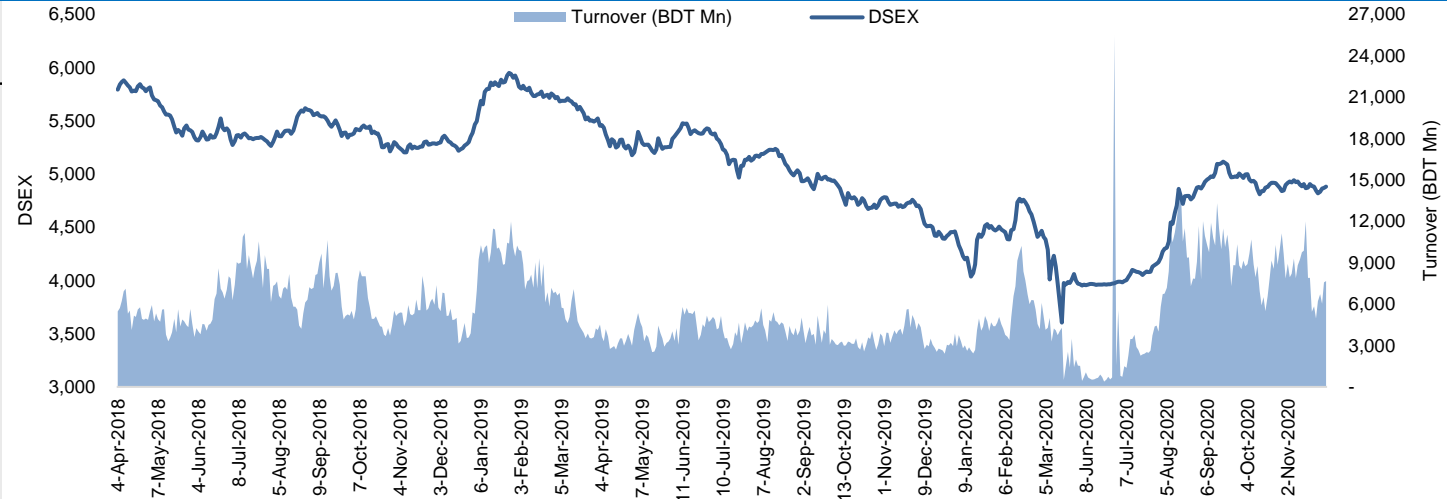


Daily Market Update

The market closed in green today. The benchmark index DSEX (+0.26%) gained 12.73 points and closed at 4,881.82. The blue-chip index DS30 (+0.54%), the Shariah-based index DSES (+0.18%), and the large-cap index CDSET (+0.40%) closed at 1,698.80, 1,120.92, and 994.53 points, respectively. Large-cap sectors posted mixed performance today. Telecommunication booked the highest gain of 0.97% followed by Pharmaceutical (+0.26%), Bank (+0.10%). NBFi experienced the highest loss of 1.2% followed by Fuel & Power (-0.83%), Engineering (-0.63%) and Food & Allied (-0.36%). Block trades contributed 3.1% of the overall market turnover. Bangladesh Export Import Company Ltd. (+4.5%) was the most traded share with a turnover of BDT 494 million.



Index	Closing	Opening	Point Δ	%Δ	YTD %Δ
DSEX	4,881.82	4,869.09	+12.73	+0.26%	+9.6%
DS30	1,698.80	1,689.70	+9.10	+0.54%	+12.3%
DSES	1,120.92	1,118.85	+2.07	+0.18%	+12.1%
CDSET	994.53	990.55	+3.98	+0.40%	+10.5%

	Advanced	Declined	Unchanged	Total
All Category	110	145	95	350
A Category (Equity)	79	108	67	254
B Category (Equity)	18	19	19	56
N Category (Equity)	2	2	0	4
Z Category (Equity)	11	16	9	36
Mutual Funds	6	29	2	37
Corporate Bonds	1	0	0	1

	Today	Last Day	Daily %Δ	
Mcap	Mn BDT	3,907,959	3,905,336	+0.1%
	Mn USD	45,998	45,967	
Turnover	Mn BDT	7,662	7,583	+1.0%
	Mn USD	90	89	
Volume	Mn Shares	287	278	+3.4%
No. of Trade		147,288	152,160	-3.2%

Figure: Sectorial Turnover (BDT Mn)

