare the dividend for the financial year ended June 30, 2023 as recommended by the Board of Directors.

3. Election of Directors:
To elect/re-elect Directors as per terms of the relevant provision of the Articles of Association of the Company.

4. Appointment of Auditors:
To appoint of Statutory Auditor for the year 2023-2024 and to fix their remuneration.

5. Compliance Auditors:
To appoint Compliance Auditor for the year 2023-2024 and to fix their remuneration.

6. Miscellaneous:
To transact any other related business with the permission of the Chair.

Dated: Dhaka
November 22, 2023

By order of the Board of Directors
Sd/-

Mohammed Shahjahan
Company Secretary

NOTES:

a) The Board of Directors has recommended 01% cash dividend for the year ended June 30, 2023 subject to approval in the 19th Annual General Meeting (AGM).

b) The Record Date is November 20, 2023 (Monday). The shareholders whose names appeared in the Share Register of Members of the Company or in the Depository Register (CDBL) on the Record Date are eligible to attend the meeting.

c) The 19th AGM of the company would be conducted through Digital Platform in line with Order No. SEC/SRMIC/94-231/25 dated 08 July 2020 of Bangladesh Securities and Exchange Commission, Detail login process for the meeting will be available in the company's website at www.gnf-bd.com and the Link will be mailed to the respective shareholders email address available with the registers.

d) A shareholder eligible to attend the Annual General Meeting (AGM) is entitled to appoint a Proxy to attend and vote on his/her behalf (through digital platform). Forms of Proxy duly filled, signed & stamped must be sent through email to the Share Department of Company at info@gnf-bd.com /share@gnf-bd.com at least 48 hour before the time fixed for the Meeting.

Special Notes:

1. As per Bangladesh Securities and Exchange Commission (BSEC)'s Notification No. SEC/CMRRCD/2009-193/154 thereon dated October 24, 2013. No Food Box/Gift Coupon etc. is allowed.

2. As per condition no.9(1) & (2) of the BSEC/CMRRCD/2006-158/208/Admin/81, dated 20 June 2018, the soft copy of the Annual Report for the year ended 30 June 2023 to be sent through the e-mail address of the shareholders and also be available to the website www.gnf-bd.com of the company.

LETTER OF TRANSMITTAL

To
The Shareholders
The Bangladesh Securities and Exchange Commission
The Registrar of Joint Stock Companies & Firms
The Dhaka Stock Exchange Limited
The Chittagong Stock Exchange Limited
The Central Depository Bangladesh Limited
All Other Stakeholders

Subject: Annual Report for the year ended June 30, 2023

Dear Sirs,
We are pleased to transmit a copy of the Annual Report for the year ended June 30, 2023 containing the Director's Report, the Auditor's Report and the Audited Financial Statements, which includes the Statement of Financial Position, Statement of Cash Flows for the year ended June 30, 2023 along with notes for your record and necessary measures.

Yours sincerely,



(Signature)
Mohammed Shahjahan
Company Secretary

GENERATION NEXT



FASHIONS LIMITED




জেনারেশন নেক্সট ফ্যাশনস লিমিটেড
১৮তম
বার্ষিক সাধারণ সভা
Alavee Azfar Chau...
Mohammed Shahja...
Ahmed Monabbi,Ind...
Sadad Rahman, Dir...


GENERATIONNEXT

GENERATION NEXT FASHIONS LIMITED

AT A GLANCE

Generation Next Fashions Limited (GNFL) was incorporated in Bangladesh under the Companies Act 1994 on August 19, 2004 with an authorized capital of BDT 500.00 million and paid up capital BDT 47.20 million to carry out business of Knitting, Dyeing and Various types of ready-made Garments Manufacturing of International Standard and Design. At present the paid up capital of the company is BDT. 4,949.75 million while the authorized capital is 5,000.00 million.

GNFL is a 100% export oriented Textile and Apparel Company which started its commercial operation in July 30, 2006. The Company produces composite knit fabrics and various types of ready-made garments.

Our Products

T- Shirt, Men's Polo Shirt (Short Sleeve), Ladies Polo Shirt (Short Sleeve), Basic T- Shirt, Printed T- Shirt, Women's Trouser, Girls' Trouser, Ladies' Pant, Ladies' Jacket, Static T- Shirt, Ladies' Night Wear Set, Military Jogger, Women's Flannel Trouser, Basic Drive & Fusion Tee, Ladies' Tank Top, Leggings, Hoody Jackets, etc.



World Market

USA, UK, Canada, Europe, China, Japan, Australia and Latin America.

Major Production Departments & Services

Knitting, Dyeing, Finishing and Garments. Production activities continue virtually round the clock.

Power, Gas & Water

Power: Rural Electrification Board (REB) connection, one 1.5 MW Gas generator and one 1.70 MW diesel generator to ensure constant power supply.

Gas: Titas Gas Transmission & Distribution Company Limited is the main source of gas supply.

Water: The company has a number of own deep tube wells installed for necessary water supply.

CORE VALUE



EXCELLENCE

Our relentless pursuit toward excellence of performance manifested with, effective guidance and quality services is the key to quality production.

TEAMWORK

Unity in the work place in an environment of mutual support, collaboration, communication and sharing/ caring of knowledge and skills are the driving forces of the company.





INTEGRITY

Honesty and morality in service produces good governance, transparency and accountability.

CORE VALUE



INNOVATION

Our thinking is beyond traditional concepts and boundaries.

CUSTOMER PRIORITY

Satisfaction, trust, and confidence of our customers are of the highest priority.





COMMITMENT

The total resolve and involvement in everything is our responsibility.



Corporate INFORMATION

Chairman
Tauhidul Islam Chaudhury

Managing Director
Rajiv Sethi

Directors
Tauhidul Islam Chaudhury
Rajiv Sethi
Alavee Azfar Chaudhury
Shaheen Akhter Chaudhury
(Nominated by A.J Corporation Ltd.)

Independent Director
Mehdi Mahmood Haque
Sadad Rahman
Ahmed Monabbi

Chief Financial Officer
Mark Niranjan Chowdhury

Head of Internal Audit
Habibur Rahman

Company Secretary
Mohammed Shahjahan



REGISTERED NAME OF THE COMPANY

Generation Next Fashions Limited

LEGAL FORM

Public Limited Company, listed with Dhaka Stock Exchange and Chittagong Stock Exchange. Incorporated in Bangladesh under Companies Act, 1994.

SHARE & CORPORATE OFFICE

Building # 348, Road # 05, DOHS Baridhara
Dhaka- 1206, Bangladesh
Tel: 880-2-8412625, 8411623, 8419210
Fax: 880-2-8416491, web:www.gnf-bd.com

CORPORATE OFFICE

The Pearl Trade Centre (PTC)
Cha- 90/3, Progoti Shwaroni
Uttar Badda, Dhaka 1212
Tel: 880-2-9895725, 9895752

OPERATIONAL OFFICE & FACTORY

Dhonaid, Earpur, Ashulia, Dhaka.

COMPANY`S REGISTRATION NUMBER

C-53966, August 19, 2004

LISTING RECOGNITION

Company No: 17454, Trade Code: GENNEXT

AUDITORS

Ashraf Uddin & Co.
Chartered Accountants
Office:
142/B, Green Road (3rd & 4th Floor), Dhaka- 1215
Registered address: Rahman Chamber (5th Floor), 12-13, Matijheel C/A, Dhaka
E-mail: info@aucbd.com,
manager.auc@aucbd.com
auc_green@yahoo.com, Web: www.aucbd.com

LEGAL ADVISOR

Mohsin Mojumder, Advocate
Mojumder & Associates
Mahtab Centre (15th Floor)
Bijoy Nagar, Dhaka 1000

Moyeen Firozee, Bar-at-Law

ABC House (4th floor)
8 Kamal Ataturk Avenue, Banani, Dhaka

LISTING

Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited in 2012, present name Chittagong Stock Exchange PLC

INSURER

Asia Insurance Limited
Union Insurance Limited

BANKERS

Southeast Bank PLC
National Bank Limited
IFIC Bank Limited
Prime Bank Limited
Exim Bank Limited
Jamuna Bank Limited
Brac Bank Limited
Social Islamic Bank Limited
Agrani Bank Limited
Premier Bank Limited
Trust Bank Limited

MEMBERSHIP PROFILE

Bangladesh Garment Manufactures and Export Association (BGMEA)
Bangladesh Knitwear Manufactures and Export Association (BKMEA)
Bangladesh Textiles Mills Associations (BTMA)
Bangladesh Association of Publicly Listed Companies (BAPLC)
Dhaka Chamber of Commerce and Industry (DCCI)
Australia Bangladesh Chamber of Commerce and Industry (ABCCI)

DIRECTORS' PROFILE







Tauhidul Islam Chaudhury

Chairman

Mr. Chaudhury has 39 years of extensive entrepreneurial and business development experience in successfully steering export oriented textiles and clothing manufacturing industrial and marketing ventures and projects in Bangladesh and in the USA. He successfully pioneered one of the first Bangladeshi Garment Import Houses in New York in 1990 and marketed clothing from Bangladesh to Kenya and US retailers and wholesalers.

He has over 29 years of leadership experience in RMG buying and marketing business in Bangladesh in exporting the widest variety of woven and knitted RMG to the USA, Canada, Europe, China, Japan, Australia and European markets. He also has about 29 years of professional knowledge in human resource management, social and ethical standards for global RMG sector.

Mr. Chaudhury has professional membership with Bangladesh Garment Manufactures and Exporters Association (BGMEA), Bangladesh Knitwear Manufactures and Exporters Association (BKMEA), Bangladesh Textiles Mills Associations (BTMA) and Dhaka Chamber of Commerce and Industry (DCCI). Australia Bangladesh Chamber of Commerce and Industry (ABCCI)



Rajiv Sethi

Managing Director

Mr. Sethi is an Indian national with residency in Bangladesh. He has been associated with the Garments & Textile sector since 1989. He has a vast experience in the field of sales, merchandising, manufacturing, sourcing of both woven and knit RMG products for exporting to European markets for retailers from various countries as Kenya, Jordan, Pakistan, India, UAE, Japan, Bangladesh, China, etc. After his graduation from Delhi University, Mr. Sethi has obtained Diploma in Fashion Designing from India Institute of Fashions Technology New Delhi.



Alavee Azfar Chaudhury

Director



Mr. Alavee Azfar Chaudhury is a Bangladeshi industrialist and entrepreneur. Mr. Chaudhury started his journey in Generation Next Fashions Limited as company director in early 2017. Mr. Chaudhury has utilized his vast expertise within the fields of Garments, Technology, Digitalization, Telecommunication and Marketing to secure various clients entering Bangladesh for the first time during his continued tenure in GNFL.

Having finished his higher education in International Business from Pace University. Mr. Chaudhury is a firm believer in sustainability and technological advancements that are key to longevity in the Garments Industry. His vision for the company futures Gennext into a modern and globalized entity. he continues to develop and lead initiatives within the RMG industry with vision, direction, focused goals and strategic thinking.

Ms. Shaheen Akhter Chaudhury

Nominee Director (Nominee by A.J Corporation Limited)

Ms. Chaudhury is a service holder in A. J Corporation Limited. She has over 19 years of experience in business and commerce.





Mehdi Mahmood Haque

Independent Director

Mr. Mehdi Mahmood Haque is a dynamic asset of the company. He has played a vital role in streamlining the merchandising, production and operations of the company.



Sadad Rahman

Independent Director

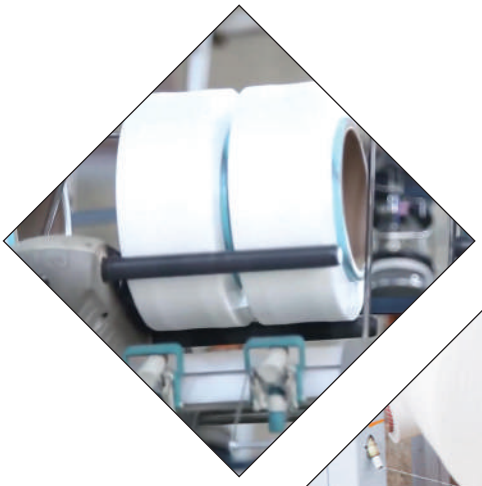
Sadad Rahman, an Independent Director, has completed MBA, from City College University of London, UK. After he completed his academic career, he served in different types of sectors. Also, he received various types of training from different institutions. Not only he is the Independent Director of Generation Next Fashions Limited, but also the Managing Director of Rangpur Distilleries & Chemicals Limited & Independent Director of Fu-Wang Ceramic Industry Limited and Director of Saleh Steel Industries Limited.

Ahmed Monabbi

Independent Director

Ahmed Monabbi, an Independent Director of Generation Next Fashions Limited, has completed MBA, also he has completed Chartered Accountancy course under the Institute of Bangladesh (ICAB) having articled with M/s Hoda Vasi Chowdhury & Co. He has vast experience in Garments Textile & Ceramic Industry. He is also Chief Financial Officer (CFO) in Fu-Wang Ceramic Industry Limited.



















Tauhidul Islam Chaudhury

CHAIRMAN'S MESSAGE

Dear Valued Shareholders,

I deem it to be an exclusive privilege for me to welcome all of you to the 19th Annual General Meeting of Generation Next Fashions Limited. With great pleasure, we have already submit-ted before you the operational activities and the Annual Financial Statements for the year ending 30 June 2023 duly approved by the Board of Directors.

Business Climate: The fallout of global pandemic Covid-19 is still affecting the world economy. This has been further affected by the on-going Russia-Ukraine war. On top of these, the Israil-Palestine war has come as a big blow to the international business/trade. The worst affected sector has been the apparels sector, resulting the closure of many factories and trading houses. Many are also on the brink of shutting down. Prices of raw materials both in international and domestic markets have gone up to a great extent. Similar is the case with the overhead costs and utility bills. Increase of wages and labour unrest are other challenges facing the garments business in our country: Despite all these impediments, we are seeing lights at the end of the tunnel. If we can continue at the present pace with same bit of cost cutting here and there and if we can increase the productivity, we shall be able to achieve better result in the days to come.

Our Plans: In order to sustain in the competitive market, our future plans are:

- Select more efficient workforce to ensure more productivity
- Go for product diversification and develop value added products
- Adopt product efficient technology
- Continue cost cutting and wastage reduction

Conclusion: On behalf of the Board of Directors, I express our deepest appreciation and gratefulness to all of our valued customers for their confidence in our products. I also like convey our sincere thanks and gratitude to all the employees for their tireless efforts, to the suppliers for their quality goods and to the esteemed shareholders for their continuous support and trust on us. I firmly believe that, the same support from all stakeholders will continue in the coming years.

May Allah bless us.

Thanking you all,



Chairman of the Board


Rajiv Sethi



MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

With great pleasure, I take the opportunity to welcome all of you to the 19th Annual General Meeting of Generation Next Fashions Limited. By this time, you must have received the Annual Report containing the audited accounts and for the year ending June 30, 2023. I am highly pleased with the report of this year.

Despite global recession, our company has earned a handful amount of net profit. You may agree with me that, following the, Russia-Ukraine war and Israel-Palestine has come as a big blow to the global economy. When all other suppliers of ready-made garment are struggling to survive, we have made some profit. This has been possible by the relentless efforts of our workers and management staffs coupled with timely deci-sions by our top management.

Going forward, we are taking necessary steps to produce more and more value added products and going for product diversity to maximize our profits. Ready-made garments sector is now facing various challenges of enhanced compliance standards from customers. There are new regulations as regards the building and fire safety, weekly working hours, payment of wages & benefits, social dialogue, environmental & chemical issues and corporate social responsibilities. To overcome these challenges and to meet the enhanced costs, the management is striving to make operations more efficient.

Let me use this platform to convey my gratefulness to each one of you for your continued support and cooperation. We are whole heartedly working for sustainable growth in the days to come. I would also take this opportunity to express my thanks and gratitude to our valued share-holders & to Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Central Depository Bangladesh Limited and all regulatory bodies for the cooperation and support extended to us.

Thanking you all.

Rajiv Sethi
Managing Director


MINNIE MOUSE
forever










M/C NO # 11
36 X 24
UKAH

DIRECTORS' Report





Dear Shareholders

On behalf of the Board of Directors of Generation Next Fashions Limited, I have the pleasure to welcome you all to the 19th Annual General Meeting of the company. We are pleased to submit before you the operational activities and Audited Financial Statements for the year ended June 30, 2023 as approved by the Board of Directors.

Background

The textile sector is at the forefront of the Bangladesh industrial arena. More than 80% of the nation's export earning is derived from this sector. Generation Next Fashions Limited, as a vertically integrated fabric and apparel manufacturing company, is looking to tap into the rising demand by manufacturing products in a more efficient manner. We are now looking to enhance value addition to retain maximum profits. Our marketing strategy is to look for better customers in the days ahead. We have all the latest technologies and machineries to manufacture garments for the top retailers of the world

Business Activities and Contribution to National Economy

The company has earned Tk. 5.96 billion in foreign exchange in the period from July 01, 2022 to June 30, 2023 as against Tk. 4.12 billion in the period from July 01, 2021 to June 30, 2022. This is a significant achievement. We are a 100% export oriented business firm and our revenues are generated in foreign currency. We also purchase our raw materials in US dollars and we also sell our products in US dollars. The fact that, we generated revenues through exports earnings, is a testament to the company's contribution to the national economy.

Industry Outlook and Possible Future Developments in the Industry

The major challenges for the period from July 01, 2023 to June 30, 2024 will be inflation, high cost of funding, massive disaster due to Ukraine-Russia war, Israel-Palestine war and decrease in export order. Despite these challenges, Generation Next Fashions Limited will continue to look into its potentials and development options with its business strategy. Corporate image, professionalism and quality product growth with aggressive marketing will be our priority.

Segment wise or product wise performance during the year

Particulars	Capacity	Actual Production	Capacity Utilization
Garments	50,00,000 Dozen	3,800,000 Dozen	76.00%
Fabrics /Knitting	11,500 MT	9,200 MT	80.00%
Fabric Dyeing	12,000 MT	9,840 MT	82.00%

Risks and Concerns

1.Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuations may affect the profitability of the company. If exchange rate is increased against local currency, opportunity will be created for generating more profit.

