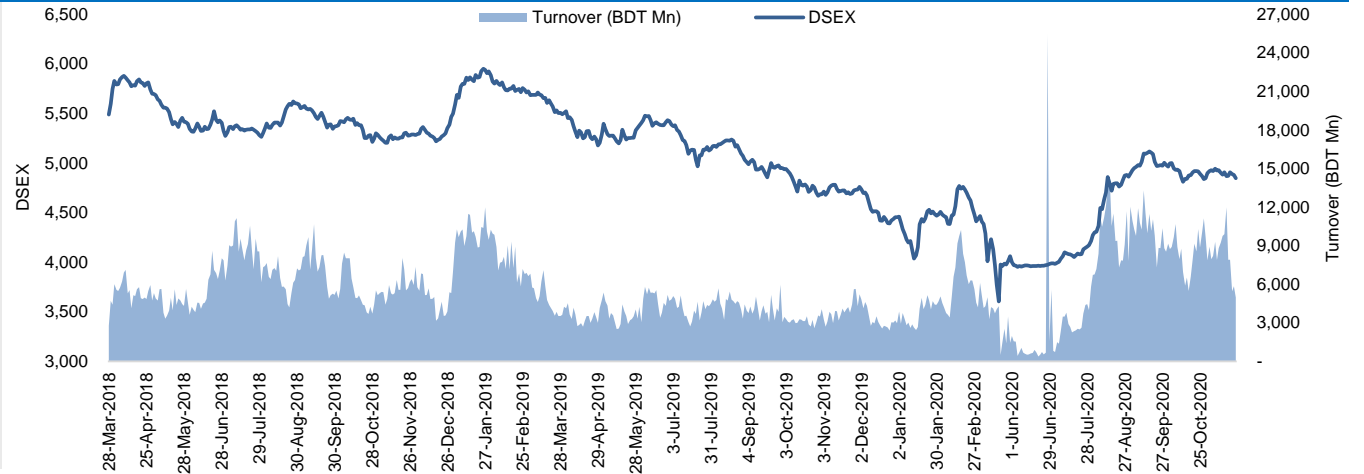


The market closed in red today. The benchmark index DSEX (-0.71%) lost 34.87 points and closed at 4,845.09. The blue-chip index DS30 (-0.80%), the Shariah-based index DSES (-0.44%), and the large-cap index CDSET (-0.83%) closed at 1,687.78, 1,123.93, and 991.01 points, respectively. All the large-cap sectors posted negative performance today. Engineering experienced the highest loss of 2.76% followed by Food & Allied (-0.83%), Bank (-0.78%), Fuel & Power (-0.68%), NBF1 (-0.66%), Telecommunication (-0.55%), and Pharmaceutical (-0.45%), respectively. Block trades contributed 13.5% of the overall market turnover. Beximco Pharmaceuticals Ltd. (-2.8%) was the most traded share with a turnover of BDT 432 million.



Index	Closing	Opening	Point Δ	%Δ	YTD %Δ
DSEX	4,845.09	4,879.96	-34.87	-0.71%	+8.8%
DS30	1,687.78	1,701.34	-13.56	-0.80%	+11.5%
DSES	1,123.93	1,128.88	-4.96	-0.44%	+12.4%
CDSEI	991.01	999.35	-8.34	-0.83%	+10.1%

	Advanced	Declined	Unchanged	Total
All Category	70	196	78	344
A Category (Equity)	48	143	59	250
B Category (Equity)	10	33	11	54
N Category (Equity)	1	2	0	3
Z Category (Equity)	11	18	8	37
Mutual Funds	1	33	3	37
Corporate Bonds	1	1	0	2

		Today	Last Day	Daily %Δ
Mcap	Mn BDT	3,309,506	3,932,998	-15.9%
	Mn USD	38,954	46,292	
Turnover	Mn BDT	4,955	5,834	-15.1%
	Mn USD	58	69	
Volume	Mn Shares	190	245	-22.6%
No. of Trade		110,030	130,499	-15.7%

Figure: Sectorial Turnover (BDT Mn)