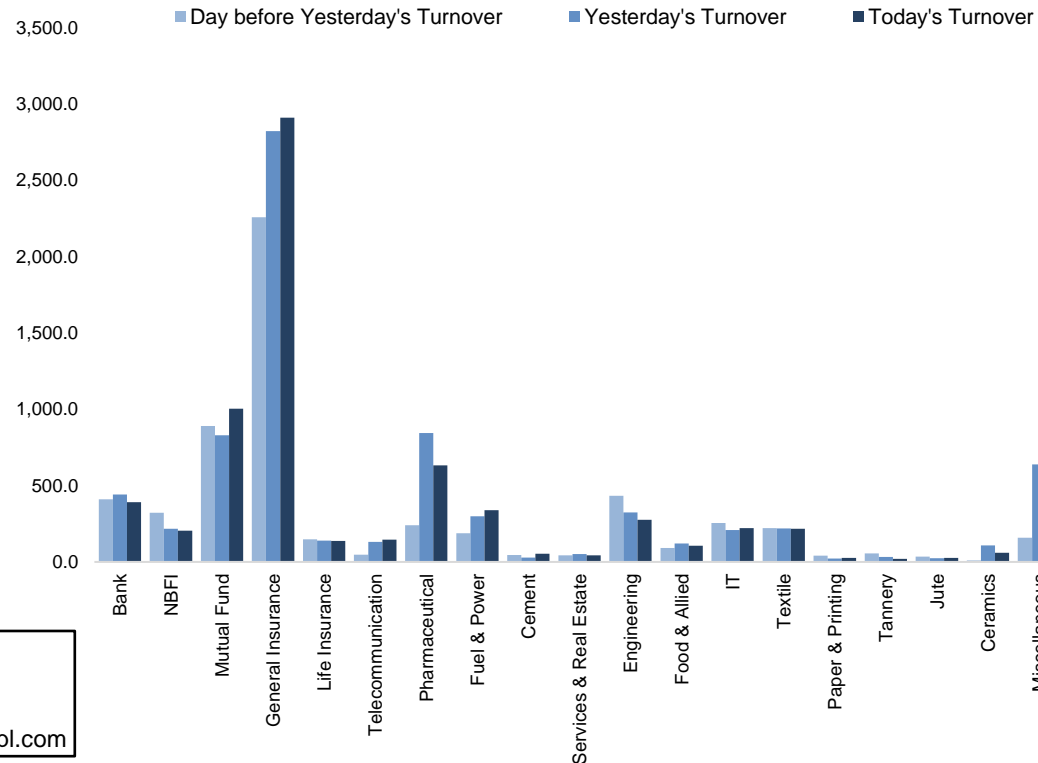
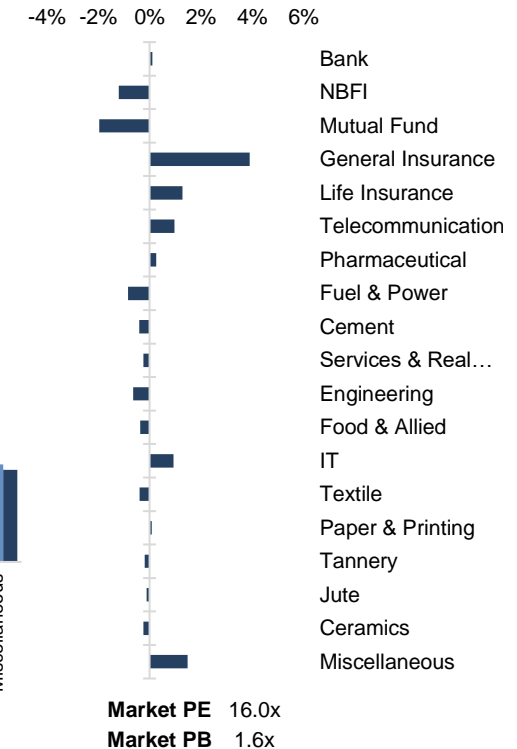