Management Perception

The exchange rate of US Dollar against BDT in the country has traditionally witnessed upward trends, which makes ample opportunity for increasing revenue from exports. On the other hand, appreciation of local currency against US Dollar will reduce the import cost of the company. Therefore, change in exchange rate in both ways offsets the profitability of GNFL.

2.Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc. which could

have an adverse impact on the business, financial condition and results of operation.

Management Perception

The company continuously carries out research and development (R&D) to keep pace with the customers' choices and fashions. The industry has successfully coped with the post MFA (Multi Fiber Agreement) competitive situation. The force, which is helping the sector in its strong existence, is emergence of the backward linkage industry. Backward linkage industries are supporting manufacturers in minimizing lead time and cost of production.

3. Market Risks

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

Management Perception

The company has set its focus only on the export market. The management is trying to sell through direct contacts with the existing customers in selected regions by understanding their needs. The company also has established a relationship with potential buyers across the world and expects to find market for its capacity despite competition prevailing in the sector. However, the company successfully sourced new potential buyer in the world market.

4. Technology Related Risks Potential

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management Perception

The company is aware of technological changes and has adopted new state of the art technology according to its needs. Furthermore, routine and proper maintenance of equipment carried out by the company ensures longer service life for the existing equipment and facilities.

5. Potential or Existing Government Regulations

The Company operates under the Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Income Tax Act 2023, Customs Act 1969 and Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 2012 Any abrupt change of the policies made by the regulatory authorities may adversely affect the business of the company.

Management Perception:

Unless any adverse policies are made, which may significantly affect the industry as a whole; the business of the company will not be affected. Government emphasizes on the growth of Textile Industry to boost the export of textile products. Yet the promoters and the sponsors have to convince the policy makers for adopting favorable terms and conditions, which will eventually help the textile manufacturers of Bangladesh to compete with the low cost locations in the global arena.

6. Changes in Global Policies

The performance of the company may be affected due to unavoidable situation arising from Ukraine and Russia war, Israel-Palestine war and environment changes worldwide. These may also bring changes to world economy as a whole.

Management Perception:

To reduce the risk the company has customers from various countries of the world. The management of the company is always concerned about the prevailing and upcoming changes in the global and national policy and shall take corrective actions as required in the days to come.

Internal Control System

The company has an internal control system with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectively and independence, the Internal Audit function report to the Board.

The internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with

operating systems, accounting procedures and policies at all sector of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Board.

Minority Shareholders Protection

The board is and shall be committed to respect the rights of the minority shareholders to voting, right to information, dividends and appraisal of any alteration in Memorandum and Articles.

Going Concern

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and has therefore continued to adopt the going concern basis preparing the financial statements.

Discussion on Production Cost of Goods, Gross Profit Margin and Net Profit Margin:

Production cost of goods sold has increased compared to last period, the gross profit margin and net profit have decreased.

Discussion on Continuity of any Extra-Ordinary Gain or Loss.

There is no extra-ordinary gain or loss in the financial statements under report except Tk. (840,380+1,169,573) = Tk. 2,009,953/- income from other comprehensive & interest from bank deposit.

Related Party Transactions

For the financial year ended 30th June, 2023 the company did not enter into any financial transactions that require separate disclosure except the remuneration paid to directors.

Taxation:

The expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit and loss except to the extent that it relates to a business combination or items recognized directly in equity.

Deferred Tax:

The provision for deferred tax has been made based on the difference between accounting depreciation and tax depreciation of property, plant and equipment calculated by the tax authority in the. The rate of deferred tax has been applied as per Income Tax Ordinance, 1984.

Utilization of Proceeds from Public Issues, Rights Issues and/or Through any Others Instruments.

The raised fund has been fully utilized by June 30, 2018 and has been reported to regulatory authority concerned.

An Explanation if the Financial Results Deteriorate After the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct, Listing, etc.

No deterioration of financial result has been observed during the year.

Significant Variance Between Quarterly Financial Performance and Annual Financial Statements

No significant variations have occurred between quarterly and final financial results of the company during the period under report.

Remuneration to Directors Excluding Independent Directors.

Remuneration paid during the period are given in notes no.23 in this Annual Report. There is pay as Directors' Attendance Fee in the board meetings except executive director.

The Financial Statements prepared by the management of Generation Next Fashions Limited fairly present its state of affairs, the result of its operations, cash flows and changes in its equity.

Proper books of account of Generation Next Fashions Limited have been maintained.

Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.

Significant deviations from the last period's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.

No significant deviations accord during the year ended June 30, 2023

Financial Highlights: Value in Crore Taka

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Turnover	596.15	412.29	291.80	317.90	518.59
Gross Profit	75.42	59.75	55.69	52.13	81.79
Operating Profit	39.34	30.51	26.96	22.81	45.81
Net Profit/(Loss)	3.41	0.47	0.33	0.59	21.34
Earnings Per Share (in Taka)	0.07	0.01	0.01	0.01	0.43
Net Non-Current Assets	447.43	457.83	468.95	462.57	455.86

Five Years' Significant Ratios

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Current Ratio	2.92	2.56	2.57	2.71	2.43
Quick Ratio	1.34	1.13	1.06	1.19	1.38
Debt Equity Ratio	0.69	0.65	0.60	0.57	0.50
Accounts Receivable Turnover Ratio	114	157	209	197	124
Inventory Turnover Ratio	1.79	1.24	0.88	1.20	2.83
Asset Turnover Ratio	0.60	0.42	0.31	0.35	0.59
Gross Profit Margin Ratio	0.13	0.14	0.19	0.16	0.16
Operating Profit Margin Ratio	0.07	0.07	0.09	0.07	0.09
Net Profit Margin Ratio	0.01	0.01	0.01	0.01	0.04
Return on Assets Ratio	0.003	0.001	0.001	0.001	0.02
Return on Equity Ratio	0.01	0.001	0.001	0.001	0.04
Earnings Per Share	0.07	0.01	0.01	0.01	0.43
Earnings Per Share – Diluted	0.07	0.01	0.01	0.01	0.43

The issuer company has declared 01% cash dividend for the year ended June 30, 2023. Subject to approve during the 19th AGM.

The number of Board meetings held for the year ended June 30, 2023 and attendance by each director shall be disclosed.

The Board of Directors had 12 meetings during the period ended June 30, 2023. Name of the Directors and number of meetings attended are given below:

Name of Directors	Position	Board of Directors Meeting		
		Meeting Held	Attended	Percentage (%)
Mr. Tauhidul Islam Chaudhury	Chairman	12	11	91.66
Mr. Rajiv Sethi	Managing Director	12	10	83.33
Mr. Alavee Azfar Chaudhury	Director	12	11	91.66
Ms. Shaheen Akhter Chaudhury (Nominated by AJ Corporation Limited)	Nominee Director	12	12	100.00
Mr. Mehdi Mahmood Haque	Independent Director	12	10	83.33
Mr. Sadad Rahman	Independent Director	12	10	83.33
Mr. Ahmed Monabbi	Independent Director	12	12	100.00

Whenever Directors could not attend the meetings, they were granted leave of absence.

Shareholding Pattern
Pattern of Shareholding as at 30 June 2023

Sl. No.	Shareholder's Group	No. of Share Held
i)	Share held by Parent/Subsidiary/Associated Company etc.	NIL
ii)	Shares held by Directors:	
	Mr. Tauhidul Islam Chaudhury, Chairman	25,409,021
	Mr. Rajiv Sethi, Managing Director	9,899,489
	Mr. Alavee Azfar Chaudhury	10,481,438
	M/s A. J Corporation Limited	34,506,568
iii)	Executives	NIL
iv)	Shareholders who are holding 10% or more voting right: ICB	52,021,951

Director's Election and Re-Appointment

Mr. Tauhidul Islam Chaudhury, Chairman, Mr. Rajiv Sethi, Managing Director and Mr. Sadad Rahman, Independent Director, retired by rotation at this AGM and being eligible offered themselves for re-election under Article 128 of the company's Articles of Association.

Financial Results

The company's financial results for the year ended June 30, 2023 with recommendation of appropriations are as follows:

Particulars	Amount in Taka
Net Profit for the year June 30, 2023	34,062,905
Profit Brought Forward	328,786,314
Depreciation on Revaluation Surplus	6,162,789
Other Comprehensive Income	840,380
Bonus Share Issued for the year 2021-2022 (01% Cash Dividend)	49,497,456
Profit Available for Appropriation	320,354,932
Appropriations:	
Proposed 01 Cash Dividend for the year 2022-2023	49,497,456
Transferred to Retained Earnings	270,857,476

Board of Directors

Tauhidul Islam Chaudhury

Rajiv Sethi

Alavee Azfar Chaudhury

Shaheen Akhter Chaudhury
(Nominee of M/s A.J Corporation Ltd.)

Mehdi Mahmood Haque

Sadad Rahman

Ahmed Monabbi

Auditors

The present auditors, Ashraf Uddin & Co., Chartered Accountants, will retired this Annual General Meeting and being eligible, offered themselves for re-elect for the year to June 30, 2023

Business Expansion

The company plans to use its already expanded capacity to enhance turnover and profitability for coming years 2023-2024.

Insurance Coverage

The company has comprehensive insurance covering all risks including fire, business interruption, natural disaster, etc.

Human Resources

The company employed a total of 5,021 people as of June 30, 2023. Currently, the management believes that it can reduce production expenses and enhance exports in future and is taking necessary steps in this regard.

Acknowledgement

The Board of Directors would like to thank all the shareholders for their continued support over the past period. We would also like to express gratitude to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, RJSC, CDBL and other business associates for their valuable suggestions, continuous support and co-operation extended during the period in the period towards the company. We would also like to thank our auditor Ashraf Uddin & Co., Chartered Accountants for their efforts for timely completion of the audit. We also like to thanks our bankers, customers, and suppliers for providing the necessary support to enhance our growth and profitability. Lastly, I would like to say that the Board, with the support of the shareholders, would continue to strive to improve the company's operation and profitability in the upcoming years.

With Best Wishes



Tauhidul Islam Chaudhury

Chairman



Annexure-A
[As per condition No. 1(5) (xxvi)]

Generation Next Fashions Ltd.

Declaration by MD/CEO and CFO

04th November, 2023

The Board of Directors
Generation Next Fashions Limited
Building # 348, Road # 05
DOHS Baridhara, Dhaka-1206.

Subject: Declaration on Financial Statements for the year ended on 30th June, 2023.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Generation Next Fashions Limited for the year ended on 30 June, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

(i) We have reviewed the financial statements for the year ended on 30 June, 2023 and that to the best of our knowledge and belief:

  (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

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

Rajiv Sethi
Managing Director (MD)

Mark Niranjan Chowdhury
Chief Financial Officer (CFO)

Report to the Shareholders of Generation Next Fashions Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Generation Next Fashions Limited** for the year ended on **30th June, 2023.** This Code relates to the Notification No. *SEC/CMRRCD/2006-158/207/Admin/80*dated 3rd June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;

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

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

(d) The governance of the company is highly satisfactory.

Md. Selim Reza FCA FCS
Partner
ARTISAN
Chartered Accountants

Place: Dhaka
Dated: 13/11/2023

Sonargaon Terrace (2nd Floor), House # 52,
Road # 13/c, Block # E, Banani, Dhaka-1213.
afmalamgir28@gmail.com
afmalamgir28@hotmail.com

Generation Next Fashions Limited

Corporate Governance Compliance Status Report

Under Condition No. 7.00

Annexure-C

Status of Compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is as follows:

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	**BOARD OF DIRECTORS:**			
1(1)	**Board's Size:** The total number of members of a company's Board of Directors (hereinafter referred to as "Board" shall not be less than 5 (five) and more than 20 (twenty).	√		GNFL Board is comprised of 4 Directors and 3 Independent Directors
1(2)	**Independent Directors** All companies shall have effective representation of independent directors on their Boards, so that the board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-	√		3 (Three) Independent Directors
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director (s).	√		3 Independent Directors has declared there compliance
1(2)(b)	**For the purpose of this clause "Independent Director" means a Director**			Do
1(2) (b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		Do
1(2) (b) (ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company:	√		Do
1(2) (b)(iii)	Who has not been an executive of the company in immediately preceding 2 (Two) financial years;	√		Do
1(2) (b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	√		Do
1(2) (b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2) (b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		Do
1(2) (b) (vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		Do
1(2)(b) (viii)	Who is not independent director in more than 5 (five) listed Companies;	√		Do
1(2) (b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		Do
1(2) (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude.	√		
1(2) (c)	The Independent Director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		In practice
1(2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		There was vacancy in the position of Independent Director
1(2) (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1(3)	**Qualification of Independent Director (ID)**			
1(3) (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	√		All qualification and background of Independent Direcors justifiy ability as such
1(3) (b)	Independent director shall have following qualifications:			
1(3) (b) (i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			Not Applicable
1(3) (b) (ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a Candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or			Not Applicable

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (3) (b)(iii)	Former official of government are statutory or autonomous or regulatory body in the position not below 5th Grade of the National Pay Scale, who has at least educational Background of Bachelor Degree in Economics or Commerce or Business or Law; or			Not Applicable
1(3) (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			Not Applicable
1(3) (b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost & Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			Not Applicable
1(3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3) (d)	In special cases the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not Applicable
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:**			
1(4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	√		Chariman of the board and MD and CEO are different and individuals
1(4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4) (c)	The Chairperson of the board shall be elected from among the non executive directors of the company;	√		
1(4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1(4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		No such case occurred in the year
1(5)	**The Directors' Report to Shareholders** The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
1(5) (i)	Industry outlook and possible future developments in the industry;	√		The Directors' report complies with the guidelines
1(5) (ii)	Segment-wise or product-wise performance;	√		Do
1(5) (iii)	Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		Do
1(5) (v)	Discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	√		Do
1(5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Do
1(5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any others Instruments;	√		
1(5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;			Not Applicable
1(5) (ix)	An explanation of any significant variance occurs between Quarterly Financial performance and Annual Financial Statements;	√		
1(5) (x)	A statement of Remuneration paid to the directors including independent directors;	√		
1(5) (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5) (xii)	Proper books of account of the issuer company have been maintained;	√		
1(5) (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5) (xiv)	International Accounting Standards (IAS)/ Bangldesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Strandards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed;	√		
1(5) (xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5) (xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5) (xvii)	There are no significant doubts upon the company's ability to continue as a going concern;	√		
1(5) (xviii)	Significant deviations from the last year's operating results of the company shall be highlighted and the reasons thereof should be explained;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (xix)	Key operating and financial data of at least preceding 5 (five) years are summarized;	√		
1(5) (xx)	If the issuer company has not declared dividend (cash or stock) for the year;	√		The Board of Directors recommended 1% cash dividend for the year ended 30 June 2023
1(5) (xxi)	Board's statement to the effect that no bonus shares or stock dividend has been or shall be declared as interim dividend;	√		
1(5) (xxii)	The total number of board meetings held during the year and attendance by each director;	√		
1(5) (xxiii)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-	√		
1(5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details)	√		
1(5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1(5)(xxiii) (c)	Executives; and			Not Applicable
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5) (xxiv)	**In case of the appointment or re-appointment of a director the company shall disclose the following information to the shareholders:-**			
1(5)(xxiv) (a)	A brief resume of the directors.	√		
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		
1(5) (xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5) (xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1(5) (xxv) (a)	Accounting policies and estimation for preparation of financial statements.	√		
1(5) (xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes.			Not Applicable

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof.	√		
1(5) (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	√		
1(5) (xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe.	√		
1(5) (xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company.	√		
1(5) (xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.	√		
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	√		MD/CEO and CFO certified to the board regarding statements
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	√		Certified by ARTISAN-Charterd Accountants
1(6)	**Meetings of the Board of Directors** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company.	√		
1(7) (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		Posted on the website of the company

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2	**Governance of Board of Directors of Subsidiary Company:-**			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company.			Not Applicable
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company.			Not Applicable
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.			Not Applicable
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			Not Applicable
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-**			
3.1	**Appointment**			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals.	√		
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time.	√		
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3 (2)	**Requirement to attend Board of Directors' Meetings** The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3 (3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**	√		
3 (3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
3 (3) (a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
3 (3) (a) (ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
3 (3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members.	√		
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee:-** For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee.	√		
5	**Audit Committee:-**			
5 (1)	**Responsibility to the Board of Directors.**			
5 (1) (a)	The company shall have an Audit Committee as a sub-committee of the Board.	√		
5 (1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
5 (1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (2)	**Constitution of the Audit Committee**			
5 (2) (a)	The Audit Committee shall be composed of at least 3 (three) members.	√		The audit committee is composed of 3 (Three) members
5 (2) (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director.	√		
5 (2) (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5 (2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.	√		
5 (2) (e)	The company secretary shall act as the secretary of the Committee.	√		
5 (2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5 (3)	**Chairperson of the Audit Committee**			
5 (3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.	√		Chairman is and Independent Director
5 (3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5 (3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (4)	**Meeting of the Audit Committee.**			
5 (4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee.	√		04 meeting held in FY 2022-23
5 (4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5 (5)	**Role of Audit Committee.** The Audit Committee shall:-			
5 (5) (a)	Oversee the financial reporting process.	√		
5 (5) (b)	Monitor choice of accounting policies and principles.	√		
5 (5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.	√		
5 (5) (d)	Oversee hiring and performance of external auditors.	√		
5 (5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption.	√		
5 (5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval.	√		
5 (5) (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	√		
5 (5) (h)	Review the adequacy of internal audit function.	√		
5 (5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report.	√		
5 (5) (j)	Review statement of all related party transactions submitted by the management.	√		
5 (5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√		
5 (5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.	√		
5 (5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (6)	**Reporting of the Audit Committee**			
5 (6) (a)	**Reporting to the Board of Directors**			
5 (6) (a) (i)	The Audit Committee shall report on its activities to the Board.	√		
5 (6) (a) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-	√		
5 (6)(a) (ii) *(a)*	Report on conflicts of interests.			Not Applicable
5 (6) (a)(ii)*(b)*	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			Not Applicable
5 (6) (a)(ii)*(c)*	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations.			Not Applicable
5 (6) (a)(ii)*(d)*	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.			Not Applicable
5 (6) (b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			Not Applicable
5 (7)	**Reporting to the Shareholders and General Investors.** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			The audit committee report is disclosed in the Annual Report and signed by the Chairpoerson of Audit Committee
6	**Nomination and Remuneration Committee (NRC):-**			
6 (1)	**Responsibility to the Board of Directors.**			
6 (1) (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board.	√		
6(1) (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (1) (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6 (2)	**Constitution of the NRC**			
6 (2) (a)	The Committee shall comprise of at least three members including an independent director.	√		NRC consist of 03 members
6 (2) (b)	All members of the Committee shall be non-executive directors.	√		
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board.	√		
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee.	√		
6 (2) (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.	√		
6 (2) (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee.	√		
6 (2) (g)	The company secretary shall act as the secretary of the Committee.	√		
6 (2) (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	√		
6 (2) (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6 (3)	**Chairperson of the NRC**			
6 (3) (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director.	√		Chairman is an Independent director
6 (3) (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	√		
6 (4)	**Meeting of the NRC**			
6 (4) (a)	The NRC shall conduct at least one meeting in a financial year.	√		01 meeting held in FY 2022-23
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.	√		
6 (4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6 (4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6 (5)	**Role of the NRC**			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	√		
6 (5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	√		
6 (5) (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
6 (5) (b) (i) *(a)*	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully.	√		
6 (5)(b) (i) *(b)*	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.	√		
6 (5) (b)(i) *(c)*	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (5) (b) (ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.	√		
6 (5) (b) (iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board.	√		
6 (5) (b) (iv)	Formulating the criteria for evaluation of performance of independent directors and the Board.	√		
6 (5) (b) (v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.	√		
6 (5) (b) (vi)	Developing, recommending and reviewing annually the company's human resources and training policies.	√		
6 (5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7	**External or Statutory Auditors:-**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	√		No such services provided by statutory auditor
7(1) (i)	Appraisal or valuation services or fairness opinions.	√		
7(1) (ii)	Financial information systems design and implementation.	√		
7(1) (iii)	Book-keeping or other services related to the accounting records or financial statements.	√		
7(1) (iv)	Broker-dealer services	√		
7(1) (v)	Actuarial services	√		
7(1) (vi)	Internal audit services or special audit services.	√		
7(1) (vii)	Any service that the Audit Committee determines.	√		
7(1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1).	√		
7(1) (ix)	Any other service that creates conflict of interest.	√		
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
8	**Maintaining a website by the Company:-**			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	√		https://www.gnf-bd.com/product-gallery.html
8 (2)	The company shall keep the website functional from the date of listing.	√		
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	**Reporting and Compliance of Corporate Governance:-**			
9 (1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		Certified by ARTISAN-Chartered Accountants
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9 (3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Chairman
Generation Next Fashions Ltd.