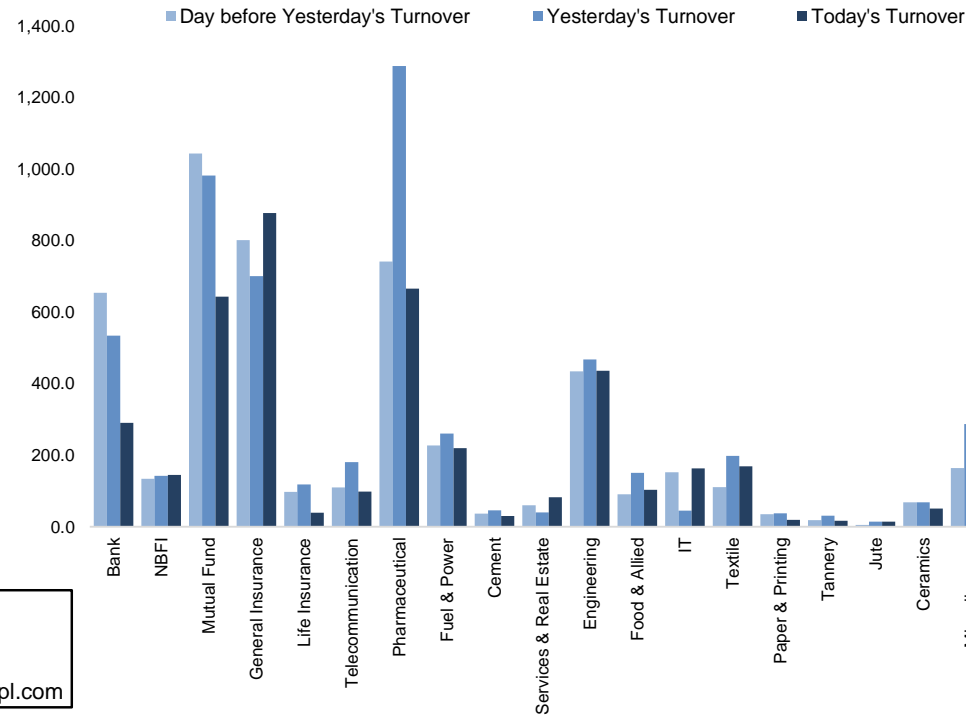
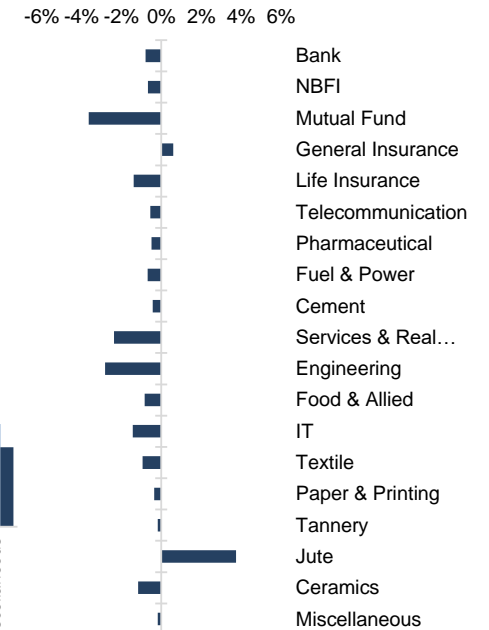


Figure: Sectorial Mcap Change



Market PE 15.9x
Market PB 1.6x

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Sector Index	Closing	Opening	Points Δ	%Δ	No. of Companies	Mcap (BDT Mn)	% of Total Mcap	Turnover (BDT Mn)	% of Total Turnover	PE	PB	Top Twenty Market Cap	Mcap (BDT Mn)	% of Total Mcap	Turnover (BDT Mn)	PE	PB
Bank	1,329	1,340	-10.51	-0.78%	30	553,477	16.5%	290.4	6.8%	7.7x	0.7x	GP	439,253	13.1%	49.5	12.3x	10.4x
NBFI	1,785	1,797	-11.84	-0.66%	23	164,630	4.9%	144.7	3.4%	123.8x	2.6x	WALTONHIL	221,319	6.6%	60.7	32.6x	2.8x
Mutual Fund	874	907	-33.01	-3.64%	37	41,326	1.2%	643.1	15.0%	NM	0.8x	BATBC	187,038	5.6%	28.8	16.3x	5.0x
General Insurance	3,419	3,398	+20.68	+0.61%	36	85,881	2.6%	877.1	20.5%	19.0x	1.7x	SQRPHARMA	175,602	5.2%	0.0	12.6x	2.1x
Life Insurance	2,009	2,037	-28.06	-1.38%	12	53,640	1.6%	39.3	0.9%	NM	NM	UPGDCL	161,103	4.8%	53.5	22.7x	4.9x
Telecommunication	4,524	4,549	-24.90	-0.55%	2	460,839	13.8%	98.7	2.3%	12.6x	9.4x	RENATA	94,188	2.8%	16.0	23.5x	4.3x
Pharmaceutical	2,959	2,973	-14.28	-0.48%	32	555,332	16.6%	666.0	15.5%	18.8x	2.4x	ICB	70,375	2.1%	0.0	31.7x	1.6x
Fuel & Power	1,624	1,635	-11.10	-0.68%	20	420,119	12.6%	220.1	5.1%	12.4x	1.4x	MARICO	66,093	2.0%	2.3	22.7x	41.5x
Cement	1,180	1,185	-5.11	-0.43%	7	73,440	2.2%	30.1	0.7%	28.3x	1.8x	BERGERPBL	61,938	1.9%	1.2	27.7x	7.0x
Services & Real Estate	999	1,023	-24.22	-2.37%	9	40,676	1.2%	82.3	1.9%	85.2x	0.8x	BRACBANK	59,930	1.8%	72.4	14.1x	1.3x
Engineering	2,958	3,044	-85.66	-2.81%	40	367,023	11.0%	436.1	10.2%	29.7x	1.6x	BXPBARMA	58,238	1.7%	432.4	16.6x	1.8x
Food & Allied	12,778	12,885	-107.23	-0.83%	17	239,761	7.2%	103.0	2.4%	20.4x	5.4x	LHBL	42,390	1.3%	12.1	20.5x	2.5x
IT	2,126	2,156	-30.86	-1.43%	10	23,735	0.7%	163.4	3.8%	22.7x	2.0x	ISLAMIBANK	42,021	1.3%	7.9	7.5x	0.7x
Textile	1,006	1,015	-9.51	-0.94%	56	104,972	3.1%	169.2	3.9%	220.9x	0.7x	SUMITPOWER	39,298	1.2%	14.1	7.3x	1.1x
Paper & Printing	5,048	5,066	-18.21	-0.36%	4	14,672	0.4%	19.1	0.4%	61.6x	1.1x	OLYMPIC	36,069	1.1%	8.9	17.8x	4.4x
Tannery	1,654	1,656	-2.82	-0.17%	6	17,908	0.5%	16.8	0.4%	NM	1.7x	DUTCHBANGL	35,145	1.0%	2.0	7.7x	1.2x
Jute	8,793	8,475	+317.98	+3.75%	3	2,001	0.1%	14.6	0.3%	NM	10.4x	TITASGAS	30,666	0.9%	6.2	8.6x	0.4x
Ceramics	417	422	-4.87	-1.15%	5	22,535	0.7%	51.2	1.2%	56.4x	1.5x	EBL	28,657	0.9%	2.2	7.2x	1.0x
Miscellaneous	1,841	1,844	-3.08	-0.17%	13	105,310	3.1%	221.9	5.2%	32.8x	1.2x	PUBALIBANK	24,885	0.7%	4.0	10.4x	0.7x
												GLAXOSMITH	24,813	0.7%	2.7	26.9x	17.6x

