

PARAMOUNT TEXTILE LIMITED
Chaklader House (Level 6), House No. 22, Road No. 113/A
Gulshan 2, Dhaka 1212

AUDITORS' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

FAMES & R
CHARTERED ACCOUNTANTS
Mohakhali DOHS
House # 424 (4th floor), Road # 30, Dhaka - 1206

AUDITORS' REPORT TO THE SHAREHOLDERS OF PARAMOUNT TEXTILE LIMITED

INTRODUCTION

We have audited the accompanying Financial Statements of Paramount Textile Limited, which comprise the Statement of Financial Position as at June 30, 2018, and the Statement of Comprehensive Income, Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994 and other relevant laws and regulations 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment, of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at June 30, 2018, and its financial performance and its cash flows for the year ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.



We also report that:

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

Dated: Dhaka, 21 October, 2018



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CHARTERED ACCOUNTANTS

PARAMOUNT TEXTILE LIMITED
STATEMENT OF FINANCIAL POSITION

As at June 30, 2018

Particulars	Notes	30-06-2018	30-06-2017
		Taka	Taka
ASSETS			
Non-current assets		4,416,973,115	2,402,177,940
Property, plant and equipment	5.00	3,249,956,796	1,945,398,902
Capital working progress	6.00	656,514,138	456,779,039
Investment in Property	7.00	505,602,181	-
Investment in Associates	8.00	4,900,000	-
Current assets		2,931,904,117	2,454,092,976
Inventories	9.00	2,126,884,443	1,516,133,364
Trade receivables	10.00	407,831,276	280,658,601
Advance, deposits & prepayments	11.00	346,126,527	568,812,501
Other receivables	12.00	-	699,360
Investments	13.00	38,868,591	43,847,968
Cash & cash equivalents	14.00	12,193,280	43,941,183
TOTAL ASSETS		7,348,877,232	4,856,270,916
EQUITY AND LIABILITIES			
Capital and reserves		2,681,784,622	2,469,148,866
Ordinary share capital	15.00	1,290,474,570	1,173,158,700
Share premium	16.00	540,000,000	540,000,000
Retained earnings		660,502,568	558,950,664
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve	17.00	(12,809,657)	(6,577,639)
Deferred tax liability	18.00	3,888,778	3,362,468
Non-current liabilities		1,974,122,762	507,042,389
Long term loan	19.00	1,974,122,762	507,042,389
Current liabilities		2,689,081,070	1,876,717,193
Trade and other payables	20.00	113,908,645	560,377,784
Liability for expenses	21.00	101,055,429	76,337,030
Short term loan	22.00	2,190,294,344	1,115,132,892
Current portion of long term loan	23.00	262,870,886	110,700,826
Income tax provision	24.00	20,951,765	14,168,662
TOTAL EQUITY AND LIABILITIES		7,348,877,232	4,856,270,916
Net asset value (NAV) per share (Restated 2017)		20.78	19.13

The annexed notes form an integral part of these financial statements


Chairman


Managing Director


Director

Signed as per our annexed report of even date.




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CHARTERED ACCOUNTANTS

Dated: Dhaka, October 21, 2018

PARAMOUNT TEXTILE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the year ended June 30, 2018

Particulars	Notes	2017-2018	2016-2017
		Taka	Taka
Revenue	25.00	4,119,598,956	3,351,654,004
Cost of sales	26.00	(3,427,061,464)	(2,787,961,443)
Gross profit		692,537,492	563,692,561
Distribution costs	27.00	(35,553,014)	(30,428,047)
Administrative expenses	28.00	(170,102,381)	(162,490,974)
		(205,655,395)	(192,919,021)
Profit from operations		486,882,097	370,773,540
Finance costs	29.00	(171,251,891)	(114,482,981)
Income from House Rent	30.00	10,645,824	2,019,080
Other income/(loss)	31.00	1,771,756	3,603,434
Exchange gain/ (loss)	32.00	1,875,109	1,530,835
		(156,959,202)	(107,329,631)
Profit/(loss) before WPPF & WF		329,922,895	263,443,909
Contribution to WPPF & WF		(1,197,728)	(998,433)
Profit before tax		328,725,168	262,445,476
Tax expenses		(51,199,458)	(37,514,813)
Income tax	33.00	(50,673,148)	(40,470,652)
Deferred tax benefit/ (expense)	34.00	(526,310)	2,955,839
Net profit after tax		277,525,709	224,930,663
Other comprehensive income			
Unrealized loss on investment in shares	35.00	(6,232,018)	5,153,247
Total comprehensive income		271,293,692	230,083,910
Basic earnings per share(Restated 2017)	36.00	2.15	1.74

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Chairman


Managing Director


Director

Signed as per our annexed report of even date.

Dated: Dhaka, October 21, 2018




FAMES & R
CHARTERED ACCOUNTANTS

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CASH FLOWS
For the year ended June 30, 2018

Particulars	2017-2018	2016-2017
	Taka	Taka
A) Cash flows from operating activities		
Cash received from operating activities		
Cash received from customer	3,992,426,281	3,344,103,360
Cash received from House rent	15,907,680	2,185,040
Cash received from other income	519,115	802,097
	4,008,853,076	3,347,090,497
Cash paid for operating activities		
Cash paid to suppliers	2,411,436,750	1,421,658,872
Wages, salaries & other benefits	500,641,313	475,645,092
Factory overhead	314,157,431	275,004,388
Administrative overhead	143,663,565	146,185,223
Distribution costs	35,553,014	30,428,047
Financial charges	171,251,891	114,482,981
Advance, deposits & pre-payments	43,485,367	2,071,083
Advance, security deposit receipt	2,225,280	(14,976,680)
Exchange loss/(gain)	(1,875,109)	(1,530,835)
Income tax	43,890,046	41,694,689
	3,664,429,548	2,490,662,860
Net cash flows from operating activities (Note-37.00)	344,423,528	856,427,637
B) Cash flows from investing activities		
Payment of investment in Associates	(4,900,000)	-
Payment against investment property	(84,486,846)	(5,000,000)
Payment against property, Plant, equipment and CWIP	(2,362,238,475)	(886,571,193)
Net cash increase from investing activities	(2,451,625,321)	(891,571,193)
C) Cash flows from financing activities		
Other liabilities	(7,001)	(56,000)
Proceeds for bank overdraft	439,114,990	206,706,837
Proceeds from loan against trust receipts (LATR)	75,740,775	-
Dividend payment	(58,645,307)	(109,031,511)
Proceeds from term loan	1,619,250,433	(30,943,909)
Net cash flows used in financing activities	2,075,453,890	66,675,417
Net increase in cash and cash equivalents	(31,747,903)	31,531,861
Cash and cash equivalents at the beginning of year	43,941,183	12,409,323
Cash and cash equivalents at the end of year	12,193,280	43,941,183
Net operating cash flows per share (NOCFPS) (Restated 2017)	2.67	6.64

The annexed notes form an integral part of these financial statements


Chairman


Managing Director


Director

Signed as per our annexed report of even date.




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CHARTERED ACCOUNTANTS

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended June 30, 2018

Particulars	Amount in taka						Total
	Share Capital	Share Premium	Retained Earnings	Tax Holiday Reserve	Holding Gain Reserve		
Balance as at 1 July, 2017	1,173,158,700	540,000,000	558,950,664	203,617,141	(6,577,639)		2,469,148,866
Cash dividend paid to shareholders for the year ended June 30, 2017	-	-	(58,657,935)	-	-	-	(58,657,935)
Stock dividend paid to shareholders for the year ended June 30, 2017	117,315,870		(117,315,870)				-
Current year	-	-	277,525,709		(6,232,018)		271,293,692
Total equity	1,290,474,570	540,000,000	660,502,568	203,617,141	(12,809,657)		2,681,784,622

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended June 30, 2017

Particulars	Amount in taka						Total
	Share Capital	Share Premium	Retained Earnings	Tax Holiday Reserve	Holding Gain Reserve		
Balance as at 1 July, 2016	1,096,410,000	540,000,000	520,409,701	203,617,141	(11,730,886)		2,348,705,956
Cash dividend paid to shareholders for the year ended June 30, 2016	-	-	(109,641,000)	-	-	-	(109,641,000)
Stock dividend paid to shareholders for the year ended June 30, 2016	76,748,700		(76,748,700)				-
Current year	-	-	224,930,663		5,153,247		230,083,909
Total equity	1,173,158,700	540,000,000	558,950,664	203,617,141	(6,577,639)		2,469,148,866

Asst. Hoque
Chairman

[Signature]
Managing Director

[Signature]
Director

Signed as per our annexed report of even date.



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CHARTERED ACCOUNTANTS

Paramount Textile Limited
Notes to the financial statements
As at and for the year ended June 30, 2018

1. Introduction

1.1 Industry outlook

The Readymade Garment (RMG) industry of Bangladesh has emerged as a competent garment producer in the world. For nearly last three decades, the export oriented readymade garment (RMG) industry has been one of the major successes of Bangladesh. In this period, not only a world class export-oriented apparel sector has been built in the country but this sector is showing all the potentials of burgeoning into a far more dynamic one to the great benefit of the economy. There are more than 5000 garments industries in the country that employs about 4.2 million workers. But the industry is far from reaching a saturation point. Greater volumes are being imported to traditional importing countries like USA and Canada and, significantly, major new markets in Japan. EU countries Australia, New Zealand, South Africa and others are being explored. From the current trends, it appears that Bangladesh could go on to doubling its production capacity RMG easily and fairly soon with beneficial effects of the same in the form of the substantially increased foreign currency earnings, job creation and reduction of poverty.