Managing Director
Generation Next Fashions Ltd.

Company Secretary
Generation Next Fashions Ltd.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2023/281

BAPLC

Date of issue : November 13, 2023

Renewed Certificate

This is to certify that

GENERATION NEXT FASHIONS LIMITED

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

This certificate remains current until 31st December 2023.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES * BAPLC

Secretary General




BERLN


RESCUE
GNFL

Corporate Governance

The Corporate Governance refers to the processes, structures and information used for directing and overseeing the management of the company. Corporate governance framework establishes the mechanisms for achieving accountability between the Board, senior management and shareholders, while protecting the interests of relevant stakeholders. It also sets out the structure through which the division of power in the organization is determined

It provides the company necessary directive to utilize its resources at optimum level. It also provides the Board to do their responsibility with integrity, reliability and transparency which ensure accountability to the stakeholders.

Details relating to the issuer's different Board committees, Board organization and summary of the terms of reference under which the committees operate:

Board Committees

To maintain good and sound governance within the organization, the Board of Directors formed some special purpose committee, namely

REPORT OF THE AUDIT COMMITTEE

Generation Next Fashions Limited established an audit committee as a subcommittee of the Board of Directors and they assist the Board of Directors in fulfilling its oversight responsibilities and ensuring that the Financial Statements reflect true and fair view. There are four members in the Audit Committee including one Independent Director. The Independent Director is the chairman of the committee. The members of the audit committee possess adequate knowledge on business management and all of them are financially literate as per regulatory requirements and also able to analyze and interpret, corporate laws, financial issues and financial statements. During the year ended on 30th June, 2023 the Committee held 4 (four) meetings in which the committee reviewed issues relating to business operation, administrative control, Finance and Accounts, review the financial reporting among other things. The committee has been empowered to examine the matters related to financial and internal control management and other affairs of the company. Relevant departmental heads and other members of the management also attend the meetings as required. The proceeding of the Committee meetings is regularly reported to the Board of Directors. The Attendance record of the members in the meetings was given in Annexure –F



OBJECTIVE OF AUDIT COMMITTEE

The principal function of the Audit Committee is to exercise and have an oversight over the Company's risk management, financial reporting and regulatory compliance functions etc.

The role and responsibilities of the Audit Committee:

The audit committee has been playing a vital role among the board, Members and Other stakeholders of the company. The role of the audit committee is clearly set-forth in the ToR. Audit Committee making a bridge between the Board and the Management to strengthen internal control and compliances.

1. Review and recommend to the Board to approve the quarterly, annual financial statements as well as over-all financial reporting process prepared for statutory purpose.

2. Reviewed and recommended various pertaining the quarterly and annual financial statements.

3. Monitor and watch over selection of accounting policies and principles, adequacy of internal audit, internal audit & compliance plan & report, risk management process, auditing matter, hiring, remuneration and performance of external auditors.

4. Appraise significance of related party transactions submitted by the management.

5. Carry on supervisory role to safe guard the systems of governance and independence of statutory auditor's.

6. Evaluate and consider the report of internal and statutory auditor's observations on internal control.

7. Conduct audit concerning material violation by the management in carrying out operation of the company.



8. Review Management's Discussion and Analysis report before disclosing in the annual report.

9. Review reports of litigation and regulatory compliance matters.

Activities carried out during the year:

1. The financial statements were reviewed by the committee after the closing of each and every quarter before submission to Board and subsequently recommended to the Board for consideration an approval.

2. The Committee had overseen reviewed and approved the procedure and task of the internal audit, financial report preparation and external audit reports and made suggestions for improvement.

3. Holding meeting to review the financial statements with Statutory Auditor's & Management before submission to the Board.

4. Reviewed and recommended Board to consider few expenses from financial mode to operating mode.

5. The committee found adequate arrangement to present true and fair view of the activities and the financial status of the company and didn't find any material deviation, discrepancies or any adverse findings/ observation in the areas of reporting.

6. Reviewed the appointment of external and compliance auditors and determination of audit fees and others.

7. Reviewed Management's Discussion and Analysis report before disclosing in the annual report.

8. Review all related party transaction, its nature etc. submitted by the management.

REPORTING BY AUDIT COMMITTEE TO THE BOARD:

The Committee regularly repots on its work to the Bard. The report includes a summary of the matters addressed in the meeting by the members present and the measures undertaken by the committee.
The composition of Audit Committee and the attendance of its members in the meetings for the year ended 30th June, 2023 are below:

The composition of Audit Committee and the attendance of its members in the meetings for the year ended 30th June, 2022 are below:

Name of Directors	Position	Audit Committee Meeting			Remarks
		Meeting Held	Attended	Percentage (%)	
Mr. Mehdi Mahmood Haque	Chairman	4	4	100	
Mr. Ahmed Monabbi	Member	4	4	100	
Mr. Sadad Rahman	Member	4	3	75	
Md. Mohammed Shahjahan	Secretary	4	3	75	

Ahmed Monabbi
Chairman of Audit Committee
& Independent Director

Mohammed Shahjahan
Member Secretary of Audit
Committee & Company Secretary

REPORT OF THE NOMINATION & REMUNERATION COMMITTEE:

The company has formed a NRC committee as a sub-committee of the Board, has been constituted by one of the Independent Director as Chairman and two other members of the Board in line with the newly issued Corporate Governance Code. Mr. Sadad Rahman who represent in the Board as Independent Director is the Chairman of the Committee who has twelve year's practical knowledge and professional experience in the fields of accounting, finance, audit and corporate management. The Company Secretary is the Secretary of this Committee. The NRC assist the board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence among others of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The NRC members nominated and appointed by the Board and also responsible to the Board of Directors for its role and responsibilities that are clearly set forth by the Company and time to time issued notifications by the regulators. During the year 1(one) NRC Meeting was held. The name of the members & their attendance record in the meetings are given below:

Nomination & Remuneration Policy

The Nomination, Remuneration Policy (the "Policy") applies to the Board of Directors (the "Board") and the Top Level Executive (TLE) of Generation Next Fashions Limited (the "Company"). The expression "Top Level Executive" means executive of the company who are members of its core management team excluding Board of Directors, comprising all members of management, including the functional heads. This policy is in compliance with Clause 6 of the Corporate Governance Code, 2018 read along with the applicable rules and regulation of applicable laws thereto. Sub-clause (b) of Clause 6 of the Corporate Governance Code, 2018 states that the Nomination and Remuneration Committee shall assist the Board in formulation of the Nomination Criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;

Role of the NRC

The roles and responsibilities of the NRC have been clearly mentioned in the Terms and References (ToR) of the Committee as approved by the Board of Directors of Generation Next Fashions Limited. The committee discharged its responsibility by holding a meeting and provide the Board, management based on its observation considering current situation and suggest what need to be adopt/insert/amend by the company. In the meeting the committee assist/recommended the Board to determine the qualifications, attributes, experiences etc. of directors and top level executives and determine their remuneration and as well.

Evaluation Criteria of Directors/Top Level Executive of the Company:

The evaluation/assessment of the Directors and the Top Level Executive of the Company is to be conducted as and when required and to satisfy the requirements of the Corporate Governance Code and as well as company's policy.



i. Leadership & stewardship abilities

ii. Contributing to clearly define corporate objective & plans;

iii. Communication of expectations & concerns clearly with subordinates

iv. Obtain adequate, relevant & timely information from external sources;

v. Review & approval achievement of strategic and operational plans, objectives, budgets;

vi. Regular monitoring of corporate result against projections;

vii. mIdentify, monitor & mitigate significant corporate risks;

viii. Assess policies, structures & procedures;

ix. Direct, monitor & evaluate KMPs, senior officials;

x. Review management's succession plan;

xi. Effective meetings;

xii. Assuring appropriate board size, composition, independence, structure;

xiii. Clearly defining roles & monitoring activities of committees;

xiv. Review of corporation's ethical conduct;

The following criteria may assist in determining how effective the performances of the Directors/TLE have been:

Activities of NRC during the year:

During the year the NRC accomplished the following activities:

i. Reviews the status of the Board composition along with their qualification, experience, attributes, independence of board members made recommendation thereof;

ii. Reviewed the top level executive of the company and placed at different levels and determine their selection criteria, remuneration based on performance among others etc.

iii. Putting recommendation on the draft code of conduct of the Chairperson, other Board members & Chief Executive Officer to Board.

iv. Reviews the company's human resources policy and recommended on it.

v. Overseen other issues within the Code of Conduct of the NRC.

Reporting by the NRC to the Board:

The NRC Committee regularly report on its work to the Board and the report includes a summary of the matters addressed in the meeting. The NRC expressing its view to the Board that the nomination, retirement, re-election & remuneration of directors & top level executives are adequate for presetting true and fair view of the Administration & HR department and also expressed that the internal control of the company is quite well.

The composition of the Nomination & Remuneration Committee and the attendance of its members in the meetings for the year ended 30th June, 2023 are shown below:

Name of Directors	Position	NRC Committee Meeting			
		Meeting Held	Attended	Percentage (%)	Remark
Mr. Sadad Rahman	Chairman	1	1	100	
Mr. Ahmed Monabbi	Member	1	1	100	
Mr. Mehdi Mahmood Haque	Member	1	1	100	
Md. Mohammed Shahjahan	Secretary	1	1	100	

Sadad Rahman
Chairman of NRC Committee
& Independent Director

Mohammed Shahjahan
Member Secretary of NRC
Committee & Company Secretary

Purchase & Procurement Committee:

1. Rajiv Sethi, Chairman
2. Alavee Azfar Chaudhury, Member
3. Mohammed Shahjahan, Member Secretary

Operation & Maintenance Committee:

1. Alavee Azfar Chaudhury, Chairman
2. Rajiv Sethi, Member
3. Mark Niranjan Chowdhury, Member Secretary

The main goal to form these committees is to assess how to minimize the risk in various sector of operation and how to maximize the performance and how to achieve the ultimate objective of the company. To govern the objectives, governance framework is based on the following principles:

- That the Board size is appropriate and the members of the board are aware about their responsibilities and duties.
- That the internal control system is sound to avoid error and omission of information and risk management is effective to minimize risk in different level of operation.
- That all material information is timely flow to the board and other committees to ensure efficiency of decision making.
- That all material information concerning to the capital market will flow to the shareholder as well as to the stakeholders to determine their investment decision.
- That all transactions are transparent and accountable.
- That all regulatory and statutory rules and regulations are complied.

BOARD ORGANIZATION & STRUCTURE

a) Role of the Board and its composition

The Directors of the Board are appointed by the shareholders at Annual General Meeting consist of 07 Directors including three Independent Director, who are appointed by the Board. They are responsible for guiding the company to accomplish its ultimate goal set by the shareholders. Roles of the Board are:

- To ensure proper guidance to the company to achieve its goal.
- To ensure maintaining good governance throughout the company.
- To monitor the effectiveness of Internal Control System and risk management.
- To ensure the optimum utilization of company's resources to achieve maximum profit and also concentrate on minimize cost.
- To make sure transparency, accountability and timely flow of accounting information.
- To protect the interest of shareholders and stakeholders as well as the employees of the company.
- To comply with all regulatory and statutory rules & regulations.

b) Board Meeting

In pursuant with the Articles of Association of the company, the Board meets at least four times in a year and at least once in a quarter when duly called for in writing by a Board member. Dates for Board Meeting in the ensuring year are decided in advance and notice of each Board Meeting is served in writing well in advance.

MANAGEMENT TEAM

The management team is the executive committee of the company who managing the company. The team is lead by the Managing Director of the company and other members are directors of executive committee and key managers throughout the organization. Management team endeavors to achieve the goal of the company set by the Board of Directors

GNFL believes in integrity, reliability and transparency to the nation by following good, effective and sound corporate governance within the organization. The company also believes that, corporate governance can play a vital role in making bridges among the management, the shareholders and the statutory bodies.



Auditor's Report And Financial Statements



FOR THE YEAR ENDED 30th JUNE, 2023

Ashraf Uddin & Co.
CHARTERED ACCOUNTANTS
Since 1979

Member of Antea Alliance of independent firms

MANGINAG PARTNER:
MD. ASHRAF UDDIN AHMED
LLB, CFC, FCA

PARTNER:
ENAMUL KABIR, FCA
MD. MOHIUDDIN AHMED, FCA, CFC
MOHAMMAD SHIBBIR HOSSAIN, FCA

Corporate Address : 142/B, Green Road (3rd & 4th Floor)
Dhaka-1215, Bangladesh
Registered Address : Rahman Chamber (5th Floor)
12-13, Motijheel Commercial Area, Dhaka, Bangladesh.

Independent Auditors' Report
To the Shareholders of Generation Next Fashions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Generation Next Fashions Limited** (the company) which comprise the Statement of Financial Position as on **30th June, 2023** and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and a summary of significant accounting policies and other Explanatory Notes to the Financial Statement.

In our opinion, the financial statements prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) give a true and fair view of the financial position of **Generation Next Fashions Limited** as of **30th June, 2023** and results of its financial performance and its cash flows for the year then ended & comply with the Companies Act 1994, & other applicable laws & regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We refer to note no: 2.15 regarding company disclosure for implementation of IFRS-16 Leases. If implemented the asset & liability position will update accordingly with RoU assets and corresponding liability.

Key Audit Matters

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

1. Recognition of Revenue **Ref: Note 21 & 2.13**	
Key audit matter	**How our audit address the matter**
Export Sales Revenue is recognized Tk. 5,961,461,926/- for the year ended 30 June, 2023.	-Our procedures included, among others, obtaining an understanding of the project execution processes and relevant controls relating to the accounting for customer contracts.

Ashraf Uddin & Co. AUC DHAKA Chartered Accountants

Key audit matter	How our audit address the matter
Revenue recognition has significant and widespread influence over the financial statements and plays a vital role in calculating Corporate Tax. Since, revenue recognition is one of the performance indicators in almost all sector, there always exist risk of revenue smoothing or window dressing. Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service.	-We tested the completeness of journal entries compared to financial statements and make sure that there are no unusual items. -We obtain sales ledger and confirm opening & closing balances. -On sample basis, we tested the export proceed documents and other supporting like L/C, bill of export, Commercial Invoiceand also check some receivables balances of material figure to match against balance sheet date. We also review the sales contract agreements/contract with different buyer. -We inspect ledger and bill of export of the subsequent month to ensure transactions were recorded in current accounting period. -We further performed testing for to verify valuation of WIP balances. This included reconciling accounting entries to supporting documentation. When doing this, we specifically put emphasis on those transactions occurring close before or after the balance sheet date to obtain sufficient evidence over the accuracy of cut-off. -We call for a bank confirmation from 03(three) banks who received sales proceed to verify amount realized and appropriate deductions were made on account of Advance Income Tax (AIT) on revenue from export. -We checked presentation and disclosure as per IFRS-15 Revenue from Contract With customers.
2. Property, Plant and Equipment **Ref: Note 3 & Annexure-1**	
Key audit matter	**How our audit address the matter**
In the year ended 30th June, 2023 the company accounted for Property Plant and Equipment WDV of Tk. 4,128,300,755 /- & Tk. 9,851,338/- as current year addition to fixed asset. The written down balance represents around 42% of total assets. Large amount and number of fixed assets and subsequent additions subject to huge amount of depreciation charged against profit. Error in addition to fixed asset & depreciation calculation could result in over or understatement of profit / assets.	-We obtained asset register and confirm the opening balances that are carried forward from last year. -We obtained current year purchase / addition to fixed asset documents and ensure their complete recording in ledger. -We inspected the physicalexistence of the assets capitalized in current year along with the verification of company's legal rights on those assets. -We recalculate the depreciation charged against assets in current year.