Top Ten Gainers	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
SONALIPAPR	273.0	+10.0%	0.0	NM	1.0x
ADVENT	22.8	+10.0%	0.4	17.8x	1.9x
SHYAMPSUG	63.9	+10.0%	1.4	NM	NM
DULAMIACOT	68.4	+10.0%	0.9	NM	NM
MONNOSTAF	794.8	+7.8%	1.7	NM	61.2x
SAVAREFR	247.9	+7.7%	2.3	NM	94.3x
PROVATIINS	81.0	+7.3%	61.8	31.2x	3.9x
SONALIANS	381.5	+6.7%	10.0	NM	1.7x
JUTESPINN	144.6	+6.6%	0.1	NM	NM
ACFL	30.4	+6.3%	30.0	20.8x	0.7x

Top Twenty Free Float Mcap	Free Float Mcap (BDT Mn)	% of Total Free Float Mcap	PE	PB
SQRPHARMA	114,896	9.1%	12.6x	2.1x
BXPBARMA	50,556	4.0%	16.6x	1.8x
BATBC	49,472	3.9%	16.3x	5.0x
RENATA	45,983	3.6%	23.5x	4.3x
GP	43,925	3.5%	12.3x	10.4x
BRACBANK	33,387	2.6%	14.1x	1.3x
OLYMPIC	26,067	2.1%	17.8x	4.4x
ISLAMIBANK	20,473	1.6%	7.5x	0.7x
EBL	20,008	1.6%	7.2x	1.0x
CITYBANK	17,876	1.4%	8.0x	0.9x
PUBALIBANK	17,049	1.4%	10.4x	0.7x
UPGDCL	16,110	1.3%	22.7x	4.9x
BEXIMCO	16,024	1.3%	44.9x	0.3x
LHBL	14,972	1.2%	20.5x	2.5x
SUMITPOWER	14,458	1.1%	7.3x	1.1x
NBL	14,392	1.1%	5.8x	0.4x
ALARABANK	12,938	1.0%	6.2x	1.0x
PRIMEBANK	11,685	0.9%	16.5x	0.8x
SHAHJABANK	11,362	0.9%	11.4x	1.2x
BEACONPHAR	11,287	0.9%	40.6x	3.4x

Most Traded Share	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
BXPBARMA	143.6	-2.8%	432.4	16.6x	1.8x
BEXIMCO	22.9	-1.3%	127.0	44.9x	0.3x
ADNTEL	50.6	+2.0%	105.3	17.7x	2.0x
PARAMOUNT	134.2	+0.5%	81.5	36.7x	5.3x
BRACBANK	45.2	-0.9%	72.4	14.1x	1.3x
SSSTEEL	13.7	+3.0%	68.1	8.8x	0.8x
QUASEMIND	44.0	-2.7%	63.2	66.0x	1.5x
GRAMEENS2	16.1	-3.0%	62.1	NM	1.0x
PROVATIINS	81.0	+7.3%	61.8	31.2x	3.9x
PIONEERINS	73.5	+1.2%	61.8	9.9x	1.5x

Top Ten Losers	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
FASFIN	4.9	-10.9%	9.8	8.1x	0.4x
CAPMIBLMF	20.5	-9.7%	40.6	NM	2.3x
SAPORTL	25.4	-9.4%	55.6	30.8x	0.8x
SEMLIBLSF	10.1	-9.0%	19.4	NM	1.1x
ICBAGRANI1	7.5	-8.5%	7.2	NM	1.0x
FAREASTFIN	3.6	-7.7%	1.0	NM	3.1x
PENINSULA	18.8	-6.9%	13.8	50.8x	0.6x
EXIM1STMF	6.8	-6.8%	37.4	NM	0.7x
ABB1STMF	6.0	-6.3%	35.1	NM	0.7x
ILFSL	4.5	-6.3%	4.8	NM	NM