The contributory factors of the RMG industry in Bangladesh are global trading agreements, cheap labor cost, government's supportive policy and dynamic private entrepreneurship. This industry has successfully transformed Bangladesh into an export-oriented economy. The RMG industry also becomes the major foreign-currency earning sector with highest rates of absorption of industrial employment. The country entered into the export market apparels in 1978 with only 9 units and earned only \$0.069 million. During the last three decades, this sector has been achieving a phenomenal growth and the export earnings have reached to around \$30.60 billion during fiscal year 2017-18. At an average around 80% of the country's total exports and also provided job for about 4.2 million people, which accounted for more than 18% of country's GDP.

The RMG industry has a great potential to earn more foreign currency from Latin America, South Africa, Russia, South Korea, Malaysia and Japan. It can earn up to US\$400 million by exporting apparels to three Latin American. The country can secure a slice of \$4.0 billion apparels market of China, Brazil and Mexico. It can also grab about 14% of South Africans US\$1.20 billion clothing market if the local exporters make an aggressive foray.

The recent financial crises especially in Europe have reduced export to the European Countries. The economic slow-down of Europe has resulted in a fall of purchasing capacity, which has brought forth a downward tendency in importing apparels from Bangladesh. In order to offset the export reduction in EU and USA, Bangladesh exporters are going to dispatch trade missions to South Africa, Malaysia, Australia and Latin American countries. Following the recent agreement between governments of Bangladesh and India, India will be one of the major export destinations. Moreover the minimum wages of the workers in Bangladesh is one of the lowest in Asia.

1.2 Corporate history of reporting entity

Paramount Textile Limited (PTL) was incorporated in Bangladesh on June 12, 2006 under the Companies Act, 1994 as private limited company. Later, it converted to a public limited company on September 19, 2010. It commenced its manufacturing operation on September 1, 2008.

1.3 Corporation & other offices

The registered office of the company is located at Navana Tower (Level#7), Gulshan C/A, Dhaka-1212, Bangladesh. The industrial units are located at Vill-Gilarchala, P.S. - Sreepur, Dist-Gazipur, Bangladesh.



1.04 Nature of business activities

Paramount Textile Ltd. is engaged in manufacturing high quality woven fabric that are consumed by the export oriented garments industries in Bangladesh. PTL produces high quality woven fabrics which include 100% cotton yarn dyed fabrics, cotton solid white fabrics, striped and check shirts, stretch fabric etc. The finished products are sold to different units to produce readymade garment for final export. Normally the products are designed based on specification and guidelines or ultimate buyers. The company produces the fabrics against the back to back L/C of RMG units. The company also has yarn dyeing and fabrics processing facilities to support the core activity. Since the company sells its products to 100% export oriented readymade garments industries it is considered as deemed export. As per Export policy 2009-2015 of Ministry of Commerce, deemed exporters, will enjoy all export facilities including duty-draw-back. Local raw materials used for producing exports and local raw materials used in industries/projects funded by foreign investments will be considered as 'deemed export.'

1.5 Capital structure of the company

Name of shareholders	No. of holding shares	Percentage%
Paramount Spinning Ltd.	17,114,847	13.26%
Paramount Holdings Ltd.	14,856,564	11.51%
Mr. Shakhawat Hossain	11,347,079	8.79%
Mr. Alock Kumar Das	11,347,079	8.79%
Mrs. Samsun Nahar	92,85,353	7.20%
Mrs. Aparna Ghosh	92,85,353	7.20%
Mrs. Anita Haque	2,580,948	2.00%
Mrs. Anita Das	2,580,948	2.00%
General Public & Others	50,649,286	39.25%
Total	129,047,457	100%

1.6 MIS and internal control mechanism

The IT system of the company has been found at a developing stage. Currently IT related aspects of the company are been taken care of by 5 IT professionals .The company uses Tally software for accounting and most of the cases use packaged software for daily activities of the management supported by SJM.vision. The company has a total of 263 PCS desktop & laptop in the head office and factory for daily operation. Moreover, the company also has separate 10 members internal audit team to ensure structured internal control procedure and to safe guard the assets, promote operating efficiency and ensure compliance with applicable policies and regulations of the units. The team directly reports to the Chairman and Managing Director.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 as application and Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standard (BFRS), adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws in Bangladesh.



2.2 Basis of measurement

The elements of financial statements have been measured on Historical Cost basis, which is one of the most commonly adopted bases provided in the Framework for the preparation and presentation of Financial Statements issued by the International Accounting Standard Committee (IASC) as adopted by the Institute of Chartered Accountant of Bangladesh except for non-derivative financial instrument at fair value through profit or loss or available for sale, which are measured at fair value.

2.3 Functional and reporting currency

These financial statements are prepared in Bangladesh taka (BDT) which has been rounded-off to the nearest taka, though the major sales and procurement activities were carried out in US Dollar, EURO, BDT & GBP.

2.4 Use of Estimates and Judgments

The preparation of financial statement requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form that basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particulars, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes,

- Note 5 Property, plant and equipment
- Note 24 Provision for tax

2.5 Going concern

The financial statements are prepared on a going concern basis. As per management assessment, there is no material uncertainty relating to events or condition which may cause doubt upon the company's ability to continue as a going concern.

2.6 Reporting period

These financial year of the company covers one year from 1st July to 30th June and is followed consistently.

3. Significant accounting policies

The accounting policies set out below have been applied in preparation of these financial statements.



3.1 Application of Bangladesh Financial Reporting Standards (BFRS)/ Bangladesh Accounting Standards (BAS)

The following BFRS/ BAS are applicable for the financial statements for the period under review:

BAS-1 Presentation of financial statements

BAS-2 Inventories

BAS-7 Statement of Cash Flows

BAS-8 Accounting policies, Changes in Accounting Estimates and Errors

BAS-10 Events after the reporting period.

BAS-12 Income Taxes

BAS-16 Property, Plant and Equipment

BAS-18 Revenue

BAS- 19 Employee Benefits

BAS-21 The Effect of Changes in Foreign Exchange rates

BAS-23 Borrowing costs

BAS-24 Related Party Disclosures

BAS-28 Investment in Associates and Joint Ventures

BAS-32 Financial Instrument: Presentation

BAS-33 Earnings per Share

BAS-34 Interim Financial Reporting

BAS-37 Provisions, Contingent Liabilities and Contingent Assets

BAS-39 Financial Instrument: Recognition and Measurement

BAS-40 Investment Property

3.2 Property, plant and equipment

3.2.1 Recognition and measurement

According to BAS 16 "property plant and equipment" items of property, plant and equipment excluding freehold land, freehold building and leasehold building are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost. Freehold buildings and leasehold buildings are measured at cost less accumulated depreciation. The cost of an item of property, plant and equipment comprises its purchase price, import duties and refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

Part of an item of property plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.



Cost also includes transfer from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchase of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment

3.2.2 Subsequent costs

The cost of replacing or upgrading part of an item of property plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive income as incurred.

3.2.3 Depreciation

No depreciation is charged on freehold land and capital work in progress (CWIP) as the land has unlimited useful life and CWIP is not yet available for use. Depreciation on other items of property plant and equipment is recognized on reducing balance method basis over the estimated useful lives of each item of property, plant and equipment. Depreciation method, useful lives and residual balance are reviewed each reporting date and adjusted if appropriate. Depreciation on disposal of on date

The annual depreciation rates applicable to the principal categories are:

Building & Other Construction	10%
Effluent Treatment Plant (ETP) & Water Treatment Plant (WTP)	10%
Plant & Machinery	20%
Loose Tools	10%
Reed Air (Jet)	20%
Electric Installation	15%
Fire Equipment	15%
GAS Installation	20%
Generator & Boiler	15%
Industrial Rack	10%
Air Conditioner	10%
Swimming Pool	10%
Motor Vehicles	15%
Furniture Fixtures & Fittings	10%
Factory & Office Equipment	10%
Telephone Equipment	12%
Decoration in Office	10%
Transformer	10%
Commercial Space	01%

3.2.4 Major maintenance activities

The company incurs maintenance costs for all of its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

3.2.5 Gain or losses on disposal

An item of property plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized with other income or general and administrative expense.

3.2.6 Borrowing costs

As per requirement of BAS 23: borrowing costs, directly attributable borrowing costs are capitalized during constructing period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition construction or production of a qualifying asset are those borrowing cost that would have been avoided if the expenditure or the

qualifying asset had not been made. All other borrowing costs are recognized in statement of comprehensive income in the period in which they are incurred.

3.2.7 Capital work in progress

Capital work in progress consists of acquisition cost of capital components and related installation until the date placed in service. In case of import of components capital work in progress is recognized when risk and rewards are associated with such assets are transferred.