Key audit matter	How our audit address the matter
	-We carried out analytical procedure to detect any unusual fluctuation in value in comparison with last year. -We evaluate the appropriateness of disclosures in financial statements in line with IAS-16.
3. Deferred Tax Liability **Ref: Note 3.11 & 28**	
Key audit matter	**How our audit address the matter**
As per IAS 12 Income Taxes, the two components of the company's estimated tax is Current Tax & Deferred Tax. There is a deferred tax liability of 254,120,559/-which is almost equivalent to 2.56% compared to total assets of the company. The temporary difference of deferred tax consists critical calculation and forecast. The uncertainty in forecastingor lack of expertise may results in material misstatements which may have an impact on corporate tax.	-We verified that right opening balances are carried forward in deferred tax account. -We made sure that ,the tax base is according to 3rd schedule of Income Tax Act-2023 and the accountant of the company have clear understanding of posting the associated journal entries. - We recalculated the figures presented in the financial statements and made sure they are in agreement with general ledger. -We reviewed the amount of provision created for Deferred Tax in current year and the relevant adjustment against revaluation reserve. -We ensure that the correct rate of Tax is used to calculate the provisions for deferred tax. -We evaluated the adequacy of financial statement disclosures including key assumptions, judgments and sensitivities.
4.Valuation of Inventory **Ref: Note 2.17 & 5**	
Key audit matter	**How our audit address the matter**
Closing inventory of Tk. 2,952,109,941/- represents 54.13% of current assets and 29.73% of total assets .The closing inventory figure have significant impact in determining the cost of goods sold. Inventories are usually carried in financial statements at the lower of cost and net realizable value. Since frequent changes in customer demand is unavoidable in manufacturing industry and a large quantity of raw material is held. As a result, there is risk that the carrying value of inventory exceeds net realizable value.	Our audit procedures were designed to challenge the adequacy of the company's provisions against inventory includes: -Attain yearend inventory count conductedby management to observe correctness of counting procedure. -Obtain closing inventory report along with valuation of inventory to ensure requirement for IAS-2. -Review current year purchase ledger & store records to verify receipt of goods.

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	-Redo calculation on WIP & finished goods opening & closing balances to ensure closing balances. -We inspect store records to find any slow moving items of obsolete items and requirement of provisioning. - We reviewed bill of entry for import purchase and vouching for local procurement. -We also considered the adequacy of the company's disclosures as per IAS-2.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
b) In our opinion, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
d) The expenditure incurred was for the purposes of the Company's business.

Md. Ashraf Uddin Ahmed FCA, CFC
Enrollment No: 210
Managing Partner
Ashraf Uddin & Co.
Chartered Accountants
DVC: 2310290210AS554068

Place : Dhaka
Date : 28/10/2023

Ashraf Uddin & Co. AUC DHAKA Chartered Accountants

GENERATION NEXT FASHIONS LIMITED

Statement of Financial Position

As at June 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
A. NON-CURRENT ASSETS		**4,474,328,155**	**4,578,306,881**
Property, Plant & Equipment	Annexure-1	4,128,300,755	4,233,299,731
Capital Work-in-Progress	04	346,027,400	345,007,150
B. CURRENT ASSETS		**5,454,064,878**	**5,166,576,545**
Inventories	05	2,952,109,941	2,878,819,750
Accounts Receivables	06	1,860,832,434	1,777,616,161
Advances, Deposits and Pre-Payments	07	193,644,290	209,518,531
Cash & Cash Equivalents	08	447,478,213	300,622,103
C. CURRENT LIABILITIES & PROVISIONS		**1,868,061,048**	**2,021,110,043**
Accounts & Other Payables	09	103,423,025	99,145,292
Accrued Expenses	10	556,017,192	555,849,833
Bank Overdraft	11	45,893,490	46,753,444
Short Term Bank Credits	12	556,519,249	742,768,071
Deferred L/C Liabilities	13	82,188,830	54,938,508
Share Money Refundable (Foreign Currency)	14	310,789	2,734,808
Un-paid & Unclaimed Dividend	15	1,643,688	-
Current Maturity of Long Term Loans	16	522,064,785	518,920,087
D. NET CURRENT ASSETS (B-C)		**3,586,003,830**	**3,145,466,502**
E. NET ASSETS (A+D)		**8,060,331,985**	**7,723,773,384**
F. SHAREHOLDER'S EQUITY		**5,882,035,877**	**5,897,470,428**
Share Capital	17	4,949,745,550	4,949,745,550
Share Premium		236,779,111	236,779,111
Revaluation Surplus	18	375,156,284	382,159,453
Retained Earnings	19	320,354,932	328,786,314
G. LONG TERM LOAN	20	**2,178,296,108**	**1,826,302,955**
H. LIABILITIES & SHAREHOLDER'S EQUITY (F+G)		**8,060,331,985**	**7,723,773,384**
Net Assets Value Per Share (NAVPS)	30	**11.88**	**11.91**

The notes annexed 1 to 36 are an integral part of these financial statements.

Chairman | Managing Director | Director

Company Secretary | Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Md. Ashraf Uddin Ahmed FCA, CFC
Enrollment No: 210
Managing Partner
Ashraf Uddin & Co.
Chartered Accountants
DVC: 2310290210AS554068

Place: Dhaka
Date: 28 October, 2023

Ashraf Uddin & Co. AUC DHAKA Chartered Accountants

GENERATION NEXT FASHIONS LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Sales Revenue	21	5,961,461,926	4,122,935,164
Less: Cost of Goods Sold	22	5,207,229,719	3,525,406,754
Gross Profit		**754,232,207**	**597,528,410**
Less: Administrative & Selling Expenses	23	360,812,020	292,457,286
Operating Profit		**393,420,187**	**305,071,123**
Add: Other Income	24	86,190,775	89,492,867
		479,610,962	**394,563,990**
Less: Financial Expenses	25	344,271,270	321,497,973
Net Profit Before Tax and Central Fund		**135,339,692**	**73,066,017**
Less: Contribution to Central Fund (RMG Sector)	26	1,788,439	1,204,179
Net Profit Before Tax		**133,551,254**	**71,861,838**
		99,488,348	**67,134,985**
Less: Current Tax Expenditure	27	70,974,175	29,206,806
Deferred Tax Expenditure	28	28,514,173	37,928,179
Net Profit After Tax		**34,062,905**	**4,726,853**
Other Comprehensive Income			
Deferred Tax Income on Depreciation of Revalued Assets	36	840,380	871,031
Other Comprehensive Income for this year		840,380	871,031
Total Comprehensive Income		**34,903,286**	**5,597,884**
Earnings Per Share (EPS)	29	0.07	0.01

The notes annexed 1 to 36 are an integral part of these financial statements.

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Md. Ashraf Uddin Ahmed FCA, CFC
Enrollment No: 210
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DVC: 2310290210AS554068

Place: Dhaka
Date: 28 October, 2023

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GENERATION NEXT FASHIONS LIMITED

Statement of Changes in Equity
For the year ended 30 June 2023

(Amount in Taka)

Particulars	Share Capital	Share Premium	Retained Earnings	Revaluation Surplus	Total
Balance at July 01, 2022	4,949,745,550	236,779,111	328,786,314	382,159,453	5,897,470,428
Depreciation on Revaluation Surplus	-	-	-	(7,003,169)	(7,003,169)
Depreciation on Revaluation Surplus (Net of Tax)	-	-	6,162,789	-	6,162,789
Other Comprehensive Income	-	-	840,380	-	840,380
Net Profit during the year	-	-	34,062,905	-	34,062,905
Cash Dividend for 2021-2022	-	-	(49,497,456)		(49,497,456)
Balance at June 30, 2023	4,949,745,550	236,779,111	320,354,932	375,156,284	5,882,035,877

GENERATION NEXT FASHIONS LIMITED

Statement of Changes in Equity
For the year ended 30 June 2022

(Amount in Taka)

Particulars	Share Capital	Share Premium	Retained Earnings	Revaluation Surplus	Total
Balance at July 01, 2021	4,949,745,550	236,779,111	316,800,868	389,418,046	5,892,743,575
Depreciation on Revaluation Surplus	-	-		(7,258,593)	(7,258,593)
Depreciation on Revaluation Surplus (Net of Tax)	-	-	6,387,562	-	6,387,562
Other Comprehensive Income	-	-	871,031	-	871,031
Net Profit during the year	-	-	4,726,853	-	4,726,853
Balance at June 30, 2022	4,949,745,550	236,779,111	328,786,314	382,159,453	5,897,470,428

The notes annexed 1 to 36 are an integral part of these financial statements.

Chairman | Managing Director | Director

Company Secretary | Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Md.Ashraf Uddin Ahmed FCA, CFC
Enrollment No: 210
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Place: Dhaka
Date: 28 October, 2023

Ashraf Uddin & Co. AUC DHAKA Chartered Accountants

GENERATION NEXT FASHIONS LIMITED

Statement of Cash Flows

For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
A. CASH FLOWS FROM OPERATING ACTIVITIES:		49,436,131	9,538,680
Cash Received from Customers	33	5,876,103,501	4,013,930,459
Received from Other Income		86,190,775	89,492,867
Paid Suppliers	34	(3,816,475,256)	(2,541,352,329)
Paid for Operating Expenses	35	(2,025,382,819)	(1,522,982,879)
Income Tax Paid/(Deducted)		(71,000,069)	(29,549,437)
B. CASH FLOWS FROM INVESTING ACTIVITIES:		(7,898,724)	(7,627,730)
Acquisition of Fixed Assets		(9,851,338)	(7,168,380)
Assets on Deferred Part		2,972,864	-
Expenditures for Capital Work-in-Progress		(1,020,250)	(459,350)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		117,751,288	197,852,140
Bank Overdraft (Adjusted)/Received		(859,954)	16,606
Short Term Bank Credit (Adjusted)/Received		(186,248,821)	67,671,799
Long Term Loan (Adjusted)/Received		355,137,851	130,140,191
Share Money Deposit (Adjusted)/ Received		(2,424,019)	23,544
Cash Dividend Paid for 2021-2022		(47,853,768)	-
D. Net Increase/(Decrease) in cash & cash equivalents (A+B+C)		159,288,695	199,763,090
E. Cash & Cash equivalents at the beginning of the year		300,622,103	104,615,837
Effect of foreign exchange rate change on cash and cash equivalent		(12,432,585)	(3,756,824)
F. Cash & Cash equivalents at the end of the year (D+E)		447,478,213	300,622,103
Operating Cash Flow Per Share	31	0.10	0.02

The notes annexed 1 to 36 are an integral part of these financial statements.

Chairman | Managing Director | Director

Company Secretary | Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Md.Ashraf Uddin Ahmed FCA, CFC
Enrollment No: 210
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DVC: 2310290210AS554068

Place: Dhaka
Date: 28 October, 2023

Ashraf Uddin & Co. Chartered Accountants DHAKA

GENERATION NEXT FASHIONS LIMITED
Notes to the Financial Statements
For the Year Ended 30th June, 2023

1. INCORPORATION AND BUSINESS ACTIVITIES

1.1. Reporting Entity:
Generation Next Fashions Limited was incorporated in Bangladesh under the Companies Act 1994 vides Registration No-C-53966(661)/2004 as a Private Limited Company on August 19, 2004. Later the company converted from private company into public limited company on September 19, 2010. The company was introduced in capital market through Initial public Offering (IPO) in 28Th September, 2012 and listed in both Dhaka and Chittagong Stock Exchange. Current category of the company as per capital market listing is "B".

This company is a member of Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA), Bangladesh Garments Manufacturers & Exporters Association (BGMEA) and Dhaka Chamber of Commerce & Industry (DCCI). It is also registered with Board of Investment (BoI) which is currently known as Bangladesh Investment Development Authority (BIDA).

The principal place of business and registered office of the company is located at Building # 348, Road# 05, DOHS Baridhara, Dhaka-1206, and Bangladesh.

1.2 Nature of business
This company is 100% export-oriented garments manufacturer. The principal activities of the company are knitting, dying, manufacturing of textile and making various types of ready-made garments of international standard and design and exporting the same.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1. Statement of Compliance:
The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, Securities and Exchange Rules 1987 and other relevant local laws as applicable and in accordance with International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) as adopted by Bangladesh Financial Reporting Council (FRC) based on International Accounting Standards (IASs) and International Financial Reporting standards (IFRSs).

2.2. Measurements of the elements of financial statements:
These financial statements have been prepared based on going concern, consistency and accrual concepts and such other convention as required by IAS-1 for fair presentation of financial statements.

2.3. Components of Financial Statements:
The financial Statements of the company consist of the following components:

a) Statement of Financial Position;
b) Statement of Profit or Loss and Other Comprehensive Income;
c) Statement of Changes in Equity;
d) Statement of Cash Flows and;
e) Accounting Policies & Explanatory Notes to the Financial Statements.

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2.4. Functional and presentation currency:

The financial statements are presented in Bangladesh Taka (BDT/Tk.) except where indicated otherwise, which is both functional currency and presentation currency of the company. The figures of financial statements have been rounded off to the nearest BDT/Tk. Figures in brackets indicate deductions.

2.5. Use of estimates and judgments:

The preparation of the financial statements in conformity with International Financial Reporting Standards requires measurements to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosure requirements of contingent assets and liabilities during and at the date of financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting policies, Changes in accounting estimates and Errors.

In Particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect of the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and tax provision.

2.6. Reporting period:

These financial statements of the company cover a period of one year from 1st July, 2022 to 30th June, 2023.

2.7. Comparative information and rearrangements thereof:

In accordance with the provisions of IAS- 1: "Presentation of Financial Statements", Comparative information that is available has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.8. Going Concern:

The company has adequate resources to continue in operation for the foreseeable future. For this reason the Directors continue to adopt Going Concern Basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to make the present requirement of its existing business. Neither the management nor any other authority of the company has the intension to cease or liquidate the company in near future.

2.9. Accrual Basis of Accounting:

An entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

2.10. Offsetting:

An entity shall not offset assets and liabilities or income and expenses, unless required or permitted by IFRS.

Ashraf Uddin & Co. DHAKA Chartered Accountants

2.11. Events after reporting Period:

According to IAS- 10: "Events after Reporting Period", events after the reporting period are those events, favorable or unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events: Those that provide evidence of conditions that existed at the end of the reporting period;

Non-adjusting Events: Those are indicative of conditions that arose after the reporting period.
There was no events after reporting period of such importance for which accounting or disclosure is required to be adjusted.

2.12. Date of Authorization for Issue of The Financial Statements:

On October 28, 2023 the Board of Directors reviewed the financial statements and authorized them for issue.

2.13. Revenue Recognition

An entity shall recognize revenue to depict the transfer of promise goods or service to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange of those goods and services. As per IFRS-15 Revenue from Contracts with Customers, an entity shall account a contract with a customer under the scope of this standard subject to the following criteria has been meet:

a) the parties to the contract have approve the contract and committed to perform their respective obligation;
b) the entity can identify each party's rights regarding the goods or services to be transferred;
c) identification of payment terms for goods and services;
d) existence of commercial substance;
e) Probability of collection of the consideration to which the entity is entitled with (for the exchange of goods or services).

2.14. IFRS 9 Financial Instruments

At initial recognition as per IFRS-9 Financial Instrument, an entity shall measure a financial asset or financial liability as its fair value plus or minus (in the case of a financial asset or a financial liability not at fair value through profit or loss) the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

After initial recognition (subsequent measurement) an entity shall measure a financial asset or financial liability in either of the following subject to specific circumstance specified in the standard (sec 4.1.1- 4.1.5) & (4.2.1- 4.2.2):

i. amortized cost;
ii. fair value through other comprehensive income;
iii. fair value through profit or loss.

The entity shall recognize loss allowance or Expected Credit Loss (impairment requirement). At each reporting date the entity account for the impairment of financial assets or financial liability in the following manner:

I. an amount equal to the lifetime expected credit loss (if the credit risk of the instrument has increased significantly since initial recognition)

II. an amount equal to the 12 (twelve) month expected credit loss (if the credit risk of the instrument has not increased significantly since initial recognition)

The company did not carry out an impairment review because the production facility was in operation and the management assumed financial instrument as good.

2.15. IFRS 16 Lease

An entity shall assess a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In line with IFRS-16 Leases, an entity shall determine the lease term as the non-cancellable period of a lease together with both:

I. Period covered by the option to extend the lease and;
II. Period covered by the option to terminate the lease.

Initial measurement of right of use asset shall be measured at cost and subsequently either by fair value or follow revaluation model.

IFRS 16 has not been applied by the company in current year for the lease payments/rental payments made against office space & warehouse due to possibility of changes of lease terms & conditions. The implementation is under process and once the updated terms are available, management will make immediate effect in financial statements as per IFRS-16 Leases.

2.16. Depreciation on Revaluation

In accordance with the provision of IAS- 16 "Property, Plant and Equipment", The company recognized deprecation on revalued amount of assets and charged the same as expenses in income statement. As per requirement of para 41 of IAS- 16 it recognized depreciated amount from revaluation surplus less tax thereon as realized income with retain earing under the statement of changes in equity.

The company calculated and adjust the depreciation on revaluation surplus with retained earnings in line with the order of the order of honorable Tribunal (reference Tribunal Order no: I.T.A. 4391 & 4392 against appeal no 1113/1114/Circle-29/2017-2018 dated: 22.10.2018).

2.17. Valuation of Inventories

Inventories consisting of raw materials, work in progress, finished goods are valued at lower of cost and net realizable value as per IAS 2:Inventories. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete, and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value as the board approve from time to time. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Category of Stocks	Basis of valuation
Raw Material including WIP:	At lower of cost or net realizable value
Finished Goods:	At lower of cost or net realizable valu e
Materials in Transit	At lower of cost or net realizable value

Impairment of Inventories:

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow moving items for which the management of the company is giving decisions from time to time. Based on sales cycle of slow-moving items, the sales prices of the products may decrease over time. The management of the Company reviews the carrying amounts of its inventory (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-2: 'Inventories'. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, the management was confident, buyer will be received all the goods as per sales contract, no indication of impairment of inventory during the year; and as such, no adjustment was given in the Financial Statements for impairment.

Obsolete and Damaged Inventory:

The Company policy for damaged or obsolete items of inventory is to write down their recoverable amount and charge them as an expense in the cost of goods sold (COGS) account in the relevant year.

In the financial statement as of 30.06.2023, the company did not account for any write-down of inventory due to damage or obsolescence. During the year-end count by the management team, no such item of inventory was identified that might fall under obsolete/damaged criteria.