Block Trade	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Quantity ('000)	No. of
ADNTEL	49	48.2	5.3	110	2
BAYLEASING	20	20	2.2	110	1
BRACBANK	45.3	45.3	24.9	550	2
BXPBARMA	135	135	499.5	3,700	1
CAPMIBLMF	20.5	20.5	0.5	25	1
CONFIDCEM	107	107	0.6	6	1
DESCO	31.4	31.4	0.5	16	1
LINDEBD	1240.9	1240.9	90.0	73	1
MONNOCERA	114.2	114.2	0.5	4	1
NAHEEACP	46.5	46.5	2.3	50	1

Block Trade	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Quantity ('000)	No. of Trade
PIONEERINS	75	75	1.5	20	1
PRIMELIFE	55	55	33.6	611	1
PROVATIINS	78	78	0.8	10	1
SAPORTL	27	27	2.0	75	1
SEAPEARL	76.1	76.1	0.7	9	1
SIMTEX	15.9	15.9	0.7	45	1
SKTRIMS	56	56	1.9	34	3
Total			667.6		21

Important DSE News
FASFIN

The Board of Directors has recommended No dividend for the year ended on December 31, 2019. Date of AGM: 28.12.2020, Time: 11:00 AM, Venue: Digital Platform. Record Date: 10.12.2020. The Company has reported Consolidated EPS of Tk. (10.12), Consolidated NAV per share of Tk. 1.93 and Consolidated NOCFPS of Tk. (8.49) for the year ended on December 31, 2019 as against Tk. (0.16) (restated), Tk. 12.05 (restated) and Tk. (9.15) (restated) respectively for the same period of the previous year.

EBL

(Q3 Un-audited): Consolidated EPS was Tk. 1.70 for July-September 2020 as against Tk. 0.88 for July-September 2019; Consolidated EPS was Tk. 3.64 for January-September 2020 as against Tk. 2.83 for January-September 2019. Consolidated NOCFPS was Tk. (12.48) for January-September 2020 as against Tk. 5.02 for January-September 2019. Consolidated NAV per share was Tk. 35.84 as on September 30, 2020 and Tk. 31.98 as on December 31, 2019.

LEGACYFOOT

(Q1 Un-audited): EPS was Tk. 0.06 for July-September 2020 as against Tk. 0.18 for July-September 2019; NOCFPS was Tk. (0.16) for July-September 2020 as against Tk. 1.85 for July-September 2019. NAV per share was Tk. 10.62 as on September 30, 2020 and Tk. 10.43 as on June 30, 2020.

SSSTEEL

(Q1 Un-audited): Consolidated EPS was Tk. 0.71 for July-September 2020 as against Tk. 0.79 (Solo) for July-September 2019; Consolidated NOCFPS was Tk. (1.53) for July-September 2020 as against Tk. 0.14 (Solo) for July-September 2019. Consolidated NAV per share (with revaluation) was Tk. 19.27 as on September 30, 2020 and Tk. 17.48 (Solo) as on June 30, 2020; Consolidated NAV per share (without revaluation) was Tk. 16.82 as on September 30, 2020 and Tk. 14.98 (Solo) as on June 30, 2020.

MERCANBANK

The Company has informed that the Board of Directors has decided to issue coupon bearing non-convertible "Mercantile Bank 3d Subordinated Bond" up to BDT 500.00 Crore as Tier-II regulatory capital through private placement to strengthen the Capital base of the Bank under Basel-III guideline subject to approval from concerned regulatory authorities.

CENTRALPHL

The auditor of Central Pharmaceuticals Limited has given the following "Qualified Opinion" paragraph in the audit report of the Company prepared for the year ended on June 30, 2020. Qualified Opinion: 1. Three Bank Accounts of the company with Janata Bank Ltd. Local office, Dhaka were frozen by the Tax Authority demanding Tax Liability amount of Tk. 93,082,463 vide their letter no. 178456845965/Circle -155/2014-2015/232 dated 26.04.2015 and no subsequent development thereof was reported. Sense then, the company has been running through cash transactions. 2. No latest status on Tax assessment position of the company was provided. The Tax Authority has a Claimed for 488,160,889 taka vide there letter No. Tax liability/A-13/Circle-155/2017-2018 dated 04.04.2018 that for the assessment years from 2007-2008 to 2016-2017. It was also found that Income Tax returns of the company for the assessment years 2017-2018 and 2018-2019 had been submitted on 22.10.2019 and tax assessment thereof have not been yet completed. Advance Tax Tk. 280,204,451 and Liabilities for Tax Tk. 278,978,472 remain unadjusted in the accounts. As a result, Assets and Liabilities have been overstated. No supporting documents as against payment of advance tax of Tk. 9,078,904 during the year 2019-2020 have been provided. The company has incurred loss for the year ended 30 June, 2020 but has made no provision for Turnover Tax on gross turnover of Tk. 140,091,702. Current tax provision should be Tk. 840,550 on turnover that was not provided for, due to which the current liabilities are understated by the same amount. 3. The management of the company has written off inventory of Tk. 482,218,612 during the year against which no supporting documents could be provided to us. As per the management, they have destroyed the inventory but no evidence could be provided on destruction. Neither were we informed before any such destruction done by the company. The value of inventory destroyed was charged in the cost of goods sold. The company could not provide proper evidence or justification for charging the loss incurred on inventory destruction in cost of goods sold. As existence or destruction of inventory was not justified by the company the actual value of inventory could not be determined or whether the loss incurred by them was correctly charged in cost of goods sold. As per our qualification last year, we observed that the volume of inventories was high in comparison to purchase,