3.3 Inventories

Inventories are valued at lower of cost and net realizable value. Costs 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 value of inventories to the lower of cost and net realizable value. 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.

3.4 Financial instruments

3.4.1 Non-derivatives financial assets

The company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company has legal right to offset the amounts intends either to settle on a net basis or to realize the assets and the liability simultaneously.

Financial assets include cash and cash equivalents, short term investments, accounts receivable, other receivables and deposits.

3.4.1.1 Accounts receivable

Accounts receivable represents the amounts due from institutional customer, export customers etc. Accounts receivable stated at original invoice amount without making any provision for doubtful debts because of the fact that export are being based on 100% confirmed letter of credit basis with fixed maturity dates.

3.4.1.2. Advance, deposits & prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustment or any other changes.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to statements of comprehensive income.

3.4.1.3. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash in transit and cash at bank including fixed deposit having maturity of three months or less which are available for use by the company without any restrictions. Temporary negative balance in any bank account that are adjustable and/or repayable on demand form an integral part of the companies cash management are include as a component of cash and cash equivalent. There is insignificant risk of change in value of the sale.

3.4.1.4 Available-for-sale financial assets

Available-for-sale financial assets are recognized initially at value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at fair value and changes therein other than impairment losses and foreign currency differences or available-for-sale debt

instruments are recognized in other comprehensive income and presented in the fair value reserved in equity. When an investment is derecognized the gain or loss accumulated in equity is reclassified to statement of comprehensive income. Available-for-sale financial assets comprise investment in stock market.

3.4.2 Non-derivative financial liabilities

The company recognizes all financial liabilities on the transaction date which is the date the company becomes a party to the contractual provision of instrument. The company derecognizes a financial liability when its contractual obligations are discharged cancelled or expired. Financial liabilities include trade and other payables liability for expense.

3.4.2.1 Trade and other payables

Trade and other payables are recognized when its contractual obligations from past events are certain and settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

The company recognizes a financial liability at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

3.5 Impairment

3.5.1 Non- derivative financial assets

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Loans and receivables and held-to-maturity investment securities

The company considers evidence of impairment for loans and receivables and held-to-maturity investment securities at both a specific asset and collective levels. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve in equity, to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss recognized previously in profit or loss. Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognized in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognized in comprehensive income.

3.5.2 Non-derivative non-financial assets

In compliance with BAS 36 "impairment of assets" the carrying amounts of the company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognized



if the carrying amount of an asset or its related cash generated unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.6. Taxation

The company is a public limited company, as per the income tax ordinance, 1984 the rate of income tax is 15% on business income, 20% on dividend income and 25% on other income since the company is 100% export oriented Textile industry.

According to BAS 12 "income taxes" deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary difference when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.7 Employee benefits

The company maintains a defined contribution plan and short term employee benefits and post-employment benefits for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds as well as rules enforceable as per BAS 19 "employee benefits".

3.7.1 Defined contribution plan

A defined contribution plan is a post employment benefit under which an entity pays fixed contribution into a separate entity and has no legal or constructive obligations to pay fixed amounts. Obligations for contributions to defined contribution plan are recognized as an employee benefit expense in statement of comprehensive income in period during which related services are rendered by employees. Prepaid contributes are recognized as an asset to the extent that a cash flow refunds or a reduction in future payment is available. Contribution to a defined contribution plan is due for more than twelve months after the end of the period in which the employee render are discounted to the present value.

The company contributions to be a recognized provident fund for its permanent employees eligible to be member of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute 10% of their basic salary to the provident

fund and the company also made equal contribution. The Company recognizes contribution to a defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

3.7.2 Short term employee benefits

Short term employee benefits include bonus, leave encashment etc. Such obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short cash bonus or profit sharing plans. If the company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.7.3 Contribution to workers profit participation fund & welfare funds (WPPF & WF)

The company has made provision during the period against WPPF & WF in accordance with the Bangladesh Labour Act, 2006 (Amendment 2013) & rule 214 of the Bangladesh Labour Rule, 2015.

3.8. Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the company expects some or all of a provision to be reimbursed the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.9. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liabilities and assets are not recognized in the statement of financial position of the company.

3.10 Revenue

According to BAS-18 "Revenues", Revenue from sale of goods is measured at fair value of the consideration received or receivable net off return and allowance trade discount volume rebates exclusive of VAT. Revenue is recognized when the risk and reward of the ownership is transferred to the buyer recovery of the consideration is probable, the associated cost and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoiced to customers.

3.11 Earnings per share

In complying with BAS 33 "Earnings Per Share" The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings per

share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares.

3.12 Foreign currencies

The major activities of the company were carried out in USD, EURO and GBP but record and reported in Bangladesh taka as this is the reporting currency.

The import activities were not subject to any exchange fluctuation. Only the unencumbered portion of export bills was subject to exchange fluctuation which was dealt through statement of comprehensive income of the entity. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

Among the monetary assets and liabilities denominated in foreign currencies the balance sheet date, only the export retention quota account were translated the applicable rates of exchange ruling at that date. Exchange difference on such translation was also dealt through the statement of comprehensive income.

3.13 Financial risk management

The company has exposure to the following risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risk
- Price fluctuation risk
- Currency risk
- Interest rate risk

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

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

3.13.1 Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and rises principally from the company's receivables from subscribers; interconnect operators roaming partners and dealers.

Management has a credit policy in place and the exposure to credit risk is monitored on ongoing basis.

In monitoring credit risk, debtors are grouped according to whether they are an individual or legal entity, ageing profile, maturity and existence of previous financial difficulties. Accounts and other receivables are mainly related to the company's subscribers. The exposure of the company to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of post-paid subscribers. Interconnection receivables are normally paid within three months from when they are invoiced and credit risk from this receivable is very minimal. The company employs financial clearing houses to minimize credit risk involving collection of roaming receivables. Credit risk does not arise in respect any other receivables.

At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

3.13.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity / fund to make the expected payment within due date.

3.13.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters. However, the company does not hold any financial instrument for which market risk arises due to market price movement and thus affect company's income or the value of its holdings of financial instruments.

3.13.4 Price fluctuation risk

PTL along with other companies in the industry faces price fluctuation risk because of volatility of yarn price in the market emanating from fluctuation of raw cotton price in the international market. In recent times the price of yarn has considerably fluctuated in local and global market and the continuance of this will put pressure on the cost of production as well as price of finished goods. PTL procures maximum raw materials (Yarn, Dyes and Chemicals) from abroad and provided the finished goods (fabrics) to some export oriented local garments and buyers. So considering the volatility of raw material price as well finished goods price in the international market, CRISL foresees that the company is exposed to price fluctuation risk.

3.13.5 Currency risk

The company is exposed to currency risk on certain revenues and purchases, resulting receivables and payables, and interest expense and repayments relating to borrowing incurred in foreign currencies. Majority of the company's transactions are denominated in USD. The Company has not entered into any type of derivative instrument in order to hedge currency risk due to stable exchange rate in the country and inflow of USD.

3.13.6 Interest rate risk

Interest rate risk is the risk due to changes in interest rates on borrowing. The risk arises for fluctuation of floating interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at June 30, 2018 due to having a stable money market in the country.

3.14 Financial cost

Financial costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses. On financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognized on financial assets (other than trade receivable). Borrowing costs that is not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest.

3.15 Cash flow statement

The statement of cash flows has been prepared in accordance with requirements of BAS 7 statement of cash flows. The cash generating from operating activities has been reported using the direct method as prescribed by the securities & exchange rules 1987 and as the benchmark

treatment of BAS 7 whereby major classes of gross cash receipts and gross cash payment from operating activities are disclosed. Import liability (EDF & UPAS) for raw materials has been shown as operating activities for the financial year 2017-18. Sequentially last year figure has been rearranged as under the IAS-1.

3.16 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when it is found to be material.

3.17 Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transactions with related parties have been recognized and disclosed in the relevant notes to the accounts according to BAS 24 "Related Party Disclosures".

3.18 Risk and uncertainties for use of estimates in preparation of financial statements.

Preparation of financial statement in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization and taxes.

3.19 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 Standard Committee (IASC) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB)

3.20 Comparative information

Comparative information has been disclosed in respect to the year 2016-2017 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements.

Last year figures have been rearranged where considered necessary to conform to current year's presentation.

3.21 Consistency of presentation

The presentation and classification of all items in the financial statements has been retained from one period to another period unless where it is apparent that another presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies or changes is required by another BFRS.

3.22 Level of precision

The figures in the financial statement have been rounded-off to nearest Taka.

4. Components of financial statements

The financial statement includes the following components as per BAS 1 "presentation of financial statements"

- Statement of financial position as at June 30, 2018.
- Statement of comprehensive income for the year ended June 30, 2018.
- Statement of cash flows for the year ended June 30, 2018.
- Statement of changes in equity for the year ended June 30, 2018.
- Accounting policies and explanatory notes.