The company conducted year end inventory count held at 30/06/2023 as per accepted guideline set by management. A management expert team consisting of members with adequate knowledge & expertise was engaged in counting and valuation of inventory. The value and quantity is disclosed as Annexure-2 of Financial Statements. The breakdown of the components of inventory is disclosed in note no 05.0 & 05.1. As per accepted practice within the industry, management has made adequate declaration regarding the value & quantity of inventory as at 30/06/2023.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation used in preparation of financial statements for the year ended 30th June, 2022 are consistent with the policies and methods adopted in preparing the financial statements for the year ended 30th June, 2023.

3.1. PROPERTY, PLANT & EQUIPMENT:

Recognition and measurement

Property, plant and equipment are recognized at cost amount less accumulated depreciation in compliance with International Accounting Standard (IAS)-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price including import duties and non- refundable taxes and any direct attributable cost of bringing the assets to its working condition for its intended use.

Subsequent costs

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

Addition during the year

Name of Property, plant and equipment	(Amount in Tk.) 30.06.2023	(Amount in Tk.) 30.06.2022
Land and Land Development	-	-
Building	-	-
Plant and Machinery	7,250,269	2556,500
Other Assets	2,601,069	4611,880
Total	**9,851,338**	**7,168,380**

There is no intangible asset during the period and the fixed assets do not include any assets held under lease. On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and net sales proceeds. However, there is no disposal or retirement of fixed asset during the current period.

Depreciation:

The Property, Plant & Equipment acquired during the year from different head of assets were available for use and were capable of operating in a manner intended by the management and generating revenue.

Depreciation has been charged on a Reducing Balance method starting from the dates when the asset were available for use and capable of generating revenue as intended by the management. However, no asset has been classified or was intended to classify as 'Held for sale' under IFRS 5 during the year.

3.2. Impairment:

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience. An impairment loss is recognized whenever the carrying conduct any impairment test for any financial assets during the reporting period.

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

3.4. Cash & Cash Equivalents:
Cash and cash equivalents comprise cash in hand and cash at bank which are held and available for use by the company without any restriction. Cash at bank again comprises of –
On current/ Short notice Deposit Accounts with the following banks: -

1. EXIM Bank Ltd.
2. National Bank Ltd.
3. Prime Bank Ltd.
4. Southeast bank Ltd.
5. Agrani Bank Ltd.
6. Social Islami Bank Ltd.
7. IFIC Bank Ltd.
8. Jamuna Bank Ltd.
9. BRAC Bank Ltd.
10. Premier Bank Limited
11. Trust Bank Ltd

And FDR Accounts with Agrani Bank Ltd.

3.5. Receivables:
Accounts receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values in which goods are exported. Bad debts are written off when it is established that they are irrecoverable.

3.6. Accrued Expense and Other Payables:
Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not inertest bearing and are stated at their nominal value.

3.7. Borrowing Costs:
Interest bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs. Borrowing costs directly attributable to the acquisition and construction of plant and equipment are capitalized as part of the cost of those assets, until such time as the assets are ready for their intended use. All other borrowing costs incurred during the period was recognized as revenue expenses in accordance with IAS-23: Borrowing Costs.

3.8. Responsibility for preparation and presentation of Financial Statements:
The Board of Directors is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per the provision of the Framework for the Preparation and Presentation of Financial Statements issued by the International Accounting Standards Board (IASB). Accordingly the management has fulfilled the above provision.

3.9. Provisions and Accruals:
Provisions
Provision are recognized when Generation Next Fashions Limited has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If a transfer of economic benefit is no longer probable the provision should be

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reversed. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure required to settle the obligation.

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but the financial impact of the event will only be confirmed by the outcome of some future event not wholly within the entity's control.

3.10. Foreign Currency:

Foreign currencies are translated into BDT at the rates ruling on the transaction dates. Monetary assets and liabilities are reconverted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities are reported using the exchange rate at the date of respective transactions. Differences arising on conversion are charged to statement of profit and loss and other comprehensive income.

3.11. Taxation:

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit and loss except to the extent that it relates to a business combination or items recognized directly in equity.

Current tax:

Current tax is, as per IAS- 12: Income Taxes, the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of the previous year. Provision for current income tax has been made on 12% on business income as per Finance Act 2023 for 100% Export Oriented Company and also made 20% on other income for public limited company as prescribed on the Income Tax Act-2023.

Deferred Tax:

Deferred tax arises due to temporary difference deductible or taxable for the events or transactions which is recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount / reported amount in the statement of financial position. Deferred tax assets or liability is the amount of income tax recoverable or payable in the future periods recognized in the current year as per IAS 12: Income Tax.

3.12. Finance expense:

Finance expense comprises interest expenses on term loan, overdraft, and bank charges. All finance expenses are recognized in the statement of profit or loss and other comprehensive income except those are capitalized in accordance with IAS-23: Borrowing Costs.

3.13. Earnings per share:

This has been calculated in compliance with the requirements of IAS 33: Earnings per Share by dividing the basics earnings by the weighted average number of ordinary shares outstanding during the period.

Basic Earnings:

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

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3.14.Weighted Average Number of Shares:

The basis of computation of number of shares is in line with the provisions of IAS-33: Earnings Per Share. Therefore, the total number of shares outstanding at the end of the period multiplied by a time weighting factor which is the number of days the specific shares were outstanding as proportion of total number of days in the period.

3.15. Diluted Earnings per Shares

There is neither any share option available for relevant parties nor there is any potential transaction that may took effect to increase the total number of outstanding shares. No calculation as per IAS-33 Earnings Per Share is required.

3.16. Employee Benefits

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19: Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

Short Term Employee Benefits

These includes better working conditions in line with overseas customer's requirement, Day care center, Health care facility, Transportation for admin and management employee, Advance against salary, Festival bonus etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

Contribution to central depository scheme Worker's Welfare Participation Funds

The company is a 100% export oriented garments industry and member of Bangladesh Garment manufacturer and Exporters Association (BGMEA). As per Sub-Section 3 of Section 232 of Bangladesh Labor Act 2006 re-placed by the Act No 30, Para 63 of the year 2013 as follows:

"in case of a 100% export-oriented industrial sector or for any industry investing 100% foreign exchange, the Government, through enactment of Rule, shall adopt required provisions with regard to formation of sector-based central fund comprising of buyers and owners, from a Board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector."

The company participates in central fund known as 'Workers Profit Participation Fund' as per the rate applicable for RMG sector (0.03%) on realized revenue which is deducted at source by banks.

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3.17. Compliance with Financial Standards as applicable in Bangladesh:

The following IAS & IFRS is applicable to the financial statements for the period under Review:

IAS s	TITLE	REMARKS
1	Presentation of Financial Statement	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
33	Earnings per Share (EPS)	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IFRSs		
5	Non C urrent Asset Held for sale and Discontinued Operation	N/A
7	Financial Instrument :Disclosure	Complied
8	Operating Segment	Complied
9	Financial Instruments	Complied
15	Revenue from Contracts with Customers	Complied
16	Leases	Not Complied

3.18. Related party Disclosure:

For the financial year ended 30th June, 2023 the company did not enter into any financial transactions that require separate disclosure except the remuneration paid to directors.

3.19. Long Term loan:

Long term loan consists of loans and financial obligations lasting over one year. The long term loan outstanding of Generation Next Fashions Limited, as on 30th June, 2023 are fully secured by first charge on the fixed assets of the company.

3.20. Short Term Loan:

Short term loan refers to a loan scheduled to be repaid in less than a year. The company obtains short term loan from various sources to finance the temporary working capital needs.
These are secured; falling due within one year. The security and other term are specified as follows:
Time Loans are fully secured by first charge on the fixed assets of the company.
Packing Credit, Bill Purchase and other Loans are against Lien on Master/Export L/Cs.

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3.21. Capital Expenditure Availed:

There was no Capital expenditure contracted but not incurred or provided for as on 30.06.2023.
There was no material capital expenditure authorized by the Board but not contracted for as on 30.06.2023.

3.22. Contingent Liabilities and Contingent Assets:

Contingent liabilities

A contingent liability arises where a past event may lead to an entity having a liability in the future but the financial impact of the event will only be confirmed by the outcome of some future event will only be confirmed by the outcome of some future event not wholly within the entity's control. A contingent liability should be disclosed in the financial statements unless the possible outflow of resources is thought to be remote.

Contingent Asset

A contingent asset is a potential asset that arise from past events but whose existence can only be confirmed by the outcome of future events not wholly within an entity's control. A contingent asset should be disclosed in the financial statements only when the expected inflow of economic benefits is probable.
The company does not have any contingent liability or contingent assets as on 30.06.2023.

3.23. Claims not Acknowledged:

There was no claim against the Company not acknowledged as debt as on 30.06.2023.

3.24. Credit Facilities Availed:

Trade credit available in the ordinary course of business. No other credit facilities were available to the company as on 30.06.2023.

3.25. Commission, Brokerage or Discount Against Sales:

No other commission, brokerage or discount was incurred or paid by the company against sales during the year ended June 30, 2023.

3.26. Employees:

Number of employees whose salary was below Tk. 10,000 is 1,423 as on 30.06.2023
Number of employees whose salary was above Tk. 10,000 is 3,598 as on 30.06.2023.

3.27. Capacity utilization:

Particulars	Capacity	Actual Production	Percentage
Garments*	50,00,000 Dozens	3,800,000 Dozens	76%
Fabrics	11,500 MT	9,200 MT	80%
Dyeing	12,000 MT	9,840 MT	82%

Reason: Actual production as per market demand
*Based on present product mix.

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3.28 Managerial Remuneration

3.28.1 Total remuneration of managers aggregates during the year ended June 30, 2023 is Tk. 38,251,288/- and remuneration for Managing Director is 2,400,00/-

3.28.2 Total remuneration of managers aggregates during the year ended June 30, 2022 is Tk. 33,482,766/- and remuneration for Managing Director is 2,400,00/-

3.29. Risk Factors and Management's Perceptions about the Risks

The Company is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on its business, result of its operations and financial condition, as follows:

(a) Interest rate risks:

Interest rate is concerned with borrowed funds of short term & long-term maturity. Interest rate risk is the risk that the company faces due to unfavorable movements in the interest rates. Volatility in money market & increased demand for loans/ investment funds raise the rate of interest. A change in the government's policy also tends to increase the interest rate. High rate of interest enhances the cost of fund of a company. Such rises in interest rates however mostly affect companies having floating rate loans.

Management perception:

The Company maintains a reasonable debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation will not adversely affect the Company's performance as the Company emphasizes on equity base financing to reduce the dependency on borrowing. Therefore, management perceives that the fluctuation of interest rate on borrowing would have little impact upon the performance of the Company.

(b) Exchange rate risks:

If exchange rate increases against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand, if exchange rate goes down, margin is squeezed in local currency.

Management perception:

The products of the company are sold in foreign currency and payment for raw materials are made mostly in foreign currency. Therefore, volatility of exchange rate will have little impact on profitability of the Company.

(c) Industry risks:

Industry risks refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and result of operation.

Management perception:

The Company has established its brand name in the market with its quality products, range of products and customer services. Therefore, industry risks will be limited.

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(d) Market and technology-related risks:

(i) Market risks:

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

Management perception:

With the exception of this reporting period due Russia-Ukraine war Market for the Company's products is growing at an exponential rate with growth of urbanization and incremental income level of consumers along with their preference to convenience. Therefore, market risks will be minimal.

(ii) Technology-related Risks:

Technology always plays a vital role for the existence of any industrial concern, ensuring better service to the customers and minimizing the cost in various aspects. Any invention of new and more cost involving technology may cause technological obsolescence and negative operational efficiency. Any serious defects in the plant and machinery may affect production and profitability calling for additional investment for replacement.

Management perception:

The Company utilizes its Market Research Team that is continuously working for in-depth understanding of the customer needs and preferences and accordingly, arranging its technology.

(e) Potential or existing government regulations risks:

The Company operates under Companies Act, 1994, Income Tax Act, 2023; VAT and Supplementary Duties Act, 2012 and VAT and Supplementary Duties Rules, 2016. Any abrupt changes of the polices made by the regulatory authorities may affect its activities.

Management perception:

Unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected significantly. It is highly unlikely that the Government will initiate any fiscal measure that may have adverse effect on the growth of the industry.

(f) Potential changes in global or national policies:

The performance of the Company may be affected by the political and economical instability, both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general.

Management perception:

The Company can prosper in a situation of political stability and a congenial business environment. Political turmoil and disturbance are bad for the economy and so also for this sector. The Company is always aware of all types of turmoil's and if the smooth supply of material is hampered or faces any kind of disruptions, it will supply it in future and try to keep its operation smooth.

(g) Operational Risks:

Operational risks refer to the possibility of plant shut down due to disruption in supply of gas, technological failure, natural calamities, human errors and other unforeseen events. Such incidences may lead to non operation, large overhauling costs and financial losses.

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Management perception:
Bangladesh Government is meeting this challenge by opening the energy generation to private sector; and also making massive investment, which is expected to ensure availability of energy for uninterrupted operation. The Company perceives that allocation of its resources properly with contingency approaches can reduce this risk factor to great extent.

(h) Input Cost Risks:
Input cost risk is the risk of a business when procuring materials or commodities in high global demand. Increasing demand and supply shortages create volatility in these commodity values; and therefore, the timing, quantity and price of purchase must be closely planned.

Management perception:
Management of the Company would hedge their exposure to input price volatility by adjusting its selling price.

3.30 Earnings per Share & Diluted Earnings per Share:

Earnings per Share:
This has been calculated in compliance with the requirement of IAS-33: Earnings per share by dividing the net earnings attributable to the shareholders by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings per share (Numerator /Denominator)
Earnings (Numerator)
Diluted earnings per share (diluted EPS) calculate a company's earnings per share if all convertible securities were converted.
Diluted Earning per Share = Net Income/Weighted number of Share

3.31 General

i) Wherever considered necessary, previous period's figures have been rearranged for the purpose of comparison.

ii) Previous year's figure has been rearranged wherever considered necessary to confirm to current year's presentation.

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		Amount in Taka	
		30 June 2023	30 June 2022

04 Capital Work-in-Progress

Buildings		346,027,400	345,007,150
Total		**346,027,400**	**345,007,150**
Opening Work-in-Progress		345,007,150	344,547,800
Add: Addition during the year		1,020,250	459,350
		346,027,400	345,007,150
Less: Adjustment during the period		-	-
Closing Balance during the period		**346,027,400**	**345,007,150**

05 Inventories

Raw Materials (Note-5.1)		986,452,752	1,034,268,058
Work-in-Process		796,112,646	751,331,838
Finished Goods	3,57,220 Dozens	1,165,022,204	1,089,022,673
Materials in Transit		4,522,340	4,197,181
Total		**2,952,109,941**	**2,878,819,750**

**The closing balances of inventory includes significant amount of finished goods classified as 'deferred shipment' according to the request from buyer. These items will be delivered as soon as revised shipment dates are available.

05.1 Raw Materials

Yarn	561,190; (2021-2022: 652,000 Kgs)	228,965,450	285,821,827
Fabrics	1,106,511; (2021-2022: 1,103,397 Kgs)	575,385,635	569,573,531
Chemicals		163,106,202	139,856,500
Accessories		18,995,465	39,016,200
Total		**986,452,752**	**1,034,268,058**

06 Accounts Receivables

Alpha Creations Ltd.	14,185,252	-
Boohoo.Com UK Limited	7,872,504	30,997,006
Chaps Mens	6,972,419	18,217,434
Costco Whole Sale UK Ltd.	297,268,824	161,165,639
DUO Fashion Gmbh	4,697,391	10,479,406
EMINENCE SAS	29,514,106	-
Family Dollar service LLC	-	106,845,311
JAINCO UK LIMITED	-	957,630
JAMMERS APPARELS GROUP	16,784,860	-
JORDACSHE LIMITED	5,046,409	-
KIK TEXTILIEN UND NON-FOOD GMBH	416,287,645	482,421,939
LA GARANTIA, CA	1,669,652	
LEFTIES	1,341,745	4,117,385
Liang Fashions INC	-	12,770,899
LIMITED LIABILITY COMPANY TVOE	7,556,920	-
LLC China Supply International	20,222,125	17,415,270
Lowlan Fashion International	-	253,859
LPP S. A.	79,519,087	2,977,453
MISSGUDED LTD.	12,258,078	27,778,528
MULTITIEENDAS CORONA SA	3,233,715	
New Flame Limited	130,673,070	67,559,708
NTD Apparel Inc.	15,430,713	11,615,188
Other Receivables (Note: 06.1)	4,940,196	10,799,554
OVS SPA	-	578,368
PIAZZA ITALIA SPA	-	263,110

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Poeticgem International Limited	140,194,762	109,060,133
PRETTYLITTLETHING.COM	1,368,653	2,618,653
Primark Stores Limited	396,065,569	479,866,448
SPORTLIFE BRANDS LLC	43,025,878	43,025,878
Srokomani SAS	-	1,602,048
SUSSAN CORPORATION	1,778,277	10,033,082
Union Supply Co. Ltd.	45,778,599	48,441,474
Vermont Teddy Bear Compay Inc	135,689,302	105,000,000
VOLKARY INDUSTRIAL TRADING	250,380	
Woolworth GMBH	21,164,785	10,754,758
WRANGLER	41,518	-
Total	**1,860,832,434**	**1,777,616,161**

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

The receivable of the Company decreased due to decrease of current sales of the company for different products. The other reason for decrease of receivable due to some realization from last year holds up consignment by our Major customer PRIMARK. The customer did not cancel any order fully but postponed some orders due to pandemic situation..The company now started shipment for those orders gradually as per customers guideline.