Upcoming Corporate Events

DSE Ticker	Right Share	Dividend		Event	Date
		Stock	Cash		
IBP	-	2.0%	4.5%	Record Date	23-Nov-20
ETL	-	5.0%	0.0%	Record Date	23-Nov-20
WATACHEM	-	0.0%	35.0%	Record Date	23-Nov-20
GHAIL	-	0.0%	0.0%	Record Date	23-Nov-20
SALVOCHEM	-	0.0%	1.0%	Record Date	23-Nov-20
SAIHAMCOT	-	0.0%	0.0%	Record Date	23-Nov-20

Upcoming IPOs

Company Name	Event	Opening Date	Closing Date
Robi Axiata Limited	Subscription	17-11-20	23-11-20
Energypac Power	Subscription	07-12-20	13-12-20

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production capacity, cost of goods sold and turnover as a whole and had been increasing years to years. No technical status report was provided to us on the quantity, quality and value of inventories last year. Physical existence with good condition and saleable value of major portion of inventories was doubtful, as movement of inventory were not recorded properly by the company and no valid evidence were provided to us conforming the inventory or its net realizable value or any provision was made. 4. The management of the company has written off trade receivables of Tk. 583,386,646 during the year against which no supporting documents could be provided to us. As per the management, there were long cumulative outstanding amounts, untraceable medicine shops and medical officers, unadjusted returned expired products that were not accounted for in previous years which were taken into consideration in current year. However, no detailed calculation or supporting could be provided by the management on the balances written off. As per our qualification last year, we observed that the balance of accounts receivable had been increasing years to years. No status report or confirmation certificate of lying balances of last year with the concerned sales centers and parties could be provided to us. The company did not have details of receivables or any policy regarding recoverability of these receivables. Hence, recovery of accounts receivable was doubtful and no provision for bad debts was accounted for in last year. 5. In note no. 21 of the financial statements, amount of Tk. 3,152,249 was shown paid against Workers' Profit Participation Fund against which no proper documents was provided to us. 6. Net Sales have been shown Tk. 140,091,702 against which no proper documents could be provided to us. 7.No proper documents could be provided to us against purchase of raw materials and packing materials of amounting Tk. 44,927,351 and Tk. 22,654,457.

BDSERVICE

The auditor of the Bangladesh Services Ltd has given the "Material Uncertainty Related to Going Concern" & "Emphasis of Matter" paragraph in the Auditor's Report for the year ended on 30 June 2020. Material Uncertainty Related to Going Concern: We draw attention to note 1.8 to the financial statements which indicates that the Company incurred a net loss of BDT 462,945,195 for the year ended 30 June 2020 (2019: BDT 364,393,077). Moreover, the Company's current liabilities exceeded its current assets by BDT 1,435,289,377 as at 30 June 2020 (2019: BDT 1,063,490,563). As stated in note 1.8, these events or conditions, along with other matters as set forth in note 1.8 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in respect of this matter. Emphasis of Matter: I. We draw attention to note 32 to the financial statements where management explains the circumstances of various contingencies and additional claims of value added tax (VAT) and supplementary duty from Large Taxpayers Unit (VAT) and additional tax demand from income tax assessing authority, the uncertainties of getting judgment in favour of the Company and management's position on the same. II. As per Financial Reporting Council's Notification no. 179/FRC/FRM/Notification/2020/2 dated 07 July 2020 the amount of forfeiture account of Bangladesh Services Limited Employees' Provident Fund for the current year (the Fund) has to be refunded to Bangladesh Services Limited (the Company) within the timeline as stated in the said notification. Additionally, from year 2015, if there is any amount of forfeited fund which has been distributed between the members must be collected by the Company within 31 December 2020 as per condition 4 of the said notification. Failure to comply with the conditions of this notification will be an offence under section 48 of the Financial Reporting Act, 2015. III. The Company operates a gratuity scheme which is a defined benefit plan, covering all its eligible permanent employees. Provision is made on the basis of period of employment and latest basic pay to cover obligation under the scheme in respect of the employees who meet eligibility requirements. This Fund has to be separately funded and approved by the National Board of Revenue under the First Schedule, Part C of the Income Tax Ordinance 1984 (ITO) to get tax exemption under para 20, Part A of the Sixth Schedule. Failure to obtain recognition from the National Board of Revenue will result in any gratuity payment being treated as taxable income in the hands of the employee. Our opinion is not modified with respect to matters as stated above.