Notes	Particulars	2017-18	2016-17
		Taka	Taka
5.00	Property, plant and equipment		
	Land & land development	14,132,811	14,076,072
	Building construction	983,649,518	635,777,987
	Effluent treatment plant (ETP) & water treatment plant (WTP)	47,712,382	46,549,968
	Electrical installation	113,290,742	121,564,872
	Gas line installation	9,319,261	8,365,037
	Transformer	1,271,169	1,412,411
	Plant & machinery	1,781,335,207	833,051,386
	Loose tools	87,038	96,710
	Reed air (jet)	1,754,097	2,192,621
	Fire equipment	19,812,378	23,308,680
	Factory equipment	4,174,817	4,638,686
	Generator & boiler	113,945,725	134,053,794
	Industrial rack	11,931,685	13,257,428
	Furniture & fixture	5,811,655	5,920,948
	Air conditioner	13,158,850	9,169,704
	Swimming pool	276,253	306,948
	Office decoration	13,508,743	14,046,795
	Office equipment	40,448,255	30,026,221
	Telephone equipment	430,652	489,377
	Motor vehicles	73,905,560	47,093,259
		3,249,956,796	1,945,398,902
	For further details please refer to annexure A		
6.00	Capital work in progress		
	Building Construction	364,232,372	179,493,305
	ETP & water treatment	7,658,698	39,051,821
	Electrical installation	-	9,690,250
	Plant & machinery	284,623,068	228,543,663
		656,514,138	456,779,039

Capital work in progress represents the assets acquired during the year but yet to be installed.

6.01 Movement of capital work in progress

Opening balance	456,779,039	66,364,830
Addition during the year	582,285,947	400,769,617
	1,039,064,986	467,134,447
Transferred to property, plant & equipment	(382,550,849)	(10,355,408)
Closing balance	656,514,138	456,779,039

7.00 Investment property

Commercial Space	507,717,671	-
Less : Depreciation	(2,115,490)	-
	505,602,181	-

Investment property represent purchase of commercial Space 9,956 sft consist of three floor at Shikhara Jolchhobi,408 Gulshan North Avenue,Dhaka-1212,which cost price 507,717,671 and charges 5 months depreciation @1%.



Notes	Particulars	2017-18	2016-17
		Taka	Taka
8.00 Investment in Associates			
	Paramount BTrac Energy Ltd (PBEL)	4,900,000	-
		<u>4,900,000</u>	<u>-</u>

Paramount Textile Limited and Bangla Trac Limited have formed a Joint Venture Company with effect from 25th February, 2018 where Paramount Textile Limited is holding 49% equity shares and Bangla Trac Limited is holding 51% of Equity share of the Joint Venture Company. The joint Venture company has been incorporated as a Private Limited Company from the Registrar of Joint Stock Companies & Firms (RJSC) Bangladesh for establishing a 200 MW HSD Fired Engine Based Power Plant on Build, Own and Operate (BOO) basis at Baghabari, Sirajgonj, Bangladesh under Bangladesh Power Development Board (BPDB). As per Bangladesh Accounting standard 28" considered investment in associates for 49% share holding in Paramount BTrac Energy Ltd (PBEL)

9.00 Inventories

Chemicals	245,087,617	206,247,315
Finished goods	601,958,888	322,828,428
Yarn	889,599,328	755,419,583
Packing & sub material	3,742,025	4,935,036
Work in process	386,496,585	226,703,002
	<u>2,126,884,443</u>	<u>1,516,133,364</u>

Existence, valuation, completeness and appropriateness of quality and weight of above inventories has been confirmed after carrying out physical verification as on June 30, 2018

For further details please refer to annexure B

10.00 Trade receivables

Amount due from trade receivables	409,157,007	281,316,338
Foreign exchange gain/(loss) (fair value adjustment)	(1,325,731)	(657,737)
	<u>407,831,276</u>	<u>280,658,601</u>

i) Amount due from trade receivables has been disclosed in presentation currency and foreign currency exchange fluctuation has been recognized accordingly.

ii) There are no such trade receivables due from any directors or any other officers of the company.

iii) No receivables are outstanding for a period exceeding six months. All the receivables are considered good and secured by letter of credit.

iv) As per management perception the above trade receivables are collectable thus no provision has been made for any doubtful debts.

10.01 Movement of trade receivables

Opening balance	280,658,601	273,107,956
Addition during the year	4,119,598,956	3,351,654,004
	<u>4,400,257,557</u>	<u>3,624,761,960</u>
Realized during the year	(3,992,426,281)	(3,344,103,360)
Closing balance	<u>407,831,276</u>	<u>280,658,601</u>

10.02 Ageing analysis of trade receivables

In compliance with the requirement of paragraph 60 and 61 of BAS 1 "presentation of financial statements" trade receivables has been analyzed as follows

Less than 06 months	407,831,276	280,658,601
More than 06 but less than 12 months	-	-
More than 12 months	-	-
	<u>407,831,276</u>	<u>280,658,601</u>



Notes	Particulars	2017-18	2016-17
		Taka	Taka
11.00	Advance, deposits & prepayments		
	Advance against salary	13,640,050	7,588,241
	Advance against suppliers	268,238,500	111,179,016
	Advance for commercial space	-	423,230,825
	Advance house/office rent	3,168,635	4,747,335
	Bank guarantee	5,508,927	1,270,811
	Advance expenses	-	3,340,637
	Security deposit - CDBL	500,000	500,000
	Imprest fund	1,146,891	460,371
	L/C margin deposit	7,747,166	2,230,305
	Prepaid Expenses	3,170,703	-
	Discount on Zero Coupon Bond	15,177,595	-
	Security deposits for internet	7,000	7,000
	Security deposit -PBEL	4,091,500	-
	Security deposits for titas gas	23,716,560	14,244,960
	Telephone line deposit	13,000	13,000
		346,126,527	568,812,501
11.01	All advance, deposit and prepayments are considered good and recoverable.		
11.02	There are no such amount due from any directors or officers of the company other than advance against salary.		
11.03	Advance against salaries are regularly being realized from respective employees' salary.		
11.04	Debts considered good in respect of which the company is fully secured.		
	For further details please refer to annexure C		
12.00	Other receivable		
	House Rent Receivable	-	699,360
		-	699,360
13.00	Investment		
	Investment in non-listed companies (Meghna Bank Limited)	20,000,000	20,000,000
	Investment in listed companies (market price)	18,868,591	23,847,968
		38,868,591	43,847,968
	The above investment in share has been recognized as "available for sale" financial instrument thus measured in market value as on June 30, 2018		
13.01	Investment in listed companies		
	Investments	30,425,607	27,624,270
	Realized loss/gain	1,252,641	2,801,337
	Investment in cost price	31,678,248	30,425,607
14.00	Cash & cash equivalents		
	Cash in hand (Note-14.01)	3,865,515	5,623,569
	Cash at banks (Note-14.02)	5,991,295	4,709,839
	Cash at banks (foreign currency) (Note-14.03)	2,336,470	33,607,775
		12,193,280	43,941,183
14.01	Cash in hand		
	Cash (Factory)	91,002	2,061,602
	Cash (office)	3,702,721	3,447,205
	Cash (salary)	71,792	114,762
		3,865,515	5,623,569



Notes	Particulars	2017-18	2016-17
		Taka	Taka
14.02	Cash at banks		
	Brac bank-1501202249220001	1,819,296	1,797,059
	Brac bank-1501202249220002	55,675	55,675
	Dutch Bangla Bank Ltd -1161100021942	41,480	37,178
	Dutch bangla bank-2131107690	2,648,189	1,450,689
	Eastern Bank Ltd-1041060306140	36,389	999,365
	Jamuna bank-003202100095179517	66,295	66,295
	Mercantile bank-012911100006544	430,571	445,455
	NRB Bank-93625	2,365	
	Pubali Bank-056591028506	34,895	39,880
	Standard chartered bank-0114667301	8,572	36,841
	Standard bank-01833001939	643,419	(551,527)
	Woori bank-CDA 923927289	204,149	332,930
		5,991,295	4,709,839

14.03 Cash at banks (foreign currency)

Particulars	2017-2018	2017-2018	2016-2017
	USD	Taka	Taka
ERQA -PBL-3555162000626	3,769.48	294,043	27,647,398
Margin account (foreign)-EBL-343	618.01	51,078	-
Margin account (foreign)-PBL-139	11.90	994	2,218,479
HSBC-001012269047	15,360.41	1,271,074	876,891
HSBC-050003896-005	-	-	494,624
HSBC-001012269091	1,851.27	153,192	764,793
Woori bank-CDA 923928155	-	-	264,598
Woori bank-CDA 923927581	6,948.67	566,089	1,340,991
	28,559.74	2,336,470	33,607,775

Among the above bank accounts, account maintained in foreign currency has been disclosed in local currency; thus foreign exchange fluctuation gain/(loss) has been recognized.



Notes	Particulars	2017-18	2016-17
		Taka	Taka
15.00	Share Capital		
	Authorized capital		
	200,000,000 ordinary shares of Tk. 10/-	<u>2,000,000,000</u>	<u>2,000,000,000</u>
	Issued, subscribed & paid up capital		
	Opening balance	1,173,158,700	1,096,410,000
	Stock dividend	<u>117,315,870</u>	<u>76,748,700</u>
		<u>1,290,474,570</u>	<u>1,173,158,700</u>

The balance represents 129,047,457 ordinary shares of Tk. 10 each.