Ageing of Trade Receivables		
More than six months	-	-
Less than six months	1,860,832,434	1,777,616,161
	1,860,832,434	1,777,616,161

The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

i) Receivables considered good in respect of which the company is fully secured.	1,860,832,434	1,777,616,161
ii) Receivables considered good in respect of which the company holds no security other than the debtor personal security.	-	-
iii) Receivables considered doubtful or bad.	-	-
iv) Accounts Receivable due by any director or other officers of the company or any of them either severally or jointly with any other person or receivables due firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v) Receivables due by companies under the same management.	-	-
vi) The maximum amount of receivables due by any directors or other officers of the company at any time during the year to be shown by way of a note.	-	-

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		Amount in Taka	
06.1	**Other Receivables**	**30 June 2023**	**30 June 2022**
	Gimex Clothing Limited	2,089,005	1,705,380
	Glory Textile	630,880	-
	Gumiti Textile Limited	-	2,074,848
	Rose Intimate Limited	25,797	1,479,888
	Shad Fashions	172,731	2,122,981
	Sisal Composit Limited	2,021,783	3,416,457
	Total	**4,940,196**	**10,799,554**

07	**Advances, Deposit and Prepayments**		
	Advances (Note: 07.1)	192,094,390	207,968,631
	Deposits	1,549,900	1,549,900
	Total	**193,644,290**	**209,518,531**

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

The classification of Advances, Deposits & Pre payments as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.	-	-
ii) Advance, deposits & prepayment considered good for which the company holds no security.	193,644,290	209,518,531
iii) Advance, deposits & prepayment considered doubtful or bad.	-	-
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	440,000	769,000
v) Advance, deposits & prepayment due by companies under the same management.	-	-
vi) The maximum amount due by directors or other officers of the company at any time during the year.	-	-

07.1	**Advances**		
	Advance against Salary	440,000	769,000
	Advance Income Tax Note: 07.1(a)	177,528,027	189,739,748
	Advance against Purchase / Expenses Note: 07.1(b)	1,076,100	2,448,030
	Advance against Office Rent	1,580,000	1,580,000
	Advance for Construction & Others Note: 07.1(c)	6,593,393	8,554,983
	Gass Line and Other Instalation	4,876,870	4,876,870
	Total	**192,094,390**	**207,968,631**

07.1(a)	**Advance Income Tax**		
	Opening Balance	189,739,748	160,190,311
	Add: Addition During the Year	71,000,069	29,549,437
		260,739,817	189,739,748
	Less: Adjustment for Assessment Year Completed up to 2017-2018	83,211,790	-
		177,528,027	**189,739,748**

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07.1(b) Advance against Purchase / Expenses

Mr. Ainal Haque	-	825,000
Mr. Mustafizur Rahman	1,010,600	972,530
Word of Techonology	65,500	650,500
Total	**1,076,100**	**2,448,030**

07.1(c) Advance for Construction & Others

Hasib Thai	-	1,025,000
Prepaid Insurance	6,255,793	6,126,558
Boiler Soltions Point	225,000	520,000
Genesis Technologies Ltd.	112,600	883,425
Total	**6,593,393**	**8,554,983**

08 Cash & Cash Equivalents

Cash in Hand (Note-08.1)	51,188,073	17,619,414
Cash at Banks (Note-08.2)	396,290,140	283,002,689
Total	**447,478,213**	**300,622,103**

08.1 Cash in Hand

	Amount in Taka	
	30 June 2023	30 June 2022
Balance in Central Cash	49,314,578	14,634,204
Balance in Factory Cash	1,873,495	2,985,210
Total	51,188,073	17,619,414

08.2 Cash at Banks

On Current/Short Notice Deposit Accounts Note: 08.2(a)	333,540,949	266,074,997
On Fixed Deposit Receipt (FDR) Accounts Note: 08.2(b)	62,749,191	16,927,692
Total	**396,290,140**	**283,002,689**

08.2(a) On Current/Short Notice Deposit Accounts

Bank Name	A/c Number	Branch Name		
EXIM Bank Ltd.	711100038467	Gulshan Br.	71,198	72,348
National Bank Ltd.	1067001667322	Gulshan Br.	17,904	18,748
Prime Bank Ltd.	2118313015706	Gulshan Br.	2,924	4,074
Southeast Bank Ltd.	101110011987	Gulshan Br.	541,237	10,909
Southeast Bank Ltd.	13100001554	Gulshan Br.		-
Southeast Bank Ltd.	13100001700	Gulshan Br.	1,620,712	
Southeast Bank Ltd.	15100001563	Gulshan Br.		121,911
Southeast Bank Ltd.	1015200000041	Gulshan Br.	6,394,417	3,820,208
Southeast Bank Ltd.	1015400000003	Gulshan Br.	11,725,437	-
Southeast Bank Ltd.	1015400000041	Gulshan Br.	553,844	5,913
Southeast Bank Ltd.	1015400000044	Gulshan Br.		-
Southeast Bank Ltd.	1015400000048	Gulshan Br.		-
Southeast Bank Ltd.	1015400000051	Gulshan Br.		3,181,016
Southeast Bank Ltd.	1015400000807	Gulshan Br.		1,248

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Southeast Bank Ltd.	1015400001552	Gulshan Br.	-	59,725
Southeast Bank Ltd.	1015400001559	Gulshan Br.	-	28,396
Southeast Bank Ltd.	1015400001560	Gulshan Br.	-	45,610
Southeast Bank Ltd.	1015400001561	Gulshan Br.	-	27,273
Southeast Bank Ltd.	1015400001564	Gulshan Br.	-	6,739
Southeast Bank Ltd.	1015400001613	Gulshan Br.	-	49,807
Southeast Bank Ltd.	1015400001614	Gulshan Br.	-	650
Southeast Bank Ltd.	1015400001651	Gulshan Br.	-	28,622
Southeast Bank Ltd.	1015400001654	Gulshan Br.	-	18,775
Southeast Bank Ltd.	1015400001695	Gulshan Br.	-	2,131
Southeast Bank Ltd.	1015400001728	Gulshan Br.	-	64,461
Southeast Bank Ltd.	1015400001739	Gulshan Br.	-	56,574
Southeast Bank Ltd.	1015400001744	Gulshan Br.	-	80,644
Southeast Bank Ltd.	1015400001749	Gulshan Br.	-	18,425
Southeast Bank Ltd.	1015400001767	Gulshan Br.	-	76,955
Southeast Bank Ltd.	1015400001918	Gulshan Br.	-	4,054
Southeast Bank Ltd.	1015400001937	Gulshan Br.	-	278,633
Southeast Bank Ltd.	1015400001942	Gulshan Br.	-	54,441
Southeast Bank Ltd.	1015400002286	Gulshan Br.	128,662	-
Southeast Bank Ltd.	1015400002330	Gulshan Br.	38,010	-
Southeast Bank Ltd.	1015400002432	Gulshan Br.	2,243,757	-
Southeast Bank Ltd.	1015500000256	Gulshan Br.	1,326,876	4,566,018
Southeast Bank Ltd.	1015500000382	Gulshan Br.	-	9,185,773
Southeast Bank Ltd.	1015600000040	Gulshan Br.	108,796	94,324
Southeast Bank Ltd.	1015600000100	Gulshan Br.	7,286	15,288
Southeast Bank Ltd.	1015600000109	Gulshan Br.	4,351	895
Southeast Bank Ltd.	1015600000111	Gulshan Br.	7,889	7,889
Southeast Bank Ltd.	1015600000103	Gulshan Br.	-	-
Southeast Bank Ltd.	1015600000119	Gulshan Br.	529,050	-
Social Islami Bank Ltd.	0181360001416	Foreign Ex. Br	90,854	90,854
IFIC Bank Ltd.	1002390905001	Gulshan Br.	9,218	8,227
Jamuna Bank Ltd.	00060210017279	Dilkusha Br.	91,638	91,638
Agrani Bank Limited	0200012747551	Banani Corporate Br.	3,415,438	8,652,370
Agrani Bank Limited	0200015218555	Banani Corporate Br.	85,952,526	44,161,971
Agrani Bank Limited	Fund Buildup	Banani Corporate Br.	11,996,200	24,785,000
Premier Bank Limited	018911100000067	Gulshan Br.	5,889,001	9,837,081
Trust Bank Limited	7016-0212000125	Gulshan Cor. Br.	485,814	621,787
Trust Bank Limited	0016-5025007777	Gulshan Cor. Br.	-	800,293
Trust Bank Limited	0016-5025007884	Gulshan Cor. Br.	2,533	2,453,609
Trust Bank Limited	0016-5025007900	Gulshan Cor. Br.	815,792	2,096,876
Trust Bank Limited	0016-5025008132	Gulshan Cor. Br.	-	750,071

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Trust Bank Limited	0016-5025008150	Gulshan Cor. Br.	976,787	839,854
Trust Bank Limited	0016-5025008178	Gulshan Cor. Br.	4,977,557	3,477,684
Trust Bank Limited	0016-5025008196	Gulshan Cor. Br.	-	2,510,961
Trust Bank Limited	0016-5025008212	Gulshan Cor. Br.	-	823,201
Trust Bank Limited	0016-5025008258	Gulshan Cor. Br.	-	602,256
Trust Bank Limited	0016-5025008310	Gulshan Cor. Br.	-	308,472
Trust Bank Limited	0016-5025008356	Gulshan Cor. Br.	168,779	453,158
Trust Bank Limited	0016-5025008383	Gulshan Cor. Br.	-	12,782
Trust Bank Limited	0016-5025008445	Gulshan Cor. Br.	14,485	669,429
Trust Bank Limited	0016-5025008454	Gulshan Cor. Br.	86	593,599
Trust Bank Limited	0016-5025008463	Gulshan Cor. Br.	-	6,076,925
Trust Bank Limited	0016-5025008472	Gulshan Cor. Br.	1,084,252	55,450,917
Trust Bank Limited	0016-5025008481	Gulshan Cor. Br.	964,179	2,629,391
Trust Bank Limited	0016-5025008516	Gulshan Cor. Br.	275,297	10,716,425
Trust Bank Limited	0016-5025008525	Gulshan Cor. Br.	1,078,773	341,959
Trust Bank Limited	0016-5025008543	Gulshan Cor. Br.	5,181,909	28,080,445
Trust Bank Limited	0016-5025008589	Gulshan Cor. Br.	938,394	-
Trust Bank Limited	0016-5025008801	Gulshan Cor. Br.	2,962,809	-
Trust Bank Limited	0016-5025008810	Gulshan Cor. Br.	9,818,529	-
Trust Bank Limited	0016-5025008847	Gulshan Cor. Br.	1,377,917	-
Trust Bank Limited	0016-5025008856	Gulshan Cor. Br.	156,647	-
Trust Bank Limited	0016-5025008865	Gulshan Cor. Br.	474,998	-
Trust Bank Limited	0016-5025008874	Gulshan Cor. Br.	1,328,040	-
Trust Bank Limited	0016-5025008883	Gulshan Cor. Br.	1,833,242	-
Trust Bank Limited	0016-5025008892	Gulshan Cor. Br.	979,173	-
Trust Bank Limited	0016-5025009140	Gulshan Cor. Br.	59,581,028	1,272,853
Trust Bank Limited	0016-5025009131	Gulshan Cor. Br.	3,820,972	-
Trust Bank Limited	0016-5025009122	Gulshan Cor. Br.	114,794	-
Trust Bank Limited	0016-5025009104	Gulshan Cor. Br.	56,570,978	-
Trust Bank Limited	0016-5025009088	Gulshan Cor. Br.	6,544,629	-
Trust Bank Limited	0016-5025009051	Gulshan Cor. Br.	215,776	-
Trust Bank Limited	0016-5025009024	Gulshan Cor. Br.	2,026,367	-
Trust Bank Limited	0016-5025009015	Gulshan Cor. Br.	51,183	-
Trust Bank Limited	0016-5025009006	Gulshan Cor. Br.	7,571,597	-
Trust Bank Limited	0016-5025008972	Gulshan Cor. Br.	970,223	-
Trust Bank Limited	0016-5025008963	Gulshan Cor. Br.	3,443,713	-
Trust Bank Limited	0016-5025008954	Gulshan Cor. Br.	2,150,384	-
Trust Bank Limited	0016-5025008945	Gulshan Cor. Br.	354,153	-
Trust Bank Limited	0016-5025008918	Gulshan Cor. Br.	543,622	-
Trust Bank Limited	0016-5025008776	Gulshan Cor. Br.	2,616,590	-
Trust Bank Limited	0016-5025008767	Gulshan Cor. Br.	4,788,063	-
Trust Bank Limited	0016-5025008730	Gulshan Cor. Br.	138,942	-
Trust Bank Limited	0016-5025008703	Gulshan Cor. Br.	1,938,120	-
Trust Bank Limited	0016-5025008678	Gulshan Cor. Br.	665,482	-
Trust Bank Limited	0016-5025008669	Gulshan Cor. Br.	536,970	-
Trust Bank Limited	0016-5025008632	Gulshan Cor. Br.	56,569	-
Trust Bank Limited	0016-5025008614	Gulshan Cor. Br.	23	-
Trust Bank Limited	0016-5101000307	Gulshan Cor. Br.	1,309,247	6,124,159
Trust Bank Limited	7016-032200060	Gulshan Cor. Br.	8,425,968	25,930,998
BRAC Bank Ltd.	1501201918541001	Gulshan Br.	-	2,413,722
BRAC Bank Ltd.	1501201918541002	Gulshan Br.	299,685	255,424
BRAC Bank Ltd.	1501201918541003	Gulshan Br.	5,440	4,480
BRAC Bank Ltd.	1501201918541004	Gulshan Br.	5,664	4,608
BRAC Bank Ltd.	1501201918541006	Gulshan Br.	131,554	66,467
BRAC Bank Ltd.	1501201918541007	Gulshan Br.	-	56,574
Total			**333,540,949**	**266,074,997**

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

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

Bank Name	Account Number	Branch Name		
Agrani Bank Limited	200019909272	Banani Corporate Br.	5,916,397	5,642,564
Agrani Bank Limited	200019909705	Banani Corporate Br.	5,916,397	5,642,564
Agrani Bank Limited	200019909993	Banani Corporate Br.	5,916,397	5,642,564
Agrani Bank Limited	200020016821	Banani Corporate Br.	25,000,000	-
Agrani Bank Limited	200020016887	Banani Corporate Br.	20,000,000	-
Total			**62,749,191**	**16,927,692**

09 Accounts & Other Payables

Ahmed & Chowdhury	7,261,169	14,830,820
Akbar Cotton Milles Limited	-	462,400
5f Apparels Limited	1,008,616	-
Chemitex	2,146,810	1,022,050
Chowdhury Trading	10,476,090	17,701,505
Colorant Textile BD Ltd.	5,060,905	-
K.B Traders	1,153,010	-
Exim Chem Corporation	4,510,074	8,042,900
Dibine Textile Limited	111,301	3,485,040
Metro Spinning Mils Ltd.	5,860,293	5,860,293
Moshraf Composit Textile Mils Ltd	100,189	-
Samuda Spec Chemical Limited	5,736,625	577,325
Tafrid Cotton Mils Ltd	9,887,027	-
Other Payables (Note: 9.1)	50,110,916	47,162,959
Total	**103,423,025**	**99,145,292**

These are unsecured, payable within one year.

09.1 Other Payables

KM Serviceing Center	1,072,650	1,372,650
Shimanta Paribahan	32,197,659	33,599,404
Best Global Way	16,084,705	10,925,344
The Daily New Age	238,940	601,775
The Daily Somokal	516,962	663,786
Total	**50,110,916**	**47,162,959**

10 Accrued Expenses

Audit & Other fee	325,000	550,000
Salaries and Wages Payable	71,003,546	73,936,306
Gas Bill	18,416,636	11,289,775
Electracity Bill	579,649	970,875
Ornate Security Service Ltd.	-	28,000
Telephone Bill and Others Utilities	355,463	227,704
Annual Listing Fees & Other	4,329,452	6,258,452
Workers' Participation/Welfare Funds (Note: 10.1)	194,248	194,248
Provision for tax (Note: 10.2)	206,692,639	235,947,707
Deferred Tax Liability (DTL) (Note:28.00)	254,120,559	226,446,766
Total	**556,017,192**	**555,849,833**

10.1 Workers' Participation/Welfare Funds

Opening Balance	194,248	6,929,880
Add: During the year Workers' Participation/Welfare Funds	-	-
	194,248	6,929,880
Less: Adjustment during the year	-	6,735,632
	194,248	**194,248**

These are unsecured, falling due within one year.

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

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10.2 Provision for tax

Accounting Year	Assessment Year	Amount	Status
July 2022 to June 2023	2023-2024	70,974,175	Return Not Yet Due.
July 2021 to June 2022	2022-2023	29,206,806	Return Submitted.
July 2020 to June 2021	2021-2022	17,564,470	Under Appeal.
July 2019 to June 2020	2020-2021	28,847,334	Under Appeal.
July 2018 to June 2019	2019-2020	24,028,862	Under Appeal.
July 2017 to June 2018	2018-2019	36,070,992	Under Appeal.
		206,692,639	

11 Bank Overdraft

Bank Name	Br Name		
Southeast Bank Ltd. CC A/c 01073300000167	Gulshan Br.	45,893,490	46,753,444
Total		**45,893,490**	**46,753,444**

Fully secured by 1 (one) undated cheque to cover the entire the limit along with a letter of authority to insert date on the cheque and personal guarantee of the Directors of the Company.