Figure: Sectorial Mcap Change



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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	1,331	1,330	+1.40	+0.10%	30	554,679	16.6%	390.8	5.3%	7.7x	0.7x	GP	434,121	13.0%	8.7	12.2x	10.3x
NBFI	1,724	1,745	-21.03	-1.20%	23	161,822	4.8%	203.8	2.7%	121.7x	2.6x	WALTONHIL	214,685	6.4%	33.2	31.6x	2.7x
Mutual Fund	1,013	1,034	-20.32	-1.97%	37	44,271	1.3%	1,002.8	13.5%	NM	0.9x	BATBC	185,310	5.5%	31.6	16.1x	5.0x
General Insurance	4,153	3,997	+156.01	+3.90%	36	101,766	3.0%	2,910.7	39.2%	22.5x	2.0x	SQURPHARMA	167,451	5.0%	62.0	12.0x	2.0x
Life Insurance	2,137	2,110	+27.00	+1.28%	12	56,534	1.7%	137.4	1.9%	NM	NM	UPGDCL	157,414	4.7%	163.6	22.2x	4.8x
Telecommunication	4,442	4,399	+42.56	+0.97%	2	456,681	13.6%	146.4	2.0%	12.5x	9.3x	RENATA	93,072	2.8%	9.5	23.2x	4.3x
Pharmaceutical	2,944	2,936	+7.59	+0.26%	31	528,968	15.8%	633.5	8.5%	18.7x	2.3x	ICB	66,399	2.0%	8.3	29.9x	1.5x
Fuel & Power	1,591	1,605	-13.37	-0.83%	20	413,671	12.3%	339.5	4.6%	12.2x	1.4x	MARICO	66,182	2.0%	3.3	22.7x	41.5x
Cement	1,166	1,171	-4.69	-0.40%	7	73,216	2.2%	54.7	0.7%	29.2x	1.8x	BXPBARMA	65,846	2.0%	431.1	18.7x	2.0x
Services & Real Estate	988	990	-2.38	-0.24%	9	40,558	1.2%	43.2	0.6%	85.0x	0.8x	BERGERPBL	62,216	1.9%	3.1	27.8x	7.0x
Engineering	2,853	2,871	-18.22	-0.63%	40	359,164	10.7%	276.6	3.7%	30.2x	1.6x	BRACBANK	60,990	1.8%	52.9	14.4x	1.4x
Food & Allied	12,866	12,912	-46.44	-0.36%	18	263,659	7.9%	107.1	1.4%	20.8x	5.7x	LHBL	42,158	1.3%	28.2	20.4x	2.5x
IT	2,261	2,240	+21.03	+0.94%	10	25,006	0.7%	221.7	3.0%	24.0x	2.1x	ISLAMIBANK	41,860	1.2%	8.4	7.4x	0.7x
Textile	1,028	1,032	-3.96	-0.38%	56	105,673	3.2%	217.3	2.9%	271.9x	0.7x	SUMITPOWER	39,618	1.2%	12.8	7.3x	1.1x
Paper & Printing	5,195	5,190	+4.59	+0.09%	4	14,727	0.4%	25.9	0.3%	61.8x	1.1x	DUTCHBANGL	35,200	1.1%	5.4	7.7x	1.2x
Tannery	1,644	1,647	-3.12	-0.19%	6	17,849	0.5%	20.6	0.3%	NM	1.7x	OLYMPIC	34,689	1.0%	18.1	17.1x	4.2x
Jute	8,702	8,712	-9.49	-0.11%	3	2,048	0.1%	26.8	0.4%	NM	10.6x	TITASGAS	29,874	0.9%	7.2	8.4x	0.4x
Ceramics	440	441	-1.06	-0.24%	5	22,709	0.7%	60.0	0.8%	56.8x	1.5x	EBL	27,845	0.8%	1.6	7.0x	1.0x
Miscellaneous	1,932	1,904	+28.10	+1.48%	13	107,789	3.2%	603.9	8.1%	34.0x	1.2x	UNILEVERCL	27,183	0.8%	7.1	29.5x	19.3x
												NATLIFEINS	26,729	0.8%	21.0	NM	NM

Top Ten Gainers	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
UNITEDINS	58.3	+10.0%	36.8	25.0x	1.7x
GREENDELT	71.6	+10.0%	108.9	14.6x	1.0x
RELIANCINS	71.6	+10.0%	149.0	11.5x	1.2x
JANATAINS	40.8	+10.0%	107.3	NM	2.7x
AL-HAJTEX	41.1	+9.9%	16.4	NM	4.2x
PRAGATIINS	67.8	+9.9%	95.5	17.7x	1.3x
PRIMEINSUR	52.3	+9.9%	144.8	NM	3.0x
NORTHRNINS	46.3	+8.4%	222.1	27.6x	2.2x
EASTLAND	34.8	+8.1%	63.9	31.8x	1.7x
STANDARINS	45.4	+7.6%	72.2	26.0x	2.4x

Top Twenty Free Float Mcap	Free Float Mcap (BDT Mn)	% of Total Free Float Mcap	PE	PB
SQURPHARMA	109,563	8.6%	12.0x	2.0x
BXPBARMA	57,161	4.5%	18.7x	2.0x
BATBC	49,014	3.8%	16.1x	5.0x
RENATA	45,438	3.6%	23.2x	4.3x
GP	43,412	3.4%	12.2x	10.3x
BRACBANK	33,978	2.7%	14.4x	1.4x
OLYMPIC	25,070	2.0%	17.1x	4.2x
ISLAMIBANK	20,394	1.6%	7.4x	0.7x
EBL	19,441	1.5%	7.0x	1.0x
CITYBANK	17,949	1.4%	8.0x	0.9x
BEXIMCO	17,843	1.4%	50.0x	0.4x
PUBALIBANK	16,696	1.3%	10.2x	0.7x
UPGDCL	15,741	1.2%	22.2x	4.8x
LHBL	14,890	1.2%	20.4x	2.5x
SUMITPOWER	14,576	1.1%	7.3x	1.1x
NBL	14,392	1.1%	5.8x	0.4x
ALARABANK	13,557	1.1%	6.5x	1.0x
PRIMEBANK	11,485	0.9%	16.2x	0.7x
SHAHJABANK	11,258	0.9%	11.3x	1.2x
IFIC	11,046	0.9%	9.4x	0.6x