15.01 Composition of Share Holding:

Particulars	30 June, 2018 No. of Share	%	30 June, 2017 No. of Share	%
Director and Sponsor:	78,398,171	60.75%	71,271,068	60.75%
Institution	8,407,992	6.52%	9,435,258	8.04%
General Public	42,241,294	32.73%	36,609,544	31.21%
Foreign Investor	-	-	-	-
	<u>129,047,457</u>	<u>100%</u>	<u>117,315,870</u>	<u>100%</u>

The distribution Schedule Showing the number of shareholders and thier shareholders in percentage has been disclosed below as a requirement of Listing Regulation of Dhaka and chittagong Stock Exchange.

15.02 Range of Holding :

Particulars	No. of Shareholders	No. of share	Holding (%)
1 to 500 shares	4,341	977,494	0.757
501 to 5000 Shares	1,063	2,137,751	1.657
5001 to 10000 Shares	222	1,689,234	1.309
10001 to 20000 Shares	160	2,349,868	1.821
20001 to 50000 Shares	135	4,498,326	3.486
50001 to 100000 Shares	61	4,516,912	3.500
100001 to 1000000 Shares	79	22,888,770	17.737
Over 1000000 Shares	17	89,989,102	69.733
	<u>6,078</u>	<u>129,047,457</u>	<u>100</u>

Shares of the company are listed with Dhaka and Chittagong Stock Exchange and quoted at Tk. 37.40 per share 2017 and Tk. 53.10 Per share 2018 in the Dhaka and Chittagong Stock Exchang respectively on 30 June.



Notes	Particulars	2017-18	2016-17
		Taka	Taka
16.00 Share premium			
	Share premium received on 30,000,000 shares at Tk.18/- each	540,000,000	540,000,000
		<u>540,000,000</u>	<u>540,000,000</u>
17.00 Holding gain reserve			
	Investment in market price	18,868,591	23,847,968
	Investment in cost price	(31,678,248)	(30,425,607)
		<u>(12,809,657)</u>	<u>(6,577,639)</u>

For further details please refer to annexure D

18.00 Deferred tax (assets) / liability

Deferred tax (assets) / liability is arrived as follows

Particulars	Carrying value as at June 30, 2018	Tax base value as at June 30, 2018	Taxable/(Deductible) temporary difference
For the year ended June 30, 2018			
Property, plant and equipment	3,249,956,796	3,174,412,369	75,544,428
Provident fund	(3,473,819)	-	(3,473,819)
WPPF & WF	(32,622,078)	-	(32,622,078)
Post employment benefit	(4,983,571)	-	(4,983,571)
			<u>34,464,960</u>
Effective tax rate			15%
Deferred tax liability/ (assets) excluding holding gain reserve (A)			<u>5,169,744</u>
Holding gain reserve	(12,809,657)		(12,809,657)
Effective tax rate			10%
Deferred tax liabilities/ (assets) on holding gain reserve (B)			<u>(1,280,966)</u>
Deferred tax liability / (assets) (A+B)			<u><u>3,888,778</u></u>
For the year ended June 30, 2017			
Property, plant and equipment	1,945,398,903	1,880,074,519	65,324,384
Provident fund	(1,534,522)	-	(1,534,522)
WPPF & WF	(31,435,144)	-	(31,435,144)
Post employment benefit	(5,553,170)	-	(5,553,170)
			<u>26,801,548</u>
Effective tax rate			15%
Deferred tax liability/ (assets) excluding holding gain reserve (A)			<u>4,020,232</u>
Holding gain reserve	(6,577,639)		(6,577,639)
Effective tax rate			10%
Deferred tax liabilities/ (assets) on holding gain reserve (B)			<u>(657,764)</u>
Deferred tax liability / (assets) (A+B)			<u><u>3,362,468</u></u>



Notes	Particulars	2017-18	2016-17
		Taka	Taka
19.00 Long term loan			
	HSBC	449,407,547	85,712,175
	Zero Coupon Bond	68,750,000	-
	IDLC Finance Ltd	246,525,604	-
	Pubali Bank Ltd.	1,209,439,611	421,330,214
		<u>1,974,122,762</u>	<u>507,042,389</u>

20.00 Trade and other payables			
	Trade payables (Note-20.01)	113,301,437	488,115,382
	Other payables (Note-20.02)	607,208	72,262,402
		<u>113,908,645</u>	<u>560,377,784</u>

20.01 Trade payables			
	Deferred liabilities (import)	82,327,150	416,145,653
	Deferred liabilities (local))	31,201,819	72,424,792
	Foreign exchange gain/(loss) (fair value adjustment)	(227,532)	(455,063)
		<u>113,301,437</u>	<u>488,115,382</u>

- i) Amount due to trade payables in foreign currency has been disclosed in presentation local currency and foreign currency exchange fluctuation has been recognized accordingly.
- ii) This amount represents balance due to suppliers.
- iii) All trade payables has been paid as per terms and regular basis.

20.01.01 Ageing analysis of trade payables

In compliance with the requirement of paragraph 60 and 61 of BAS 1 "presentation of financial statements" trade payables has been analyzed as follows:

Less than 06 months	113,301,437	488,115,382
More than 06 but less than 12 months	-	-
More than 12 months	-	-
	<u>113,301,437</u>	<u>488,115,382</u>

20.02 Other payables		
	Deferred liabilities (capital machinery)	72,262,402
		<u>607,208</u>
		<u>72,262,402</u>

- i) This amount represents balance due to suppliers of indirect materials.
- ii) All payables has been paid as per terms and regular basis.



Notes	Particulars	2017-18	2016-17
		Taka	Taka
21.00	Liability for expenses		
	GAS bill payable	15,753,339	11,288,129
	Security Deposit	3,174,400	3,174,400
	Security deposit against investment property	7,604,160	7,604,160
	Advance receive from investment property	5,147,240	7,372,520
	Other expenses	19,088,413	2,675,435
	Provident fund payable	3,473,819	1,534,522
	Post employment benefit	4,983,571	5,553,942
	VAT payable	360,962	240,400
	TDS payable	1,391,193	1,409,385
	Telephone bill payable	22,809	22,809
	Electricity bill payable	3,393,469	91,835
	Unallocated application fees	1,645,375	1,652,376
	Dividend & fraction shareholder	1,994,601	1,981,973
	Provision for WPPF & WF (Note-21.01)	32,622,078	31,435,144
	Audit & professional fees payable	400,000	300,000
		101,055,429	76,337,030
21.01	During the Period tk.10,794/- has been deducted by bank from export bill on account of worker profit participation.		
22.00	Short term loan		
	LATR & PAD PBL & HSBC	75,740,775	-
	UPAS (PBL)	694,518,114	466,051,690
	EDF EBL & HSBC	446,280,478	114,441,215
	Bank overdraft /STL PBL	618,716,000	336,720,804
	HSBC	150,991,828	(2,080,817)
	EBL	72,647,149	-
	Woori Bank	131,400,000	-
	IDLC	-	200,000,000
		2,190,294,344	1,115,132,892
23.00	Current portion of long term loan		
	HSBC	70,116,516	32,968,644
	Zero Coupon Bond	27,500,000	-
	IDLC Finance Ltd	31,657,080	-
	Pubali Bank Ltd.	133,597,290	77,732,182
		262,870,886	110,700,826
24.00	Provision for tax		
	Opening balance	14,168,662	15,392,699
	Less: Paid during the year	(12,259,788)	(14,316,916)
		1,908,874	1,075,783
	Add : Provision for the year (Note-33.00)	50,673,148	40,470,652
		52,582,022	41,546,435
	Less: Advance income tax	(31,630,257)	(27,377,773)
		20,951,765	14,168,662
25.00	Revenue		
	Yarn dyed fabrics	3,614,659,649	2,960,966,028
	Knit yarn dyeing	379,848,433	360,982,003
	Sweater yarn dyeing	1,742,504	29,705,973
	Printing	123,348,370	-
		4,119,598,956	3,351,654,004