12 Short Term Bank Credits :

Time Loan		108,797,006	185,392,206
Covid Loan		-	154,497,637
Bill Purchase		2,329,433	1,118,235
Other Loans	Note 12.1	445,392,811	401,759,993
Total		**556,519,249**	**742,768,071**

12.1 Other Loan

Particulars	Bank Wise Summery			30 June 2023	30 June 2022
	SEBL	TBL	ABL	Total	Total
Forced Loan	-	-	-	-	27,343,799
LTR	73,173,454	-	-	73,173,454	47,689,167
EDF	187,403,498	114,765,766	23,198,370	325,367,634	201,428,780
PC	-	33,615,773	13,235,950	46,851,723	78,117,750
BTB	-	-	-	-	47,180,496
Total	260,576,952	148,381,539	36,434,320	445,392,811	401,759,993

Particulars	Cash Credit Hypothecation	COVID 19 Revolving Refinance Scheme	COVID 19 Stimulus Funds Workers Salary
Purpose:	Import Raw Material	Working Capital	Working Capital
Tenure:	One year	One year	One year
Repayment:	Export Bill Collection and Company's own fund	Export Bill Collection and Company's own fund	Export Collection and Fund
Rate of Interest:	8% & 9%	4% & 4.5%	4% & 4.5%
Security:	Original Export Master Letter of Credit (L/C)	Stock Inventory	Stock Inventory

13 Deferred L/C Liabilities:

Deferred L/C Liabilities against Purchase (13.1)	79,215,966	54,938,508
Deferred Liabilities against Assets (13.2)	2,972,864	-
	82,188,830	**54,938,508**

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13.1 Deferred L/C Liabilities against Purchase:

AA Yarn Mills Ltd.	578,550	-
All-Razi Chemicals	498,575	-
Active Zipper Limited	-	862,500
Bengal NFK Textiles Ltd.	6,185,026	-
BENGAL LABEL'S AND ACCESSORIES	-	780,919
BestTrims FastQ (BD) Ltd.	-	1,405,041
BLUE PLANET SWEATER LTD	-	927,533
Chemitex	-	2,292,600
Chowdhury Trading	3,222,902	-
Continental Seining Mils Ltd	-	687,970
Colorant Textiles Bd. Ltd	1,784,010	-
DB TEX LTD	-	393,008
FAIR POLY LIMITED	-	860,565
Gulshan Spinning Mils Ltd.	-	6,324,675
Harmony Chem Ltd.	1,379,947	-
HK Life Apparel Ltd.	3,613,166	-
Hossain Dyeing & Printing Ltd	4,577,433	-
Huafon Chongqing	4,107,156	-
J.K Cotton Mills Ltd.	4,886,690	-
KEYA COSMETICS LTD.(SPINNING DIVISION)	-	6,389,213
KOALA ELASTIC & ACESSORIES	-	1,975,825
KSS KNIT COMPOSITE LTD.	-	1,047,676
M.S.A. INTERNATIONAL	-	310,284
M/S. SUMMA KNIT FABRICS	-	760,192
Mozaffar Hossain Spinning Mills Ltd.	5,108,800	-
N.Z. TEXTILE LTD	8,849,830	4,385,813
NS ACCESSORIES	-	130,531
Ocean Accessories Ltd.	1,475,095	-
Packmat Industries Ltd.	2,803,667	-
Pakiza Spinning Mills Ltd.	7,137,760	-
PLUS POINT	-	123,138
PRIDE PACKERS (PTE) LTD.	-	2,369,301
RAPID ACCESSORIES LTD	-	1,312,774
Re paid Accessories Ltd.	1,538,364	-
R-Pac Bangladesh Packaging Ltd.	539,326	-
Samuda Spec - Chem Limited	-	3,395,100
SAS INTERNATIONAL	-	649,577
SUPER THREAD LIMITED	-	1,079,540
Shaoxing Penghe Import & Export Com. Ltd	931,896	-
Shaoxing Yuarkuo	5,174,719	-
Shaoxing Yuarkuo Import & Export Com. Ltd	1,997,127	-
Shy Nice International Trading	4,064,407	-
Tafrid Cotton Mills Ltd.	5,357,160	-
Tara Spinning Mills Ltd.	376,640	-
The Uniter Ltd.	2,597,220	-
TARA SPINNING MILLS LTD	-	8,970,000
TECHNO PRINTING AND PACKAGING LIMITED	-	3,822,991
TRIMS WORLD	-	540,415
West Knit Wear Limited	-	874,798
Westerm Paper Industries (BD)(PVT) Ltd	430,500	-
YESTER ACCESSORES COMPANY(BD) LTD.	-	189,826
YOUNGSHINE PACKTRIMS LIMITED	-	2,076,708
	79,215,966	**54,938,508**

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

13.2 Deferred Liabilities against Assets:

Longtech Machinery Industry Co. Ltd.	2,972,864	-
Run Well (Shangong) Machinery Co. Ltd.	-	-
	2,972,864	-

14 Share Money Refundable (Foreign Currency)

These have been deposited against public issue of capital approved by SEC vide SEC letter no.SEC/CI/IPO-138/2010-1488 dated August 08, 2012 and BSEC/Cl/Rl-90/2013/93 dated Febuary 04, 2014.

Bank Name	A/C No.	Branch		
BRAC Bank Ltd	1501201918541001	Gulshan Br.	-	2,413,722
BRAC Bank Ltd	1501201918541002	Gulshan Br.	299,685	255,424
BRAC Bank Ltd	1501201918541003	Gulshan Br.	5,440	4,480
BRAC Bank Ltd	1501201918541004	Gulshan Br.	5,664	4,608
BRAC Bank Ltd	1501201918541007	Gulshan Br.	-	56,574
Total			**310,789**	**2,734,808**

As per Notification No. BSEC/CMRRCD/2021-391/20/Admin/121 of Bangladesh Securities and Exchange Commission regarding transferring unclaimed or undistributed or unsettled dividend in cash or non-refunded public subscri tion money or others include accruedinterest to the Capital Market Stabilization Fund; we have already paid IPO refund BDT part & Fractions Bonus Shares amount BDT part on the date of 10 August 2022.

15 Un-paid & Unclaimed Dividend

Cash Dividend for 2021-2022	1,643,688	-
	1,643,688	-

01% cash dividend for the year ended 30 June 2022, which has approved in 18th AGM and subsequently disbursed on 09 January 2023. Details list are kept by the company and is avaialbale at www.gnf-bd.com. The list is more than 30 page long and can be sent to BSEC/DSE on demand any time.

16 Current Maturity of Long Term Loans

Current portion of Long Term Bank Loans Tk. 522,064,785/- (2021-2022; Tk. 518,920,087/-) has been shown under the head Current Liabilities which is payable within June -2023.

	522,064,785	518,920,087
	522,064,785	**518,920,087**

17 Share Capital

17.1 Authorised Capital

500,000,000 Ordinary shares of Tk.10/- each	**5,000,000,000**	**5,000,000,000**

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

224,363,400 Ordinary Shares of Tk. 10/- each issued for cash	2,243,634,000	2,243,634,000
270,611,155 Bonus Shares of Tk.10/- each	2,706,111,550	2,706,111,550
	4,949,745,550	**4,949,745,550**

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The Shareholding position of the Company are as under :

Name of Shareholders	No. of Shares	Percentages (%)	Amount (Tk.)
Tauhidul Islam Chaudhury	25,409,021	5.13	254,090,210
Alavee Azfar Chaudhury	10,481,438	2.12	104,814,380
Shaheen Akhter Chaudhury	190,932	0.04	1,909,320
AJ Corporation Limited	34,506,568	6.97	345,065,680
Rajiv Sethi	9,899,489	2.00	98,994,890
Others	414,487,107	83.74	4,144,871,070
Total	**494,974,555**	**100.00**	**4,949,745,550**

Particulars	No. of Shareholder	No. of Shares	Percentage	Amount of Taka
Less than 500 Shares	4,086	787,847	0.16	7,878,470
501 to 5,000 Shares	10,840	23,676,064	4.78	236,760,640
5,001 to 10,000 Shares	2,876	21,723,921	4.39	217,239,210
10,001 to 20,000 Shares	2,069	30,369,231	6.14	303,692,310
20,001 to 30,000 Shares	871	21,954,239	4.44	219,542,390
30,001 to 40,000 Shares	459	16,218,589	3.28	162,185,890
40,001 to 50,000 Shares	358	16,733,499	3.38	167,334,990
50,001 to 100,000 Shares	691	50,891,500	10.28	508,915,000
100,001 to 1,000,000 Shares	449	106,908,325	21.60	1,069,083,250
Above 1,000,000 Shares	30	205,711,340	41.56	2,057,113,400
	22,729	**494,974,555**	**100.00**	**4,949,745,550**

18 Revaluation Surplus

Land & Land Development	136,740,234	136,740,234
Building	175,593,058	179,176,589
Plant & Machinery	69,826,162	73,501,223
	382,159,453	389,418,046
Less: Depreciation on Revaluation Surplus	7,003,169	7,258,593
Total	**375,156,284**	**382,159,453**

S.F. Ahmed & Co, Chartered Accountants revalued the fixed assets of the Company as of 31 December 2008, following "depreciated current cost method", resulting in a revaluation surplus at Tk.506,889,888.

19 Retained Earnings

Opening Balance	328,786,314	316,800,868
Add: Current Period Profit	34,062,905	4,726,853
	362,849,219	321,527,721
Add: Depreciation on Revaluation Surplus (Net of Tax)	6,162,789	6,387,562
Add : Other Comprehensive Income	840,380	871,031
	369,852,388	328,786,314
Less: Cash Dividend for 2021-2022	49,497,456	-
	320,354,932	**328,786,314**

20 Long Term Loans

Term Loan	Southeast Bank Ltd.	2,385,231,503	2,018,992,921
Office Space	LankaBangla Finance Ltd.	163,934,504	168,905,551
Office Space	IPDC Bangladesh Ltd.	151,194,886	154,260,460
Car Loan	IPDC Bangladesh Ltd.	-	3,064,111
		2,700,360,893	2,345,223,042
Less: Transfer to Term Loan-Current Maturity		522,064,785	518,920,087
		2,178,296,108	**1,826,302,955**

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Disclosure about long term loan -As per Schedule XI, Part I, Para-a (4) of the Company Act, 1994

Particulars	Term Loan	Term Loan
Purpose	Import Barnd New Machine & Building Construction	Import Barnd New Machine and Construction of Factory Building
Tenure:	Eight Years from the date of disbursement	Eight Years from the date of disbursement
Repayment:	From proceed	From proceed realization
Rate of Interest:	8% & 9%	8% & 9%
Security:	Imported Machineries, Projects Land and Building	A) 262.5 decimal land and Building and Machineries of that Land located Diyakhali (Muaza), Yearpur Ashulia, Savar, Dhaka

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		Amount in Taka		
		01.07.2022 to 30.06.2023		01.07.2021 to 30.06.2022
21	Sales Revenue (**)	5,961,461,926		4,122,935,164
		5,961,461,926		**4,122,935,164**

(**)Export sales revenue is recognised for 2,908,934 Dozens at $ 59,782,819.69, Equivalent to Tk. 5,961,461,926/- (2021-2022: Total Dozens 1,693,616 at $ 48,203,977, Equivalent to Tk. 4,122,935,164/-) when delivery challan is issued.

Above sales revenue are recognized against export of readymade knit garments.

22 Cost of Goods Sold

Opening Stock of Raw Materials	1,034,268,058	847,170,191
Add: Purchases (Note : 22.1)	3,844,705,288	2,576,080,776
Less: Closing Stock of Raw Materials (Note : 05.1)	986,452,752	1,034,268,058
Material Consumed	3,892,520,594	2,388,982,909
Add: Direct Labour	1,075,935,893	744,248,094
Prime Cost	4,968,456,487	3,133,231,003
Add: Factory Overhead (Note : 22.2)	359,553,570	284,998,876
Cost of Manufacturing	5,328,010,058	3,418,229,879
Add: Opening Work-In-Process (Note: 05.00)	751,331,838	886,874,808
Less: Closing Work-In-Process (Note: 05.00)	796,112,646	751,331,838
Cost of Goods Manufactured	5,283,229,250	3,553,772,849
Add: Opening Stock of Finished Goods (Note: 05.00)	1,089,022,673	1,060,656,579
Less: Closing Stock of Finished Goods (Note: 05.00)	1,165,022,204	1,089,022,673
Cost of Goods Sold	**5,207,229,719**	**3,525,406,754**

22.01 Purchase of Raw Material

Yarn 6,655,505 Kgs (2021-2022: 4,542,507 Kgs)	2,715,445,907	1,991,330,649
Fabrics 125,935 (2021-2022: 112,920 Kgs)	65,486,338	58,289,224
Dyes & Chemicals	473,936,223	251,417,077
Accessories	589,836,820	275,043,826
Total	**3,844,705,288**	**2,576,080,776**

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22.2 Factory Overhead

	Amount in Taka	
	01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
Rent	1,140,000	1,140,000
Security Service	1,162,000	1,236,681
Depreciation	109,107,798	112,910,660
Utility Charges	186,002,675	112,091,006
Repair and Maintenance	5,940,260	7,430,777
Fuel & Lubricant	23,229,312	14,127,670
Carriage Inward	8,549,640	8,865,430
C & F Charge Import	5,704,087	5,446,126
Entertainment	3,738,332	3,134,037
Lab Test & Inspection Charge	5,693,161	10,196,007
Insurance Premium	8,738,443	7,395,180
Other Expenses	547,862	1,025,302
Total	**359,553,570**	**284,998,876**

23 Administrative & Selling Expenses

Staff Salaries	224,526,962	179,651,111
Directors' Remuneration	7,200,000	7,200,000
Bonus	16,073,865	11,599,948
Freight Charge	4,018,132	1,339,022
Buying House Expenses	650,000	4,712,776
Utility Charge	1,278,557	1,289,601
Entertainment	2,130,864	3,608,009
C & F Charges	15,347,856	12,971,992
Courier & Postage	2,192,331	2,473,537
Telephone and Other	2,948,583	2,870,559
Office Rent	2,463,300	2,499,000
Repair and Maintenance	1,081,163	740,680
Depreciation	5,742,516	5,942,666
Audit & Other Fee	550,000	550,000
Professional, Consultancy, Listing and Other Fee	1,356,000	3,170,495
Travelling & Conveyance	4,224,105	3,874,957
Stationeries	1,154,371	738,564
Fuel & Lubricant	3,087,159	2,411,063
Carriage Outward	23,144,619	16,797,085
Sample Expenses	5,961,462	4,122,935
Advertisement	824,410	839,251
License & Renewals	1,176,375	1,094,648
Commercial Expenses	13,850,049	11,607,293
AGM and EGM Expenses	430,296	222,300
Compliance Expenses	4,178,958	4,616,208
Realised Exchange Loss/ (Gain)	12,432,585	3,756,824
Unrealised Exchange Loss/(Gain)	2,142,152	945,632
Donation	25,000	75,500
Other Expenses	620,350	735,630
	360,812,020	**292,457,286**

24 Other Income

Income from Cash Incentive	82,843,000	87,614,200
Other Revenues	2,178,202	1,045,015
Interest on Bank Deposits	1,169,573	833,652
Total	**86,190,775**	**89,492,867**

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25 Financial Expenses

Bank Charges & Commission	55,124,942	32,011,442
Interest on Time Loan	18,164,624	13,689,336
Interest on Term Loan	215,295,911	199,274,209
Interest on Bill Purchase	258,059	57,866
Interest on Other Loans	55,427,734	76,465,120
Total	**344,271,270**	**321,497,973**

26 WPWFs/ Contribution to Central Fund (RMG Sector)

Central fund (Note- 3.16)	1,788,439	1,204,179
	1,788,439	**1,204,179**

27 Current Year Tax Expenditure

Particulars	Amount		Rate	Amount
Other Than Business Income:				
Other Revenues	2,178,202		20.00%	435,640
Income from Cash Incentive	82,843,000		10.00%	8,284,300
Interest on Investment and Deposits	1,169,573		20.00%	233,915
	86,190,775			**8,953,855**
Tax on Business Income:				
Provision for Business Income Tax : (Higher of following two figures)				62,020,320
Minimum tax on Gross Receipt U/S 82C(4) 0.5% (Proportionate)			17,884,386	
Tax Deducted at source from business income			62,020,320	
Total Provision for Income Tax				**70,974,175**

28 Deferred Tax-

Openning Balance of DTL	226,446,766	189,389,618
	29,450,306	30,321,337
DTL on carrying amount of cost base:	196,996,460	159,068,281
	226,446,766	**189,389,618**
DTL on revaluation surplus of Building	175,593,058	179,176,589
DTL on revaluation surplus of Plant & Machinery	69,826,162	73,501,223
	245,419,220	**252,677,812**
	12%	12%
	29,450,306	**30,321,337**

Computation of DT Expenses for this reporting period :	DTL	DTL
Difference on Tax base & carrying amount		
Written Down Value as per Accountint Policy (with revaluation part)	4,128,300,755	4,233,299,731
Less: Written Down Value on Revaluation Part	375,156,284	382,159,453
Written Down Value without Revaluation	**3,753,144,471**	**3,851,140,278**
Less: Written Down Value as per third schedule	1,628,469,969	1,956,825,298
Taxable Assets	**2,124,674,501**	**1,894,314,980**
	12%	12%
Closing deferred Tax Liability	254,960,940	227,317,798
Less: Opening deferred Tax Liability	226,446,766	189,389,618
Deferred Tax Expenses for this year	**28,514,173**	**37,928,179**
Less: Transfer to OCI for depreciation on revalued portion	840,380	871,031
Net Amount of deferred Tax expense transfered to PL	**27,673,793**	**37,057,148**
Depreciation on Building on Revaluation part for this year	3,511,861	3,583,532
Depreciation on Plant & Machinery on Revaluation part for this year	3,491,308	3,675,061
	7,003,169	7,258,593
	12%	12%
	840,380	**871,031**
Closing Deferred Tax Liability (opening + Net amount for this year)	**254,120,559**	**226,446,766**

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		Amount in Taka		
		01.07.2022 to 30.06.2023		01.07.2021 to 30.06.2022
29 Earning Per Share (EPS)				
Profit attributable to Ordinary Shareholders		34,062,905		4,726,853
Total Weighted Average Number of Ordinary Shares	29.2	494,974,555		494,974,555
Earnings per share - Basic		0.07		0.01

29.1 Earning Per Share (EPS) -Diluted

No diluted earnings per share is required to be calculated for the year as there is no scope for dilution during these years.(e,g no preference shareholdersor loan note holder or employees/directorsare not entitled to any equity share option.)

29.2 Weighted Average Number of Ordinary Share·

Opening No. of Share in existance	494,974,555		494,974,555
Share Allotment from Opening Share Money Deposit	-		-
Share Allotment from New Share Money Deposit	-		-
Issuance of Bonus Share	-		-
Weighted Average Share Money Deposits (in share)	-		-
Total Weighted Average Number of Ordinary Shares	**494,974,555**		**494,974,555**

30 Net Assets Value per Share (NAV)			
Net Asset Value (NAV)	5,882,035,877		5,897,470,428
Total Weighted Average Number of Ordinary Shares 29.2	494,974,555		494,974,555
Net Asset Value per Share (NAV) (a/b)	**11.88**		**11.91**
31 Net Operating Cash Flows per Share (NOCFPS) - Basic			
Net Operating Cash Flows	49,436,131		9,538,680
Weighted Average Number of ordinary shares 29.2	494,974,555		494,974,555
Net Operating Cash Flows per Share (NOCFPS) (a/b) - Basic	**0.10**		**0.02**

31.1 Net Operating Cash Flows per Share (NOCFPS) - Diluted

No deluted earnings per share is required to be calculated for the year as there is no scope for dilution during these years.(e,g no preference shareholders or loan note holder or employees/directors are not entitled to any equity share option.)