Most Traded Share	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
BEXIMCO	25.5	+4.5%	494.3	50.0x	0.4x
BXPBARMA	147.6	+4.8%	431.1	18.7x	2.0x
NORTHRNINS	46.3	+8.4%	222.1	27.6x	2.2x
NITOLINS	72.4	+5.4%	201.2	12.5x	2.7x
UPGDCL	298.7	-1.2%	163.6	22.2x	4.8x
RELIANCINS	71.6	+10.0%	149.0	11.5x	1.2x
PRIMEINSUR	52.3	+9.9%	144.8	NM	3.0x
BSCCL	136.8	+6.0%	137.7	23.6x	3.3x
ASIAPACINS	82.9	-2.8%	120.2	45.7x	4.0x
REPUBLIC	50.8	+4.7%	114.4	24.6x	3.1x

Top Ten Losers	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
BIFC	4.0	-9.1%	0.2	NM	NM
POWERGRID	41.8	-7.7%	5.1	9.4x	0.4x
BDLAMPS	195.5	-6.7%	34.0	NM	2.5x
ARAMIT	236.5	-6.6%	2.1	NM	1.6x
FASFIN	5.0	-5.7%	6.8	8.2x	0.4x
VAMLRBBF	10.6	-5.4%	9.8	NM	1.1x
ICBAMCL2ND	9.2	-5.2%	19.3	NM	1.5x
MATINSPINN	35.0	-5.1%	0.8	12.3x	0.7x
EASTERNINS	109.6	-4.9%	24.7	27.4x	2.4x
MEGCONMILK	12.0	-4.8%	0.9	NM	NM

Block Trade	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Quantity ('000)	No. of
ASIAPACINS	83	83	5.8	70	6
BARKAPOWERS	23.1	23.1	15.0	649	3
BDCOM	25.7	25.7	0.6	22	1
BDFINANCE	24	23.2	18.7	781	2
BDTHAI	24.5	24.5	2.6	105	1
BEXIMCO	25	25	30.1	1,203	3
BXPBARMA	144	142.1	19.0	132	2
CITYBANK	24.9	24.9	4.0	160	1
CVOPRL	103.9	103.9	0.5	5	1
DUTCHBANGL	65.5	65.5	1.6	25	1

Block Trade	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Quantity ('000)	No. of Trade
EASTERNINS	115	115	0.5	4	1
EASTLAND	34	34	0.7	20	1
ETL	8.7	8.7	13.1	1,500	1
HAKKANIPUL	81.9	81.9	2.4	29	1
IFIC	11.4	11	12.1	1,080	2
KPCL	43.5	43.5	0.7	15	1
KPPL	17.3	17.3	0.5	30	1
MERCANBANK	12.1	12.1	4.0	330	1
MLDYEING	54	49.9	3.6	67	2
NAHEEACP	42.4	42.4	0.5	12	1
NHFIL	39.5	39.5	2.2	55	1
NLTUBES	112	112	0.6	6	1
PARAMOUNT	141	140	41.9	298	4
PRAGATIINS	67.8	66.5	1.3	20	2
PRAGATILIF	88	87.1	1.6	19	2
PREMIERBAN	11	11	0.8	72	1
PRIMEINSUR	52.3	52.3	0.5	10	1
PROVATIINS	88.8	88.8	17.8	200	4
PTL	49.5	49.5	1.0	20	1
RELIANCINS	66.1	66.1	1.3	20	1
SAIHAMCOT	16	16	0.5	31	1
SKTRIMS	66.2	56	27.3	437	9
UPGDCL	324	323.9	6.5	20	4
Total			238.9		65

Upcoming Corporate Events

DSE Ticker	Right Share	Dividend		Event	Date
		Stock	Cash		
DAFODILCOM	-	0.0%	8.0%	Record Date	29-Nov-20
ORIONPHARM	-	0.0%	10.0%	Record Date	29-Nov-20
ORIONINFU	-	0.0%	10.0%	Record Date	29-Nov-20
SHEPHERD	-	0.0%	1.0%	Record Date	29-Nov-20
SINOBANGLA	-	0.0%	5.0%	Record Date	30-Nov-20
UPGDCL	-	10.0%	145.0%	Record Date	30-Nov-20

Upcoming IPOs

Company Name	Event	Opening Date	Closing Date
Energypac Power	Subscription	07-12-20	13-12-20

Important DSE News

RSRMSTEEL

Referring to their earlier news disseminated on 04.01.2018 and 28.08.2019 regarding issuance of rights shares, the company informed that the Bangladesh Securities and Exchange Commission has regretted to process the application for proposed Right Issue of the company due to the failed to submit the updated documents within the stipulated time.