Notes	Particulars	2017-18	2016-17
		Taka	Taka
26.00	Cost of sales		
	Opening stock		
	Raw materials	966,601,934	853,965,935
	Work-in-process	226,703,002	211,494,952
		1,193,304,936	1,065,460,887
	Purchase during the year (Note-26.01)	2,596,928,493	1,884,272,113
	Goods available for use	3,790,233,429	2,949,733,000
	Less: Closing stock		
	Raw materials	1,138,428,970	966,601,934
	Work-in-process	386,496,585	226,703,002
	Materials consumed	2,265,307,874	1,756,428,064
	Add: conversion cost		
	Wages, salaries & other benefits (Note-26.02)	500,641,313	475,645,092
	Factory overhead (Note-26.03)	940,242,737	622,265,336
	Cost of production	3,706,191,924	2,854,338,492
	Add: Opening stock of finished goods	322,828,428	256,451,379
		4,029,020,352	3,110,789,871
	Less: Closing stock of finished goods	601,958,888	322,828,428
		3,427,061,464	2,787,961,443
26.01	Purchase		
	Raw materials		
	Purchase of dyeing ,finishing & printing chemicals	469,198,878	291,566,838
	Purchase of yarn	1,950,041,608	1,463,284,866
	Insurance premium (marine)	12,577,635	7,944,517
	Carriage inwards	12,771,349	23,372,531
	C & F expenses	23,636,250	14,752,865
	Acceptance commission	4,160,980	4,099,063
	Charges on UPAS (Discounting & Confirmation)	48,009,817	24,870,204
	L/C Opening commission	4,612,109	6,812,045
	Packing materials		
	Purchase of poly bag	9,121,357	6,774,167
	Purchase of plastic bag	4,317,480	5,132,400
	Sub- materials		
	Purchase of paper/plastic cone	20,985,855	18,152,725
	Purchase of plastic bobin	3,988,900	5,022,370
	Purchase of Printing Plate	4,562,407	
	Purchase of sizing chemicals	25,607,958	9,746,178
	Purchase of textile wax	580,490	469,844
	Purchase of paper tube	2,755,420	2,271,500
		2,596,928,493	1,884,272,113
26.02	Wages, salaries & other benefits		
	Wages, salaries & festival bonus	425,743,086	414,672,587
	Overtime, holiday & other allowance	45,176,088	35,615,616
	House rent to factory workers	11,317,100	7,362,465
	Provident Fund (Note-26.04)	5,989,468	4,634,798
	Insurance premium (factory workers)	1,613,589	1,473,552
	Earn leave expenses	10,801,982	11,886,074
		500,641,313	475,645,092



Notes	Particulars	2017-18	2016-17
		Taka	Taka
26.03	Factory overhead		
	Conveyance	1,446,000	1,035,217
	Commission on bank guarantee	2,334,610	17,250
	Depreciation-manufacturing	608,235,286	338,095,088
	Electricity Bill	4,076,745	-
	Entertainment	2,570,114	2,024,251
	ETP & WTP maintenance	3,188,758	3,211,125
	Food allowance	5,274,315	4,640,968
	Fuel & lubricants	5,402,600	5,595,052
	Gas bill	189,163,378	135,252,911
	Insurance premium (fire)	10,012,678	6,847,250
	Lab test expenses	6,833,632	4,216,480
	Medicare exp	1,862,874	1,660,853
	Miscellaneous exp	561,010	588,600
	Mobile bill	387,650	288,287
	Municipal tax	486,633	436,619
	Night allowance	217,400	234,860
	Purchase of ETP chemicals	5,275,259	12,784,169
	Purchase of generator & boiler chemicals	1,182,319	1,513,223
	Purchase of machine oil	5,057,847	1,866,561
	Repair & maintenance	39,219,945	39,039,591
	Repair & maintenance-car	5,416,797	6,009,616
	Spare parts	18,644,424	29,857,510
	Stationery	5,522,942	5,365,979
	Tour & travel (Note-26.05)	17,056,672	15,627,310
	Allocation of post employment benefit (Note-26.06)	812,849	4,987,772
	Uniform & liveries	-	1,068,794
		940,242,737	622,265,336
26.04	Allocation of provident fund		
	Wages, salaries & other benefits @ 70%	5,989,468	4,634,798
	Administrative overhead @ 30%	2,566,915	1,986,342
		8,556,383	6,621,140
26.05	Allocation of tour & travel expenses		
	Factory overhead @ 48%	17,056,672	15,627,310
	Administrative overhead @ 52%	18,478,061	16,929,586
		35,534,733	32,556,896
26.06	Allocation of post employment benefit		
	Factory overhead	812,849	4,987,772
	Administrative overhead	90,317	566,170
		903,165	5,553,942



Notes	Particulars	2017-18	2016-17
		Taka	Taka
27.00	Distribution costs		
	BTMA certificate fees	291,000	597,740
	Courier charges	2,697,938	2,596,749
	Cost of free sample	4,382,103	3,601,785
	C & F expenses (export)	369,781	425,332
	Entertainment (buyer)	1,933,149	2,192,070
	Fuel, running, maintenance & carriage outwards	19,117,351	17,134,229
	Insurance premium (fire)	450,983	307,750
	Loading & unloading	4,039,364	1,774,699
	Miscellaneous expense	1,481,600	1,252,420
	Repair and maintenance of vehicles	789,745	545,273
		35,553,014	30,428,047
28.00	Administrative expenses		
	Advertisement exp.	799,476	1,994,194
	AGM expenses	726,370	566,231
	Audit & professional fees	421,750	1,002,540
	Books & periodicals	90,110	42,247
	CDBBL charge	-	126,338
	Conveyance	830,553	516,680
	Credit rating fees	1,045,491	814,467
	Cookeries	94,232	67,894
	Depreciation-administrative	20,995,516	14,880,727
	Donation & subscription	302,084	15,396,319
	Electricity bill	1,561,648	1,358,647
	Entertainment	116,593	361,818
	Fees for certificates	845,940	747,740
	Food allowance	1,832,792	1,463,836
	Forms, fees & renewal fees	481,348	820,047
	Fuel & lubricants	5,157,743	4,386,232
	Internet exp	913,427	800,508
	Listing fees	1,736,599	1,503,216
	Loss on sale of Car	-	178,250
	Medicare exp	861,231	822,759
	Membership fees	141,890	554,140
	Miscellaneous exp	278,703	294,814
	Mobile bill	2,581,758	2,415,731
	Newspaper	30,542	27,473
	Office maintenance	1,819,919	1,566,133
	Office rent	4,914,125	3,984,750
	Postage	10,412	21,029
	Promotional expenses	70,357	21,138
	Provident fund (Note-26.04)	2,566,915	1,986,342
	Remuneration	12,600,000	12,600,000
	Repair & maintenances-Car	1,383,999	582,807
	Software development	104,500	480,120
	RJSC filling fees	13,415	460,933
	Salary, allowance & festival bonus	83,663,870	70,164,941
	Sports equipment	78,605	7,000
	Annual report printing	717,730	613,600
	Stationery	1,508,971	1,039,431



Notes	Particulars	2017-18	2016-17
		Taka	Taka
	Telephone exp	96,290	164,359
	Tours & travels (Note-26.05)	18,478,061	16,929,586
	Allocation of post employment benefit (Note-26.06)	90,317	566,170
	Training & development	139,100	159,787
		170,102,381	162,490,974
29.00	Finance Cost		
	Bank charge	1,372,912	669,151
	Finance arrangement expenses	6,821,488	819,500
	Interest on bank overdraft	42,544,451	29,388,067
	Interest on loan (EDF)	9,235,284	-
	Interest on loan (LATR)	4,373,840	1,775,875
	Interest on loan (IBP)	37,142,738	34,522,734
	Interest on term loan	55,993,408	34,330,402
	Interest on Zero Coupon Bond	1,011,840	
	L/C charge	971,600	1,290,773
	Remittance collection charge	10,420,236	10,145,594
	Stamp charges	132,180	99,660
	Swift charges	1,397,765	1,503,926
	Interest income on FDR	(165,851)	(62,701)
		171,251,891	114,482,981
30.00	Income from House Rent		
	Income from house rent (investment property)	15,208,320	2,884,400
	Less : Maintenance cost including depreciation	(4,562,496)	(865,320)
		10,645,824	2,019,080
31.00	Other income		
	Dividend income	149,493	387,906
	Interest income	36,542	398,951
	Profit on sale of car	320,000	
	Wastage sales	13,080	15,241
	Profit on sale of share	1,252,641	2,801,337
		1,771,756	3,603,434
32.00	Exchange gain/ (loss)		
	Foreign currency fluctuation gain/(loss)	1,875,109	1,530,835
		1,875,109	1,530,835
33.00	Income tax		
	Income tax from operational income (Note-33.01)	47,300,347	39,126,910
	Income tax on other income (Note-33.02)	711,345	838,972
	Income tax on house rent income(Note-33.03)	2,661,456	504,770
		50,673,148	40,470,652
	Less: Tax rebate	-	-
		50,673,148	40,470,652
	Add/ (less): Income tax refund/ adjustment	-	-
		50,673,148	40,470,652

Income tax refund/adjustment : Income tax refund/adjustment relating to assessment year 2013-2014 was BDT.17,96,553 has been claimed in the assessment year 2015-16, which was unadjusted by the Deputy Commissioner of Taxes. In the assessment year 2016-17 against claimed that said refund/adjustment, which is under consideration of appeal, yet to be finalised. The accounting treatment will be made after getting the judgement of appeal relating the said refund or tax liability adjustment.