ARAMIT

The auditor of the Aramit Limited has given the "Qualified Opinion" & "Emphasis of Matter" paragraphs in the Auditor's Report for the year ended on 30 June 2020. Qualified Opinion: 1. As disclosed in note 5.2 to the financial statements, Investment in Associates amounting Tk. 126,859,200 have been valued at cost price but it should be valued applying Equity methods as required by IAS-28. Emphasis of Matter: We draw attention to note 03.10.03 of the financial statements, which describes matters related to Proportionate transfer of workers profit participation (10% of WPPF) fund to Govt. exchequer in accordance with section 234 of Labor Act 2006, (amended 2015). Our opinion is not modified in respect of this matter.

SIMTEX

The auditor of the Simitex Industries Limited has given the "Qualified Opinion" & "Emphasis of Matter" paragraphs in the Auditor's Report for the year ended on 30 June 2020. Qualified Opinion: 1. As disclosed in Note # 3.00 to the financial statements, the company recognized property, plant and equipment of BDT 1,331,884,307 in the statement of financial position. The company did not maintain fixed assets register properly with details containing information such as identification number of assets held, date of acquisition, cost of purchase, category of assets, accumulated depreciation, etc. Due to lack of such update records, completeness and accuracy of the said fixed assets was not traceable. 2. As disclosed in Note # 17.00, during the year 2016 the company was granted short-term loan facilities of BDT 300,000,000 from the International Leasing and Financial Services Limited against which BDT 185,800,000 was disbursed during the year 2017. The said amount of loan and interest left unrecognized in the financial statements from year ended June 30, 2017 onwards. However, the company recognized the above amount of loan along with corresponding assets bought, during the current financial year ended 30 June 2020. Emphasis of Matter: 1. During the year ended 30 June 2020 the company reported closing inventory of BDT 402,863,335 in the financial statements. At the attendance of year end physical inventory count of the company we noted that there were some raw materials which were obsolete and damaged nature held at the premises of the company for a long period of time. Due to non-consideration of writing off required against the cost of those : items of inventories, closing inventories reported in the financial statements were overstated. 2. As disclosed in Note # 5.00, The company reported trade receivables of BDT 681,752,440 in the statement of financial position as on 30 June 2020. The above balances remained outstanding against letters of credit (LCs) denominated in USD and is subject to realization upon receipt of supporting documents from the banks following the reporting period. A portion of the amount remained unreconciled as of the reporting period. 3. At the end of the year dividend payable A/C shows Tk. 14,497,908 against which Tk. 734,329 is available in Trust Bank Ltd A/C and remaining amount has been maintaining in Trust Bank Ltd as fixed deposit. 4. During the audit at the company, we noted that the company made some payments against purchase and expenses in cash mode instead of A/C payee cheque or bank transfer which indicates violation of Income tax ordinance 1984 guideline.

USMANIAGL

The auditor of the Usmania Glass Sheet Factory Limited has given the "Qualified Opinion" & "Emphasis of Matter" paragraphs in the Auditor's Report for the year ended on 30 June 2020. Basis for Qualified Opinion: 1. Material uncertainty relating to Going Concern: Designed production capacity of Furnace- 1 & 2 of "Usmania Glass Sheet Factory Limited" was 20,100,000 (2mm basis) sft. Out of 20,100,000 (2mm basis) sft. designed capacity of Furnace-1 is 6,700,000 sft (2 mm basis) & Furnace-2 is 13,400,000 sft (2mm basis). But from the year of 2018-2019 Furnace-1 is closed as there was overstock of finished goods remained unsold due to lower market demand & water logging for heavy rain and it would not restart without major overhauling. On 23rd June, 2020 a major fire accident was happened in Furnace- 2 and it is quite uncertain for resuming the production through this Furnace-2. Moreover, the Usmania Glass Sheet Factory Limited suffers huge technological problem for production since long. Production technology of the company has become backdated comparing with its competitors. For the outdated technology, cost of the product is exceeded its selling price resulting the