32 Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities (Indirect Method)

Particulars		
Net Profit before Tax	**133,551,254**	**71,861,838**
Adjustments to reconcile net income to net cash provided by operating activities:		
Non-Cash Iteams:	**460,045,034**	**467,670,184**
Depriciation on Fixed Assets	114,850,314	118,853,326
Financial Expenses	344,271,270	321,497,973
Other Income	86,190,775	89,492,867
Contribution to Central Fund (RMG Sector)	1,788,439	1,204,179
Foreign Exchange Gain/ (Loss)	12,432,585	3,756,824
Income Tax Provision	(99,488,348)	(67,134,985)

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Changes in Operating Activities:	(108,936,809)	(117,798,322)
Increase/ Decrease in Inventories	(73,290,191)	(75,593,312)
Increase/ Decrease in Trade and other Receivables	(83,216,273)	(108,059,073)
Increase/ Decrease in Advance, Deposits and Prepayments	15,874,241	(27,709,501)
Increase / Decrease in Accounts Payable & Others	4,277,733	38,180,852
Increase/Decrease in Deferred L/C Liabilities	24,277,458	(7,780,084)
Increase/Decrease in Deferred Liabilities for Assets Part	2,972,864	-
Increase/ Decrease in Accrual Expenses	167,359	63,162,796
Financial Expenses	(344,271,270)	(321,497,973)
Other Income	(86,190,775)	(89,492,867)
Contribution to Central Fund (RMG Sector)	(1,788,439)	(1,204,179)
Deferred Liabilities for Assets Part	(2,972,864)	-
Net Cash Generated from Operating Activities	**49,436,131**	**9,538,681**

33 Cash Received from Customer

Sales Revenue	5,961,461,926	4,122,935,164
Less: Increase In Accounts receivable	83,216,273	108,059,073
Less: Unrealized Foreign Exchange gain/(Loss)	2,142,152	945,632
	5,876,103,501	**4,013,930,459**

34 Cash Paid to Suppliers

Material Consumed	3,771,740,256	2,496,159,785
Less: Increase in Deferred Liabilities	(27,250,322)	7,780,084
Add: Deferred Liability Assets Part	2,972,864	-
Less: Decrease in Accounts Payable	(4,277,733)	(38,180,852)
Add: Increase in inventory	73,290,191	75,593,312
	3,816,475,256	**2,541,352,329**

35 Paid for Operating Expenses

Direct Labour	1,075,935,893	744,248,094
Factory Overhead	359,553,570	284,998,876
Office & Administrative Expenses	360,812,020	292,457,286
Financial Expenses	344,271,270	321,497,973
Contribution to Centeral Fund (RMG Sector)	1,788,439	1,204,179
Less: Depreciation	(114,850,314)	(118,853,326)
Less: Realized Exchange Gain/ (Loss)	(12,432,585)	(3,756,824)
Less: Unrealized Exchange Gain/ (Loss)	(2,142,152)	(945,632)
Less: Increase AIT	(71,000,069)	(29,549,437)
Tax (Current Tax+Deferred Tax)	99,488,348	67,134,985
Add: Increase Advance Prepayment	(15,874,241)	27,709,501
Less: Increase Accrued Expenses	(167,359)	(63,162,796)
	2,025,382,819	**1,522,982,879**

36 DTI transferred from DTL for depreciation on revaluation surplus

12% on Depreciation charged this year on revalued assets	840,380	871,031
	840,380	**871,031**

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Schedule of Property, Plant & Equipment
As at June 30, 2023

Particulars	Cost or Valuation			Rate of Dep. (%)	Depreciation			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition or valuation during the period	Balance as on 30.06.2023		Balance as on 01.07.2022	Charged during the period	Balance as on 30.06.2023	
Land & Land Development	255,987,532	-	255,987,532	-	-	-	-	255,987,532
Building	3,470,658,274	-	3,470,658,274	2%	466,897,839	60,075,209	526,973,048	2,943,685,226
Plant & Machinery	1,395,391,827	7,250,269	1,402,642,096	5%	535,949,561	43,206,996	579,156,557	823,485,539
Vehicles	80,203,266	-	80,203,266	10%	42,971,022	3,723,224	46,694,246	33,509,020
Other Assets	136,188,012	2,601,069	138,789,081	10%	59,310,758	7,844,885	67,155,643	71,633,438
Total as on June 30, 2023	5,338,428,911	9,851,338	5,348,280,249		1,105,129,180	114,850,314	1,219,979,494	4,128,300,755
Total as on June 30, 2022	5,331,260,531	7,168,380	5,338,428,911	-	986,275,854	118,853,326	1,105,129,180	4,233,299,731

Segragation of Written Down Value between revalued portion of assets (revaluation surplus) and cost based carrying value of assets:

Total Carrying value as on 30 June 2023	4,128,300,755
Revalued portion of Land, Buildings and Plant & Machineries (revaluation surplus)	375,156,284
Cst based carrying value of PPE	3,753,144,471
	4,128,300,755

Particulars	Amount in Taka	
	2022-2023	2021-2022
Total amount Depreciated during the year	**114,850,314**	**118,853,326**
Allocation of total depreciation:		
Factory Overhead (Note: 22.2)	109,107,798	112,910,660
Administrative & Selling Expenses (Note: 23)	5,742,516	5,942,666
Total	**114,850,314**	**118,853,326**

Generation Next Fashion Ltd.

Inventories as on 30 June,2023

SL.No.	Item	Category	Particulars		Closing Balance As on 30.06.2023 (Qty)	Closing stock value in BDT
1	Yarn Stock	Stock	Grey	Kgs	561,190	122,343,805
2			Lycra	Kgs		3,953,124
3			Dyed yarn	Kgs		1,282,613
4			Sample	Kgs		908,387
5			Grey(Excess)	Kgs		776,929
7			Out Site of Factory	Kgs		99,700,591
			Sub-total		561,190	228,965,450
8	Fabrics	Stock	Finished Fabrics store	Kgs	187,952	97,738,799
			Finished Fabrics (Sub-contract)	Kgs	732,935	381,118,643
9			Fabrics in Floor	Kgs	185,624	96,528,192
			Sub-total		1,106,511	575,385,635
10	Work in Process	Garments	Cutting Qty.	Pcs	1,156,230	179,389,085
11			Finished fab.(A.V.G COLOR)	Kgs	18,562	9,652,611
			Sub-total		1,174,792	189,041,696
12			Sewing,U-01	Pcs	105,625	20,343,375
13			Sewing,U-02	Pcs	144,224	27,777,542
14			Sewing,U-03	Pcs	165,260	31,829,076
15			Sewing,U-04	Pcs	116,232	22,386,283
16			Sewing,U-05	Pcs	125,262	24,125,461
			Sub-total		656,603	126,461,738
17			Printing/Emb	Pcs	98,562	23,190,670
			Sub-total		98,562	23,190,670
18		Knit	Yarn in knitting floor	Kgs	125,262	63,664,412
			Sub-total		125,262	63,664,412
19		Dyeing	Un Finished Fab. (A.V.G Color) Finishing	Kgs	55,620	28,921,827
20			Un Finished Fab. (A.V.G Color) Quality	Kgs	23,652	12,298,796
21			Un Finished Fab. (A.V.G Color) -Sub Cont	Kgs	255,622	132,920,804
22			Finished Fabrics (A.V.G Color)	Kgs	369,518	192,145,325
23			Finished Fabrics (woven) Import kgs	Kgs	22,526	12,003,205
24			Finished Fabrics (woven) import yard	Kgs/Yrd	25,625	15,464,175
			Sub-total		752,563	393,754,131
25	Finished product(RMG)		Finished Goods - Unit - 0 1 & 02(PCS)	Pcs	985,622	267,872,347
26			Finished Goods - Unit - 03(PCS)	Pcs	386,523	105,049,221
27			Finished Goods - Unit - 04(PCS)	Pcs	658,262	178,902,446
28			Goods in chittagong for Export	Pcs	2,256,230	613,198,189
			Sub-total		4,286,637	1,165,022,204
29	Accessories					18,995,465
30	Dyes & Chemicals					163,106,202
31	Materials in Transit					4,522,340
	Total :					2,952,109,941

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Generation Next Fashions Ltd.

Dhonaid, Earpur, Savar, Dhaka.

Closing Inventory Report-Month of June-23

Dyes				
SL No	Name of Products	Closing Balance	Closing Value (Tk)	Remarks
1	Corazol Red RD Grains	280	434,000	
2	CorazoL Yellow RD Gran	112	163,520	
3	Corazol Red X-RFT Gran	471	585,218	
4	Corafix Violet GDB	192	291,840	
5	Cbfix Golden Yellow BF N-H/C	3,102	2,729,760	
6	Eriofast Navy M	452	2,486,000	
7	Eriofast Black M	456	2,052,000	
8	Novacron Brill.Blue EC-B	150	615,000	
9	Novacron Yellow EC-4G	895	2,416,500	
10	Indofix Ultra Red RGB	2,592	3,952,800	
11	Indofix Black DNN	320	401,600	
12	React./Jakofix Orange ME-2RL	265	667,800	
13	Jakazol Br.Blue RE-200	768	2,933,760	
14	Jakazol Yellow DSR	2,021	1,980,580	
15	Jakofix Yellow 4GL	1,352	1,297,920	
16	Jakazol Navy DSG	3,001	2,775,925	
17	Jakazol Deep Red SLR	2,502	2,326,860	
18	Jakazol Turqiose Blue G 266	2,229	2,735,819	
19	Jakazol Red DSB	1,932	2,415,000	
20	Jakazol Blue LDN	3,520	3,307,040	
21	Jakazol Black CE-LB	2,083	1,999,226	
22	Jakofix Red ME-3BL	1,721	2,435,215	
23	Metative G/Yellow ME-RL	1,452	1,916,640	
24	Remazol Red RR	652	889,980	
25	Remazol Orange RR	901	2,703,000	
26	Reactobond Yellow SDS	2,091	1,683,255	
27	Reactobond Navy SDS	2,201	2,057,935	
28	Reactobond Red LW	2,271	2,066,610	
29	Reactobond Deep Blue RLW	1,182	1,152,450	
30	Synozol Yellow K-3RS	985	1,686,813	
31	Synozol Red K-3BS	756	1,298,052	
32	Synozol Navy Blue K-BF	652	1,188,433	

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33	Synozol Blue KBR	1,152	2,206,771	
34	Synozol Br.Blue K-RL Conc SP	325	661,479	
35	Synozol Red K-RF	754	1,560,026	
36	Synozol Yellow HF-4GL 200%	365	682,627	
37	Synozol Turq.Blue HF-G 266%	625	1,246,250	
38	Liyuansol Deep Red HS-D	266	244,891	
39	Liyuansol Red HS-W	350	325,597	
40	Liyuansol Red 3BE 150%	1,152	1,077,120	
41	Liyuansol Red HS-B	526	486,550	
42	Liyuansol Navy HS-D	2,255	2,074,600	
43	Colorsol Navy DS-B	1,940	1,920,600	
44	Liyuansol Navy HS-G	895	1,530,450	
45	Fucozol Navy Blue USB	1,145	1,832,000	
46	Fumofix Rubine XG	956	1,739,920	
47	Coralite Yellow FL-2R Grains	623	832,515	
48	Coralite Blue FL-R Grains	985	1,899,080	
49	Coralite Red FL-2B Grains	1,345	2,604,324	
50	Coralene Luminious Yellow 10GN	325	631,186	
51	Coralene Luminious Orange F-CR	952	1,951,600	
52	Coralene Lumi Pink RBSF	592	884,448	
53	Coralene Navy XF DS	2,012	1,931,520	
54	Coralene Yellow XF	1,522	1,248,040	
55	Coralene Blue XF	1,452	1,422,960	
56	Anocron Rubine PUD-SD	652	831,300	
57	Ancron Brill Red PUD	452	1,898,400	
58	Ancron Turquise Blue PUD BS	845	2,323,750	
59	Anocron Navy DRD	1,523	1,865,675	
60	Anocron Brill Yellow PUD-SD	956	1,075,500	
61	Disperses Deep Black SWF 300%	1,102	1,377,500	
62	Disperse Red E FB	103	294,644	
63	Anocron/Disp. Blue 56 100% PUD	1,120	1,344,000	
64	Anocron Br.Yellow PUD	956	1,147,200	
65	Anocron Navy PUD-SD	1,452	1,488,300	
66	Synolon Yellow EN-F 01	562	785,114	
67	Synolon Red EN-F 01	352	570,240	
68	Synolon Blue EN-F 01	50	96,168	
69	Synolon Yellow EX-WN	120	162,115	
70	Synolon Turquise EXW	47	188,758	
	Total		**104,089,767**	

Ashraf Uddin & Co Chartered Accountants DHAKA

Generation Next Fashions Ltd.

Dhonaid, Earpur, Savar, Dhaka.

Closing Inventory Report-Month of June-23

Chemicals				
SL No	Name of Products	Clossing Balance	Closing Value (Tk)	Remarks
1	Finocon ECOX (Acetic Acid)	635	101,584	
2	Hydrogen Peroxide 50%	2,844	226,070	
3	Soda Ash Light	6,760	571,215	
4	Glober Salt	122,914	4,136,046	
5	Caustic Soda	45,820	4,307,080	
6	Sodium Hydrosulfite (Hydrose)	652	521,600	
7	GreenBuff 1000 (Green Soda)	1,580	238,036	
8	Applizyme BP	8,975	8,265,786	
9	Samwet BLN 65%	7,455	2,609,110	
10	Saitex Clean WT	337	158,296	
11	Unifoam PWD	956	3,442,078	
12	Samseq USA	8,951	4,162,076	
13	Samper STB	540	118,800	
14	Stabil-20S	451	135,300	
15	Samper -KLR	1,107	553,400	
16	Samlev FSA	4,624	1,225,334	
17	Versapers-95	5,440	1,577,600	
18	Samsop-ABS	7,343	4,016,348	
19	Rockafix FXA	1,282	717,920	
20	Fixapol IRS	625	404,375	
21	Cationic Softner Flake EW-8	1,523	807,190	
22	Samsof CAT	5,412	2,841,300	
23	Jingen SNR SFP	256	119,040	
24	Jingen SNR WSS	258	108,494	

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25	Versatab-201A	6,070	3,216,835	
26	Enzyme BPE (Biopolish Enzyme)	3,152	4,007,768	
27	Samsof-HSS	2,512	979,680	
28	Versalab LP	1,895	748,525	
29	Microsil New Conc	1,652	908,600	
30	Biosoft SM	144	46,176	
31	Rockasoft Extra Con	480	148,800	
32	Versol-3000 Conc	158	62,292	
33	Biotex CT-22 (Reduction Cleaning & Soap.)	862	1,189,560	
34	Applodex EX	771	994,144	
35	Rockadye PLA	1,250	368,750	
36	Cynowhite 4BK	272	153,954	
37	ROCKADYE- PB 100 (BN)	526	328,750	
38	Bicon Cro-100 (Wet Rubbing)	78	42,631	
39	Prosin 4719A/DMW-719A	451	211,970	
40	Finofresh	35	60,900	
41	Urea Fartilizer	93	2,074	
42	Albaflow FFC	1,242	1,863,000	
43	Albagel SET	1,625	1,950,000	
44	Eriofast FIX	2	2,250	
45	Eriopon OS	1	1,045	
46	Albatex AB-45	1	495	
47	Univadine MC	1	1,210	
48	Lime Powder	4,280	64,200	
49	Ferrous Sulphate	9,265	277,950	
50	Polyelectro Lyte (Polymer)	80	20,800	
	Total		**59,016,435**	-

G.Total (Dyes & Chemical)		**163,106,202**	

Ashraf Uddin & Co. Chartered Accountants DHAKA

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Telephone: +8802 8411623, 8412625 & Fax: +8802 8416491, Website: www.gnf-bd.com

PROXY FORM

I/We ... ... of ... ... being a shareholder of Generation Next Fashions Limited, do hereby appoint of .... as my/our proxy to attend vote in my/our behalf at the 19th Annual General Meeting (AGM) of the Company to be held on 23 December 2023, Time 11.30 AM virtually by using digital platform through the following link: https://gennext19thagm.digitalagmbd.net and at any adjournment thereof or any poll that may be taken in consequence thereof and to vote on my/our behalf as he/she thinks appropriate on all resolutions.

As witness my/our hand this ………………………….. day of ………………………..2023

Affix Revenue Stamp of Tk. 20.00

(Signature of Shareholder)
Shareholders BO ID No.

(Signature of Proxy)

No. of Shares Hold: …………………………….
Note:

Note: 1. The proxy form, duly filled and stamped must be deposited at the Head Office not later than 72 (Seventy-Two) hours before the time fixed for the meeting.
2. Signature of the shareholder should agree with the specimen signature registered with the Company of BO Account/CDBL Record.

(Authorized Signature)
Generation Next Fashions Ltd.

(Signature Verified)

Generation Next Fashions Limited
Building#348, Road#5, DOHS Baridhara, Dhaka- 1206, Bangladesh
8412625 & Fax: +8802 8416491, Website: www.gnf-bd.com

ATTENDANCE SLIP

I/We do hereby record my/our presence at the 19th Annual General Meeting of Generation Next Fashions Limited to be held on 23 December 2023, Time 11.30 AM virtually by using digital platform through the following link: https://gennext19thagm.digitalagmbd.net

Name of the Shareholder/Proxy:
Shareholders BO ID No.

(Authorized Signature)
Generation Next Fashions Ltd.

(Signature of Shareholder)

Note: Please present this attendance slip at the registration desk/ mailed send to share@gnf-bd.com on the AGM date.







SHARE & REGISTERED OFFICE

Building# 348, Road# 05, DOHS Baridhara
Dhaka- 1206, Bangladesh,
Tel: 880-2-8412625, 8411623, 8419210
Fax: 880-2-8416491
web:www.gnf-bd.com

CORPORATE OFFICE:

The Pearl Trade Centre (PTC)
Cha- 90/3, Progoti Shoroni,
Uttar Badda, Dhaka 1212.
Tel: 880-2-9895725, 9895752

GENERATIONNEXT

GENERATION NEXT FASHIONS LTD.

OPERATIONAL OFFICE & FACTORY
Dhonaid, Earpur, Ashulia, Savar, Dhaka

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