Notes	Particulars	2017-18	2016-17
		Taka	Taka
33.01	Income tax from operational income		
	Profit before tax	328,725,168	262,445,476
	Add/(less): exchange loss/gain	(1,875,109)	(1,530,835)
	Add/(less): other income	(1,771,756)	(3,603,434)
	Add/(less) : House rent income	(10,645,824)	(2,019,080)
	Add/(less) : Post employment benefit	903,165	5,553,942
	Taxable income	315,335,644	260,846,068
	Tax rate	15%	15%
	Income tax on operational income	47,300,347	39,126,910
33.02	Income tax on other income		
	Other income (36,542+1,875,109+13,080+320,000)*25%	561,183	486,257
	Dividend income (149,493-25,000)*20%	24,899	72,581
	Profit on sale of share (realized profit) (1,252,641*10%)	125,264	280,134
		711,345	838,972
33.03	Income tax on house rent income		
	Income from House Rent (15,208,320-4,562,496)*25%	2,661,456	504,770
		2,661,456	504,770
34.00	Deferred tax expenses / benefit		
	Deferred tax liability as on previous year	3,362,468	6,318,307
	Deferred tax liability as on current year	3,888,778	3,362,468
	Deferred tax benefit/expenses during the year	(526,310)	2,955,839
35.00	Unrealized gain/ (loss) on investment in shares		
	Cost price	31,678,248	30,425,607
	Market price	(18,868,591)	(23,847,968)
	Unrealized gain/(loss)	(12,809,657)	(6,577,639)
	Less: opening balance (provision)	(6,577,639)	(11,730,886)
	Gain/(loss) on marketable securities during the year	(6,232,018)	5,153,247
36.00	Basic earnings per share- EPS (Restated 2017)		
	Net profit after tax	277,525,709	224,930,663
	Weighted average number of shares (Note-36.02)	129,047,457	129,047,457
	Earnings per share	2.15	1.74
36.01	Basic earnings per share (EPS)		
	Net profit after tax	277,525,709	224,930,663
	Number of share	129,047,457	117,315,870
		2.15	1.92
	1) Earnings per share has been calculated in accordance with BAS - 33: earnings per share (EPS).		
	2) At present we are enhancing production capacity as well as export volume has been increased significantly. In this regard net profit also increased, which is positively influence to enhance current earning Earnings per share (EPS)		
36.02	Number of shares		
	Number of shares at the beginning of the year	117,315,870	109,641,000
	Add: bonus shares issued during the year	11,731,587	7,674,870
	Closing number of shares	129,047,457	117,315,870
	Face value of share tk. 10/- per share		



Notes	Particulars	30-06-2018	30-06-2017
		Taka	Taka
37.00	Reconciliation of net income with cash flows from perating activities		
	Net Profit (As per Statement of Profit or Loss and Other Comprehensive Income)	277,525,709	224,930,663
	Adjustments to Reconciled with non cash iteams,non-operating iteams and net changes of the operating accruals :		
	Non-Cash Iteams :	638,600,793	346,993,035
	Depreciation	631,346,292	352,975,815
	Income Tax provision	7,309,414	(4,179,876)
	WPPF & WF Provision	1,197,728	998,433
	Profit on sale of share	(1,252,641)	(2,801,337)
	Changes in operating accruals :	(571,702,975)	284,503,939
	Increase/ Decrease in Trade receivables	(126,473,315)	(6,851,285)
	Increase/ Decrease in Inventory	(610,751,079)	(194,221,098)
	Increase/ Decrease trade payables and others	185,491,743	462,613,240
	Increase/ Decrease in Liability for Expenses	25,740,324	10,057,485
	Increase/Decrease in Advance & Prepayment	(43,485,367)	(2,071,083)
	Increase/ Decrease in Security deposit	(2,225,280)	14,976,680
	Net Cash flows from operating activities	344,423,528	856,427,637



38.00 Related party disclosers

During the year ended June 30, 2018 the company entered into a number of transactions with related parties in the normal course of business. All these transaction takes place in an arm length basis. Name of the related parties, nature of these transactions and amount thereof been set out below in accordance with the provisions of BAS 24: Related party disclosure.

Name of related parties	Nature of transaction	Transaction during the year	Balance/ outstanding as on June 30, 2018	Balance/ outstanding as on June 30, 2017
Paramount Insurance Co. Ltd.	Insurance	32,243,089	3,824,163	5,870,292
Paramount Insurance Co. Ltd.	Investment	-	10,887,548	10,888,796
Paramount Holdings Ltd.	Inter company	-	-	-

39.00 Capital expenditure commitment

Particulars	Contract value	Paid during the period	Balance
Edison Electronics Ltd	13,050,000	6,465,000	6,585,000
Green Design Solution	6,910,703	3,455,352	3,455,351
BBS Cables Ltd	33,534,748	31,605,325	1,929,423
Bangladesh Building system Ltd	32,089,696	21,022,346	11,067,350

40.00 Number of employees

In compliance with the requirement of Schedule XI, Part II, Para 3 of Company Act 1994 following has been disclosed.

Particulars	2017-2018	2016-2017
	Taka	Taka
Factory:		
Number of full time employees (officers & staff)	678	359
Number of full time employees (workers)	2,542	2,508
	<u>3,220</u>	<u>2,867</u>
Head office		
Number of full time employees (officers & staff)	101	99
Number of full time employees (Workers)	66	76
	<u>167</u>	<u>175</u>
	<u>3,387</u>	<u>3,042</u>

• All employees received more than Tk.6000 per month



41.00

Key management personnel compensation

In compliance with the requirement of Schedule XI, Para 4 of company Act 1994 and Para 17 of BAS 24 following has been disclosed.

- No remuneration, board meeting attendance fees is provided to any of the directors of the company except managing director.
- As per management decision, the following amount has been paid for the year ended June 30, 2018

Name	Designation	Short term benefits		Post employment benefit (provident fund)	Other long term benefit	Termination benefit	Share based benefit
		Remuneration / salary (Taka)	Bonus				
Mr. Shakhawat Hossain	Managing Director	12,600,000	N/A	N/A	N/A	N/A	N/A
A. B. M. Delwar Hossain	Executive Director	2,614,008	360,668	10% of basic salary	N/A	N/A	N/A
Md. Jamal Mia	General Manager	2,835,000	397,500	10% of basic salary	N/A	N/A	N/A
Mr. Jahidul Abedin	Chief Financial Officer	1,928,000	185,000	10% of basic salary	N/A	N/A	N/A
Md. Shelim Sharder	Deputy General Manager	2,010,000	260,000	10% of basic salary	N/A	N/A	N/A
Mr. Robiul Islam, ACS	Company Secretary	962,741	41,083	10% of basic salary	N/A	N/A	N/A



42.00 Capacity and usage

In compliance with the requirement of Schedule XI, Part II, Para 7 of Company Act 1994 following has been disclosed.

Particulars	2017-2018	2016-2017
	Taka	Taka
Yarn dyed fabric		
Installed capacity	90,000 yds per day	74,000 yds per day
Actual production	86,770 yds per day	72,360 yds per day
Utilization	96.42%	97.78%
Dyed yarn		
Installed capacity	32 ton/per day	25 ton/per day
Actual production	28.65 ton/per day	20.55 ton/per day
Utilization	89.53%	82.20%
Printing		
Installed capacity	10 ton/per day	-
Actual production	9.10 ton/per day	-
Utilization	91.00%	-

43.00 Transaction in foreign currency

During the year following transactions took place in foreign currency

Particulars	2017-2018	2016-2017
	Taka	Taka
CIF value of import		
Yarn	1,904,215,630	1,428,897,672
Chemical	461,691,696	286,901,769
Capital machinery	1,371,550,669	89,986,014
	3,737,457,995	1,805,785,455
FOB value of export		
	4,119,598,956	3,351,654,004

44.00 Credit facility

No credit facilities were availed by the company under any contract other than bank credit facility and trade credit which took place in the ordinary course of business.

45.00 Contingent liability

Particulars	2017-2018	2016-2017
	Taka	Taka
Letter of credit	685,687,897	1,342,725,063
	685,687,897	1,342,725,063

46.00 Capital management

- The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consist of total equity attributable to the equity holders.

- In order to maintain or adjust the capital structure, the group may adjust the amount of dividend or obtain long term debt.

- No changes were made in the objectives, policies or processes for managing capital during the year.

- The company is not subject to any externally imposed capital requirement.

46.01.01 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	2017-2018	2016-2017
	Taka	Taka
Trade receivable	407,831,276	280,658,601
Security deposit	28,328,060	14,764,960
Cash and cash equivalent	12,193,280	43,941,183
	448,352,616	339,364,744

46.01.02 Impairment losses

The accounts receivables were created for sales made to foreign customers in the ordinary course of business. All sales were made through letter of credit. Thus as per management perception, recognition of any impairment losses were not necessary.