DESHBANDHU

The Company has informed that the Board of Directors has decided to hold an EGM for passing a special resolution for selling over 103 decimal of Land located at Kawadi, Palash, Narsingdi to its sister concern, Deshbandhu Packaging Limited on payment of consideration amount of Tk. 1,20,00,000.00. Provided that, the aforesaid land selling shall be executed after redemption of its mortgage. Date of EGM: 24.12.2020, Time: 9:30 AM, Venue: Factory Premises of the Company at Kawadi, Charsindur, Palash, Narshingdi. Record Date for EGM: 17.12.2020.

REGENTTEX

(Q1 Un-audited): EPS was Tk. (0.22) for July-September 2020 as against Tk. 0.12 for July-September 2019; NOCFPS was Tk. (0.09) for July-September 2020 as against Tk. 0.37 for July-September 2019. NAV per share was Tk. 28.24 as on September 30, 2020 and Tk. 28.46 as on June 30, 2020.

MICEMENT

(Q1 Un-audited): EPS was Tk. 0.51 for July-September 2020 as against Tk. 0.57 for July-September 2019; NOCFPS was Tk. 5.97 for July-September 2020 as against Tk. 0.57 for July-September 2019. NAV per share was Tk. 47.06 as on September 30, 2020 and Tk. 46.38 as on June 30, 2020. The Company also informed that NOCFPS has increase by Tk. 80.20 crore during the period for the following reasons: : (i) Higher Cash flow from accounts receivable in this period in comparison with corresponding period of last year. (ii) Decrease of operating expense due to pandemic situation and (iii) decrease in financial expense offset by decrease in financial income due to sharp drop in fixed deposits in this period due to FDR encashment.

The auditor of the M.I. Cement Factory Limited has given the "Qualified Opinion" & "Emphasis of Matter" paragraphs in the Auditor's Report for the year ended on 30 June 2020. Previously, disseminated the condensed version of this "Qualified Opinion" & "Emphasis of Matters" on 15 November 2020 as per the Price Sensitive Information submitted by M. I. Cement Factory Limited. Qualified Opinion: 1) We refer to note 8 of the accompanying financial statements which shows that the Company has 4 (four) active associate companies with whom the Company has regular transactions. In addition, there are 3 (three) other entities that are subsidiaries of this Company and are reportedly dormant and non-operating. There are common directors in the associate companies and nominated representative by the Company in the subsidiary entities and hence there is effective control as defined under IFRS 10 necessitating consolidation of accounts. As the Company did not consolidate the accounts, it is a deviation from the requirement of IFRS 10. Had M.I. Cement Factory Limited been consolidated with the above mentioned 7 (seven) entities, many elements in the accompanying financial statements would have been materially affected. In the absence of such consolidation we are not able to determine the effect on the financial statements. 2) We refer to note 11.2 showing the ageing of trade receivables of Taka 3,760,582,531 against which there is a provision for doubtful debts of Taka 23,052,142 only as shown in note 11.1. During the year under review, the Company has not made any provision for doubtful debts. The Company has disclosed amounts outstanding beyond one year for Taka 313,081,169 that do not show any movement during the year. In the absence of any policy for bad and doubtful debts, we could not verify the extent of doubtful debts indicating that the loss for the year has been understated. Moreover, the Company did not apply the expected credit loss method in accordance with IFRS 9. In addition, the Company has disclosed under Note 11.1 certain amounts received from customers that could not be accounted for due to lack of required customer details. Emphasis of Matter: 1) We draw attention to note 3.9.2 of the accompanying financial statements stating that the Company has an unfunded gratuity scheme for its employees. Calculation of provision against gratuity payable is based on last drawn pay multiplied by the number of years' service as per the Company's policy. The Company has however not made any actuarial valuation of its liability for gratuity that is required under IAS 19. 2) We also draw attention to note 16 of the accompanying financial statements that represents cash and cash equivalents amounting to Taka 371,748,953 which comprise of cash in hand (Taka 204,392) and cash at bank (Taka 371,544,560) We also draw attention to note 16.1 of the financial statements that indicates the company has made cash transactions exceeding Taka 50,000 per transaction that is a violation of the relevant section of Income Tax Ordinance (ITO) 1984.