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company has been incurring huge Operating loss both in current as well as last few years. However, management has taken an initiative for Market Survey & Economic Feasibility on a new project for production of Container Glass instead of existing outdated Sheet Glass technology but the progress of implementing the decision is carrying significant doubt of the result of the planned project in near future. A disclosure regarding going concern has been made in Note no. # 02.06 of Notes to the financial statements. Note 02.06- Going Concern: Float glass technology as used in the company is the oldest & outdated compared to the present day technology of much more improved glass products all over the world not to speak of our country alone, So the company's Sheet glass is substantially losing year after year in terms of production efficiency and marketability simultaneously forcing the increase in production cost added with gradually decrease in selling price thus justifying the company shifting of its product line. As such the company is going to implement a new project for production of container glass within next two years. Board of Directors of UGSFL discussed to establish a new container Glass plant in the Board meeting No 327, 328, 330, 332, 333 & 334th. As part of its implementation a tender is in process (Negotiation stage) to select a firm for Market survey & Economic feasibility study. Hopefully within few month the selection process will be completed & selected firm will start the survey works within stipulated time which will take over the existing facilities as much as possible. Emphasis of Matter: Without qualifying our opinion, we draw attention to the following issues, 1.The reason for decrease in EPS from (6.21) in the previous year to this year (7.21) is mainly due to increase in operating losses (Refer to Note-42.00).2.According to Para 9 of IAS 36, An entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. But the company did not provide any information regarding the assessment of any indication of impairment. 3.According to Para 77 of IAS 16, If items of property, plant and equipment are stated at revalued amounts, the following shall be disclosed: (a) the methods and significant assumption applied in estimating the items' fair values; (b) the extent to which the items' fair values were determined directly by reference to observable prices in an active market or recent market transactions on arm's length terms or were estimated using other valuation techniques; (c) for each revalued class of property, plant and equipment, the carrying amount that would have been recognized had the assets been carried under the cost model; and (d) the revaluation surplus, indicating the change for the period and restrictions on the distribution of the balance to shareholders. But there was no information in the policy notes which is violation of IAS 16. 4. The Company did not comply with Circular No. # 179/FRC/FRM/Notification/2020/2 of FRC dated 07 July, 2020 related to Provident Fund (PF). 5. It appears from Note # 10 of notes to The financial statements that the disclosure requirement (Ageing Schedule i.e. analysis of the age of financial assets) for Deposits & Prepayments have not been made in line with Para 37(a) of IFRS 7; Clause 5(A) (iii) & (iv) of schedule-1 under Rule 12(2) of the Securities and Exchange Rules, 1987 and the provision of Part-I, Schedule XI, Section 185 of Companies Act. 6. a) As per note No. 44.00 of the financial statements, the company has foreign currency transaction for the year ended on 30 June 2020. But the company has not recognized any gain or loss arising from foreign currency : transaction in the statement of profit or Loss and other comprehensive income in line with Paragraph 23 of IAS 21 "The Effects of Changes in Foreign Exchange Rates" b) The company has not shown any effect of unrealized gain or losses arising from Changes in foreign currency exchange rates on cash and cash equivalents in the Statement of Cash Flows prepared for the year ended on 30 June 2020 as a separate line item

JUTESPINN

The auditor of the Jute Spinners Ltd has given the "Qualified Opinion" & "Emphasis of Matter" paragraphs in the Auditor's Report for the year ended on 30 June 2020. Qualified Opinion: 1. Material Uncertainty Related to Going Concern (ISA -570): The Company incurred a net loss of Tk. 77,230,894 during the year ended 30 June, 2020 and the accumulated loss of the company as on 30 June, 2020 stands at Tk. 610,276,510. As of that date, the Company's current liabilities stood Tk. 615,721,258 which exceeded its total assets of Tk. 291,990,067 by Tk. 323,731,191. We also draw attention to the labor difficulties, inability to pay creditors on due dates, adverse key financial ratios, discontinuance of dividends, inability to obtain financing for essential

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new product development, dis-continue existing production or other essential investments, inability to comply with terms of loan agreements, emergence of a highly successful competitor, Loss of market & customer(s), inefficiency of key management and negative operating cash flows indicated by financial statements of the company. Furthermore, loan holders (Janata Bank Ltd.) and one of the supplier's namely West Zone Power Distribution Company Ltd initiated legal proceedings against the company. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and that the financial statements do not adequately disclose this matter. 2. Revaluation of Property, Plant and Equipment (IAS-16): The Revaluation of Property Plant and Equipment of Jute Spinners Limited were affected in 1990 and subsequently no other revaluation has been commensurate till the date of reporting. As directed by IAS-16, Para-34, revaluation shall be made with subsequent regularity i.e. 3 to 5 years that carrying amount does not differs materiality from the fair value at the end of the reporting period. As such the value of the assets has significantly changed from the date of last revaluation, the reflection of which was not demonstrated in the financial statements which led us to believe that the financial statements contain material misstatement. According to Para 77 of IAS 16, If items of property, plant and equipment are stated at revalued amounts, the following shall be disclosed; (a) the effective date of the revaluation; (b) whether an independent valuer was involved; (c) the methods and significant assumption applied in estimating the items' fair values; (d) the extent to which the items' fair values were determined directly by reference to observable prices in an active market or recent market transactions on arm's length terms or were estimated using other valuation techniques; (e) for each revalued class of property, plant and equipment, the carrying amount that would have been recognized had the assets been carried under the cost model; and (f) the revaluation surplus, indicating the change for the period and any restrictions on the distribution of the balance to shareholders. But the company did not disclose any required information in the policy notes regarding Revaluation of Property Plant and Equipment. As such it is not understandable whether the Property, Plant and Equipment is presented at fair value. 3. Impairment of Assets (IAS-36): As per IAS-36 para-9, an entity shall at the end of each reporting period assess whether there is an indication that assets may be impaired (if any) such indication exists the entity shall estimate the recoverable amount of the assets and compute impairment and reports to the statements of profit or loss and other comprehensive income as impairment loss. Jute Spinners Limited has not reviewed any assets that could be impaired at the end of the year so this constitutes a departure of International Accounting Standards (IAS)-36 para-9. However, reporting assets without any impairment review shall overstate/ understate the fixed assets of the organization. 4. Inventory (IAS-2): i. Inventories are being carried forward for the last three years at the same value at cost without considering the net realizable value. The company's policy note no. 3.5 Valuation of inventories indicates that management stated the inventories at lower of cost and net realizable value. And company has not disclosed any fair market value except cost of inventory Tk. 243,791,989 which represents 83.49% of its total assets. We were unable to determine the value & quantity of inventories to be reported in the financial statements as our appointment of statutory audit was post-dated on 24 September 2020. Consequently, inventory might be overstated so as to profit or asset of the organization. ii. The company has not disclosed write down policy of inventories in the notes to the financial statements since the factory was closed down from 2016, either the quality of the inventories is obsolete or unusable condition (Raw Jute, Finished Goods; Work in Progress & Stores and Spares). 5. Related Party Disclosure (IAS-24): I. The Company has taken loan total amount Tk. 20,557,041 from the Managing Director. But no Board resolution or agreement was made between the Managing Director and the Company which is a material misstatement by quality/nature. Therefore, no interest was charged by the company against the loan amount. II. The company has taken Loan from Mrs. Ayesha Kadir, wife of Director- Muhammad Shams-Ul-Kadir amounting to Tk. 3,500,000 which remained unpaid and no interest has been provided in the accounts resulting understatement of liability. III. Major portion of transaction with directors have been made by cash which is a violation of Companies Act 1994 and Income Tax Ordinance 1984. 6.Property, Plant and Equipment (IAS-16): The carrying amount of property, plant, and equipment's (PPE) comes to Tk. 21,498,732. We were not provided with any document regarding checking of physical existence as a part of internal control as of statement of financial position. However, in the fixed asset depreciation calculation schedule, some assets are fully depreciated and its nominal value comes to Tk. 1 of