46.02 Liquidity risk

The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

As at June 30, 2018					
Particulars	Carrying amount	Contractual cash flows	Within 6 months or less	Within 6-12 months	Within 1-6 years
Trade payables	113,301,437	113,301,437	113,301,437	-	-
Other payables	607,208	607,208	607,208	-	-
Term loan	2,236,993,648	2,236,993,648	131,435,443	131,435,443	1,974,122,762
Liabilities for expenses	101,055,429	101,055,429	101,055,429	-	-
	2,451,957,722	2,451,957,722	346,399,517	131,435,443	1,974,122,762

As at June 30, 2017					
Particulars	Carrying amount	Contractual cash flows	Within 6 months or less	Within 6-12 months	Within 1-6 years
Trade payables	488,115,382	488,115,382	488,115,382	-	-
Other payables	72,262,402	72,262,402	72,262,402	-	-
Term loan	353,456,695	353,456,695	55,350,413	55,350,413.00	242,755,869
Liabilities for expenses	76,337,030	76,337,030	76,337,030	-	-
	990,171,509	990,171,509	692,065,227	55,350,413	242,755,869

46.03 Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts

Foreign currency denominated assets

Accounts receivables

2017-2018	2016-2017
Taka	Taka

407,831,276 280,658,601

407,831,276	280,658,601
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Foreign currency denominated liabilities

Trade payables

Capital machinery

82,327,150 416,145,653

1,287,297,421 118,680,819

1,369,624,571	534,826,472
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Net exposure

(961,793,295)	(254,167,871)
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The following significant exchange rates are applied during the year:

Exchange rate as at

2017-2018	2016-2017
Taka	Taka

US dollar (average)

81.75 79.50



46.04 Accounting classification and fair values

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial position are as follows:

	2017-2018	
	Carrying amount	Fair value
Loans and receivables		
Trade receivables	407,831,276	407,831,276
Cash and cash equivalent	12,193,280	12,193,280
Available for sale financial instrument		
Investment in share	18,868,591	18,868,591
Liabilities carried at amortized costs		
Term loan-non current portion	1,974,122,762	1,974,122,762
Trade and other payables	113,908,645	113,908,645
Liability for expense	101,055,429	101,055,429

	2016-2017	
	Carrying amount	Fair value
Loans and receivables		
Trade receivables	1,077,385,922	1,077,385,922
Cash and cash equivalent	43,941,183	43,941,183
Available for sale financial instrument		
Investment in share	23,847,968	23,847,968
Liabilities carried at amortized costs		
Term loan-non current portion	242,755,869	242,755,869
Trade and other payables	560,377,784	560,377,784
Liability for expense	76,337,030	76,337,030

47.00 Events after reporting period (BAS-10)

i) The financial statements were authorized for issue on 21th October 2018 by the Board of Directors who had the power to amend the financial statements after issue. There is no other significant event that has occurred between the Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the company.

ii) Subsequent to the financial position date, the Board of Directors has recommended 7% cash and 5% stock dividend in its Board meeting held on 21th October 2018. The dividend proposal is subject to shareholder's approval at the forthcoming AGM.

Except the fact as stated above, no circumstances have arisen since the statement of financial position date which would require adjustments, or disclosure in the financial statements.


Chairman


Managing Director


Director



Dated: 21 October, 2018
Dhaka

PARAMOUNT TEXTILE LIMITED
Schedule of Property, Plant & Equipment
As at June 30, 2018

Particulars	Cost					Rate of Dep. (%)	Depreciation		Written Down Value as at 30-06-18
	Opening Balance as on 01-07-17	Transfer from CWIP	Addition for the year	Adjustment for the year	Closing Balance as on 30-06-18		Charge for the year	Adjustment for the year	
Land & Land Development	14,076,072	-	56,739	-	14,132,811	0%	-	-	14,132,811
Building Construction	974,016,784	144,316,936	312,848,986	-	1,431,182,706	10%	109,294,391	-	983,649,518
Effluent Treatment Plant (ETP) & Water Treatment Plant (WTP)	84,952,015	-	6,463,790	-	91,415,805	10%	5,301,376	-	47,712,382
Electrical Installation	222,867,588	9,690,250	2,028,104	-	234,585,942	15%	19,992,484	-	113,290,742
Gas Line Installation	26,877,258	-	3,284,040	-	30,161,298	20%	2,329,815	-	9,319,261
Transformer	2,949,000	-	-	-	2,949,000	10%	141,241	-	1,271,169
Plant & Machinery	2,488,307,141	228,543,663	1,165,073,960	-	3,881,924,764	20%	445,333,802	-	1,781,335,207
Loose Tools	169,815	-	-	-	169,815	10%	9,671	-	87,038
Reed Air (Jet)	9,715,003	-	-	-	9,715,003	20%	438,524	-	1,754,097
Fire Equipment	28,442,040	-	-	-	28,442,040	15%	3,496,302	-	8,629,662
Factory Equipment	8,284,811	-	-	-	8,284,811	10%	463,869	-	4,174,817
Generator & Boiler	328,288,514	-	-	-	328,288,514	15%	20,108,069	-	113,945,725
Industrial Rack	26,229,600	-	-	-	26,229,600	10%	1,325,743	-	11,931,685
Sub Total (Manufacturing)					2,376,829,991		608,235,286		3,102,416,830
Furniture & Fixture	11,108,515	-	536,446	-	11,644,961	10%	645,739	-	5,833,306
Air Conditioner	13,319,979	-	5,451,240	-	18,771,219	10%	1,462,094	-	5,612,369
Swimming Pool	436,288	-	-	-	436,288	10%	30,695	-	160,035
Office Decoration	17,499,733	-	962,919	-	18,462,652	10%	1,500,971	-	4,953,909
Office Equipment	43,551,925	-	14,916,284	-	58,468,209	10%	4,494,251	-	18,019,954
Telephone Equipment	1,136,320	-	-	-	1,136,320	12%	58,725	-	430,652
Motor Vehicles	81,523,425	-	39,615,341	1,355,000	119,783,766	15%	12,803,040	1,355,000	45,878,206
Sub Total (Administrative)					61,522,933		20,995,516		81,163,449
Total (As at June, 2018)	4,383,751,826	382,550,849	1,551,237,849	1,355,000	6,316,185,524		629,230,802	1,355,000	3,066,228,728
Total (As at June, 2017)	3,947,081,103	10,355,408	427,685,315	1,370,000	4,383,751,826		352,975,816	591,750	2,438,352,924



PARAMOUNT TEXTILE LIMITED
Schedule of Inventories
As at June 30, 2018

Annexure-B

Quantitative movement of inventories for the year ended 30 June 2018

In compliance with the discloser requirement of Schedule XI of the Companies Act, 1994 movement of inventories has been disclosed as follows:

Particulars	Unit	Opening Stock		Purchases/ Production		Consumption/ Sales		Closing Stock	
		Qty	Value	Qty	Value	Qty	Value	Qty	Value
Raw materials									
Yarn	Kgs	2,230,249	755,419,583	6,784,321.92	2,035,296,577	6,147,879	1,901,116,832	2,866,692	889,599,328
Dyes & chemicals	Kgs	1,154,001	206,247,315	5,441,245	489,712,049	5,057,657	450,871,747	1,537,589	245,087,617
Packing & sub material	Various	858,217	4,935,036	13,076,339	71,919,867	13,289,380	73,112,878	645,177	3,742,025
Work in progress									
Yarn	Kgs	266,833	90,526,995	6,147,879	2,243,975,735	5,988,878	2,187,718,568	425,834	146,784,162
Fabrics	Yds	1,086,774	136,176,007	29,644,944	3,794,552,825	28,523,022	3,691,016,410	2,208,696	239,712,422
Finished goods									
Finished fabric	Yds	2,530,386	322,828,428	28,523,022	3,706,191,924	26,435,065	3,427,061,464	4,618,343	601,958,888



PARAMOUNT TEXTILE LIMITED
Schedule of Advance, Deposits & Prepayments
As at June 30, 2018

Annexure-C

Disclose information regarding advance deposits & prepayments as on June 30, 2018

In compliance with the requirement of Schedule of XI, part 1, para (J) of the companies Act, 1994 aging of the advances except security deposits (Titas), security deposit CDBL, bank guarantee & security deposit for telephone line for utilities are given below:

	June 30, 2018		June 30, 2017	
	Below six months	Over six months	Below six months	Over six months
L/C margin deposit	7,747,166		2,230,305	-
Advance against salary	4,774,018	8,866,032	2,655,884	4,932,357
Advance office/house rent	82,867	3,085,768	1,661,567	3,085,768
Advance to construction party, suppliers & others	258,988,683	28,745,006	86,235,018	28,745,006
Advance for investment property	-	-	5,000,000	418,230,825
Advance against security	24,856,955	8,980,032	7,055,739	8,980,032

There are no advance due for payment for more than 6 months from the date of statement of financial position except as mentioned above.



Paramount Textile Limited
Schedule of Investment
As on June 30, 2018

Annexure-D

Name of the Company	Cost Price as on 30-06- 2018	Market Price as on 30-06- 2018	Unrealized gain/(loss)
Aamra technologies Limited	1,647,401	1,149,550	(497,851)
Thai Aluminium Ltd.	7,498	6,447	(1,051)
Bangladesh Welding Electrodes Ltd.	250,230	182,000	(68,230)
Golden Son Ltd.	2,225,763	567,712	(1,658,052)
Khan Brothers PP Woven Bag Industries Limited	1,935,800	1,121,775	(814,025)
RAK Ceramics (Bangladesh) Limited	7,031	5,418	(1,613)
Rupali Bank Ltd.	5,218,266	3,932,052	(1,286,214)
Summit Alliance Port Limited	3,192,252	1,739,010	(1,453,242)
Western Marine Shipyard Limited	1,375,819	1,030,642	(345,178)
Bangladesh Building Systems Ltd.	417,075	284,000	(133,075)
Islami Bank Bangladesh Limited	3,557,999	2,180,080	(1,377,919)
Paramount Insurance Company Ltd.	10,887,548	6,052,152	(4,835,396)
The City Bank Ltd.	951,684	613,872	(337,812)
Ledger Balance (Cash Available for Purchase)	3,882	3,882	-
Total	31,678,248	18,868,591	(12,809,657)