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MIRACLEIND

(Q2 Un-audited): The Company further informed that EPS was Tk. (1.44) for October-December 2019 as against Tk. 0.27 for October-December 2018. The Company also informed that NOCFPS was Tk. 8.94 instead of Tk. 8.45 for July-December 2019 and NAV per share was Tk. 35.92 instead of Tk. 34.94 as on December 31, 2019 and Tk. 38.85 as on June 30, 2019.

(Q3 Un-audited): The Company further informed that EPS was Tk. (1.65) for January-March 2020 as against Tk. (0.12) for January-March 2019.

MONNOAGML

The auditor of Monno Agro & General Machinery 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: As disclosed in note # 12.05, the company has shown Tk. 1,238,062 as liabilities for WPF & WWF which includes prior years amount of TK. 891,923 that has not been paid by the company to the Fund. As per section 234 (b) of Labour Act, 2006 the company should pay the amount to the WPF & WWF not later than nine months from the end of the respective year. Further the company did not make any provision interest for the utilization of balance as per section 240(2) of the said Act.

SONALIANSH

The auditor of Sonali Aansh Industries 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: i) In Note # 13 to the financial statements, the Company reports revaluation of fixed assets which include land, building, plant and machinery etc. of BDT. 504,310,971. The revaluation was carried out in the financial year 2006-07. However, the Company has not charged any depreciation on the additional value resulting from revaluation of fixed assets as required by IAS 16: Property, Plant & Equipment (Paragraph 31). As a consequence, the net assets value of the Company remained overstated to the extent of chargeable depreciation; the net profit after tax also remained overstated by the same figure over the years. Hence, the Earnings Per Share (EPS), and the Net Assets Value (NAV), per share are also overstated to the same extent. Moreover, no revaluation has been undertaken since 2006-07 i.e. 13 years. ii) In Note # 5 to the financial statements, the Company reports addition to intangibles of BDT. 55,975,624 since 2000-01. The intangible addition comprises of tax benefit and export cash subsidy claim, which is currently under lawsuit of the Honorable High Court. The above concept of intangible addition does not comply the recognition requirement of such as per IAS 38 Intangible Assets. Also, this results in a deviation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets as per which provisions, contingent assets are to be duly reported depending on the state of the prevailing circumstances. iii) In Note # 22.3 to the financial statements, provision for WPPF of BDT. 6,401,816 has been kept by the company under the head "Workers Profit Participation Fund and Welfare Fund" as current liabilities in the financial statements as on 30 June 2020. However, the amount has not been distributed yet as per the mentioned proportion of 80:10:10 to the Participatory Fund, Welfare Fund and Workers' Welfare Foundation Fund respectively as per Sections 234 (1) and 242 (1) of the Labor Act 2006 as amended in 2013. Moreover, the company has no separate Trustee Board, Deeds or Rules for operation of WPPF. Also, the fund amount has been used by the company in its operation as a source of financing without providing any interest for such usage as per section 240 (3) of the said Act. iv) As disclosed in Note # 8 to the financial statements, the Company reports an amount of BDT. 6,031,192 (Foreign-BDT. 5,875,821 & Local-BDT. 155,371) from 18 customers (Foreign 11 & Local 7), which remains uncollectible over more than five years. In our opinion the Company is very unlikely to recover the amounts in full. Had adequate provisions been made for the above, the earnings per share (EPS) for the year 2019-20 and net asset value (NAV) as at 30 June 2020 would have been adversely affected to that extent. v) In Note # 15 to the financial statements, the Company reports deferred tax Liability of BDT. 3,318,527. While calculating the deferred tax liability, the revaluation surplus of

Property, Plant & Equipment (non-depreciable part), which amount to BDT. 32,215,394 has not been accounted for, a non-compliance of IAS 12 Income Taxes (Paragraph-51B), as per which, deferred taxes arise from revalued non-depreciable assets as a reflection of the tax consequences of selling asset. As a result, the deferred tax liability is understated. vi) In Note # 2.21 to the financial statements the Company stated its operation of a recognized provident fund for eligible workers and its administration by a duly constituted independent Trust and equal contributions @ 8.33% of basic wages and salary by both employees and the employer. However, no such recognition, trustee board, deeds and rules were found in reality. Also, the Company has not made provision for all its 2071 permanent employees @ 8.33% of basic salary. Instead, a provision of BDT. 32,406 was just made during the year, and it seems to be insufficient for its total workforce. vii) IFRS 16 Leases has not been applied while recording transactions which fulfill the set criteria for leases in the aforesaid Accounting Standards. The Company has rental agreements which fall under the new IFRS. Also, the Company has not disclosed the reason for departure of IFRS. viii) Refer to the accounting policy as mentioned in Note # 2.19, revenue is to be recognized when goods are delivered and risk of ownership are transferred to the customer. However, in practice, the accumulated sales revenue is recognized at each month end for all the invoices raised within the particular month. The mentioned practice is inconsistent with the policy adopted by the Company and also inconsistent with IFRS 15 "Revenue from Contracts with Customers". ix) Since its inception in the year 1981, the Company has not performed any impairment test of its Property, Plant & Equipment (Note # 10) as required by IAS 36 Impairment of Assets. The IAS in particular states that an entity is required to assess whether there is any indication that an asset may be impaired at the end of each reporting period to ensure that an entity's assets are not carried at more than their recoverable amount. As a result, the net assets value of the Company remained overstated to the extent of chargeable impairment, if any. x) In Note # 2.16 (Foreign currency transaction) to the financial statements, it is stated that transactions have been reported in compliance with IAS 21 The Effects of Changes in Foreign Exchange Rates. The effects of foreign currency sales transactions and the resulting exchange gain or loss have not been accounted for in compliance with IAS 21. Also, the foreign currency monetary items which include receivables, bank balance in foreign currency at the year-end have not been reported using the closing rate. i) The assessments of the financial year 1995-96 was finalized (Note: 36) but no accounting treatment has been given in the books of account for creation of additional tax provision of Taka 866,750 and adjustment of advance taxes thereof.