each assets. But those asset's values are included in depreciable asset. Lack of proper presentation, we are unable to identify the said assets and also unable to verify the accuracy of depreciation calculation. 7. Non-payment of Worker 's Profit Participation Fund (WPPF) and Welfare Fund (WF): i. Constitution of management board and management of the fund regarding Workers Profit participation fund (WPPF) & Welfare Fund (WF) has not been maintained in accordance with the provision made in section 232 to 235 of the Bangladesh Labour Act, 2006 as amended 2013. ii. As per the Section 242 (Utilisation of participation fund) of the Bangladesh Labour (amendments) Act, 2013 - "Of the total amount deposited in the participation fund every year, two-thirds shall be distributed in equal proportion to all beneficiaries in cash and one-third shall be invested in accordance with the provisions to all beneficiaries". But It appears that the Company has not distributed and utilised Workers' profit participation Fund Tk. 13,744,387 of WPPF for a long period of time violating the Bangladesh Labour Act, 2006 as amended 2013. iii. Non-Formation of Gratuity Fund & Provident Fund: The company did not form Gratuity Fund (GF) and Provident Fund (PF) during the year. This is also non-compliance of the Bangladesh Labor Act, 2006 as amended 2013. 8. Accounts Receivable and Advance, Deposits & Prepayments: i. Advance, Deposits & Prepayments (note 7.00) amounting Tk. 17,592,139 and Accounts Receivable (note 8.00) amounting Tk. 307,716 have not been adjusted for long times. This illustrates that major portion of money has not been realized by the company. Resulting, these current assets might be subject to credit toss for which the company did not make any provisions. ii. It appears from Note # 7.00, and 8.00 of the financial statements that the disclosure requirement (Ageing Schedule i.e., analysis of the age of financial assets) for Debtors and Advances, Deposits & Prepayments have not been made in line with Para 37(a) of IFRS 7; Clause 5(A) (iii) & (iv) of schedule-I under Rule 12(2) of the Securities and Exchange Rules, 1987 and the provision of Part-I, Schedule XI, Section 185 of Companies Act. 9. Cash & Cash Equivalents: In note no. 9.00 Cash & Cash Equivalents, the E.R.Q Account Tk. 136,874 was not confirmed by us because the company did not provide us bank statements. 10. Short Term Loan: In note no. 14:00 of notes to the financial statements, Short Term Loan P.C. A/c Tk. 40,252,040 was not confirmed because the company did not provide us bank statements. In addition, the company charged bank Interest of around 13% amount Tk. 5,493,434 against this loan year to year. 11. Income taxes (IAS-12): Deferred Tax: Wrong recognition of deferred tax: As per paragraph 24 of IAS 12: "Income Tax" - "A deferred tax asset shall be recognized for all deductible temporary difference to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that: (a) is not a business combination; and (b) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss)". But the company has recognized deferred tax assets though the company has not any taxable profit which is non-compliance with paragraph 24 of IAS 12: "Income Tax ". 12. Unadjusted Current Assets since long: An amount of Tk. 261,854,736 has been shown under several heads of assets in the Financial Statements. The figure has been carrying forward for a long period without making any addition or adjustments. This amount seems doubtful in nature for which : provision should have been made in the financial statements. Since no provision was accounted for doubtful amount, the profit has been overstated. 13. Unadjusted Current liabilities since long: An amount of Tk. 605,615,017 has been shown as several balances of Liability in the financial statements. The figure has been carrying forward for a long period without making any adjustment. Emphasis of Matter: 1. In note no. 14.00 Short Term Loan P.C. A /c T k. 40,252,040 has been shown by the company but in the Artha Rin Suit No. 125/2018, bank claimed an amount Tk. 41,999,839. The Company has made sufficient provision against bank demand. 2. The West Zone Power Distribution Company Ltd. has filed a suit against the company Suit No: w Mm-318 an amount of Tk. 1,590,111. The company has paid an amount Tk. 294,555 against this claim. The Company has made sufficient provision against suit amount.

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