NORTHERN

The auditor of the Northern Jute Manufacturing Co. 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. As per paragraph 234(b) of Bangladesh Labour Act 2006 Company should pay Workers Profit Participation Fund within nine month after the year end. But management didn't pay WPPF to the members of the fund, which is violation of the Bangladesh Labour Act 2006. 2. According to our calculation deferred tax liability will be 6,523,925 so the deferred tax liability and deferred tax expenses understated by 1,209,733. But we could not able to confirm opening balance of deferred tax liability due to shortage of documents. As per Paragraph 64 of IAS 12, Income Taxes entity should transfer excess depreciation net of deferred tax on revalued amount, from revaluation surplus to equity after considering deferred tax. But entity transferred excess depreciation from revaluation surplus to equity without considering deferred tax and no deferred tax was maintained in respect of revaluation surplus. So deferred tax liability understated, and equity overstated by same amount. 3. Company constructed four dormitories with total area of sixteen thousand square feet and cost of total construction is taka 88,780,594 (taka 5,549 per square feet). According to the nature & area of the structure this amount of construction is not justifiable. Furthermore, we observed that no depreciation was charged on this addition, so depreciation expenses are undercharged by 369,919 and profit overstated by same amount. 4. Capital Work-in-Progress balance at the yearend stood of taka 38,291,367 which is 4% of total asset and material to the financial statements. We could not physically verify the nature and type of Capital Work-in-Progress. Emphasis of Matter: 1. During our audit we have not been provided the third party confirmation in relation to the loan

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balances, bank balances. So we were not able to confirm the loan and bank balance. 2. In reference to the BSEC directive no. SEC/CMRRCD/2009-193/120/Admin/35, dated December 07, 2011, the directors of the listed security must hold jointly 30% of paid up capital. But the directors of the company just hold 15.09% paid-up capital.

DSHGARME

The auditor of Desh Garmants Ltd 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. Worker's Profit Participation & Welfare Fund provision being created at an irregular manner & not being distributed until now represents noncompliance under Labour Act 2006. 2.Dividend payable under sponsor's portion appearing since long. 3. Withholding tax & VAT payment need be brought under strict compliance. 4. IFRS-16 (Leases) need be implemented. However, their do not appear any going concern crisis.

ISNLTD

The auditor of Information Services Network Ltd 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) An amount of Tk. 104,284,833 has been shown under the head "Accounts Receivable" in note no. 06.00 of notes to the financial statements. The amount of Tk. 104,284,833 receivable from various parties have been carried forward since long which indicates a significant amount to be doubtful of recovery. It is very unlikely that full amounts will be recovered from the parties since only negligible amount of T K. 836,765 has been received during the year. No provision has been made on that doubtful amount which has a possible effect on profit and EPS of the company. 2) As disclosed in note 8.00 of notes to the financial statements an amount of Tk. 14,715,000 has been shown under two sub-heads namely Mojibul Huq & others. The figure has been carrying forward for a long period without making any adjustment. ISN Ltd., filled cases against them, bearing case numbers C.R. Case No. 18 of 2019 & C.R. Case No. 19 of 2019. This amount seems to be doubtful in nature for which provision should have been made in the financial statements but no provision has been made. 3)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, 4) The company has transferred the depreciation on revaluation reserve of Tk. 929,149 from revaluation reserve to Reserve & Surpluses without adjusting deferred : tax on depreciation on revaluation reserve which is a non-compliance with Paragraph 20 of IAS 12 "Income Taxes". Also deferred tax on revaluation surplus has not been recognized in accordance with IAS-12. The sponsors and directors other than independent directors are holding 21.62% shares of the company and are continuing to hold the position of the directorship of the company ignoring the requirement of holding, at all time, jointly minimum 30% (thirty percent) shares of the paid-up capital of the company violating notification no. BSEC/CMRRCD/2009-193/217/Admin/90.

LEGACYFOOT

The auditor of the Legacy Footwear 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.The company has not calculated and created a provision for current year income tax according to the 6th Schedule (Part A) of Income Tax Ordinance 1984. The current tax provision for the based on the 0.6% of the revenue for the year is Tk.7,28, 146. The Company also has not calculated the deferred tax properly. As per auditor the deferred tax income was Tk. 1,394,862 but the company was recognized Tk 962,860. Thus, Net Profit after Tax and Earnings Per Share (EPS) have been misstated by those amount. 2. Workers Profit Participation Fund (WPPF) has not been formed and maintained in accordance with section 232 of Bangladesh Labor Act,2006 (Amendment 2013) The company has made a payment of TK. 15,79,733 from WPPF fund to the workers for the balance owing from the previous year June 30, 2019. The company was able to provide us the evidence

of this payment distributed to the workers. However, the amount was disbursed directly from the company's account instead of the WPPF Trustee Account which is direct violation of the Labor Act, 2006, section 232 of Bangladesh. 3.The auditor from previous year as per the 2019 annual report states that the company was only able to show evidence TK. 35,31,431 from TK. 1,22,26,942 dividend paid disclosed in Statement of Changes in Equity of June 30, 2019. During our audit period the company subsequently was able to provide proof of further dividend payment of TK. 3,54,049 from the unverified amount Tk 86,95,511 of previous year. Thus, payment of TK. 83,41,462 remains unverified. 4. The company has transacted all its transaction in cash including payment of salary, directors' remuneration and capital investment. As a result, non-compliance of section 30(i) and (m) of Income Tax Ordinance occurred. Consequence of which attract additional income tax while tax assessment done by the tax department. Emphasis of Matter: We draw user's attention to the note# 2.31 to the financial statements which describes that all transactions of the company made during the year under audit have been done by cash. Management, however, has been able to provide us with appropriate evidence during execution of audit. Our opinion in not modified in respect of the matter.

DAFODILCOM

The auditor of the Daffodil Computers Ltd has given the "Emphasis of Matter" paragraphs in the Auditor's Report for the year ended on 30 June 2020. Emphasis of Matter: Without qualifying our report, we would like to draw the attention on the following matters: 1. the company has shown an amount of Tk. 20,109,782/- under investment in subsidiaries and others since long. As per FSs of Skill Jobs (former jobsbd.com) the said amount is share money deposit. As per FRC circular no.146/FRC/SS/2020/251 dated 19 February 2020 share money deposit cannot be retained for a period of 06(six) months without issuing share capital. 2.the company has a Provident Fund (PF) for its employees which has been recognized by the National Board of Revenue (NBR) on 02 July 2019 but no separate books of account for such PF fund is being maintained and no audit of the PF fund accounts has been made till to date though it is mandatory under sec 18 of the Trust Rules of the fund. Only a PF register is being maintained with particulars of each employee. Further, according to section 22 of the Trust Rules of the fund, if any member leaves his/her employment voluntarily before completing five years and such service has not been terminated for the reason of his misconduct, he shall be entitled to benefit including employer's contribution and interest thereof not 100% but proportionately which is a noncompliance of section 29 of the Bangladesh Labour act 2006. 3.the company has been maintaining Workers Profit Participation Fund (WPPF) since long, but the company did not properly maintain WPPF account in accordance with Bangladesh Labour Act 2006 as amended till to date, particularly, section 234,235, 240, 242 and 248 of the said act.

MONNOCERA

The auditor of Monno Ceramic Industries Ltd 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.As disclosed in note # 19.00, the company has shown an amount of Tk. 3,217,671 as Unclaimed Dividend. The company declared cash dividend @ 10% in 2019, which is Tk. 32,661,747. Out of this an amount of Tk. 26,683,450 was deposited to the designated bank account and Tk. 5,175,233 was paid directly by treasury challan as tax deduction at source. Apparently, there is a shortfall in deposit to the tune of Tk. 803,064. This is a non-compliance of the section 28(1) of Dhaka Stock Exchange (Listing) Regulations, 2015. 2. As disclosed in note # 21.01, the company has shown Tk. 15,585,032 as liabilities for WPF & WWF which includes prior years' amount of Tk. 897,112 that has not been paid by the company to the Fund. As per section 234 (b) of Labour Act, 2006 the company should pay the amount to the WPF & WWF not later than nine months from the end of the respective year. Further, the company did not make any interest provision for the utilization of fund balance as per section 240(2) of the said Act

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