

# **PARAMOUNT TEXTILE LIMITED**

**THIRD QUARTER ENDED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED MARCH 31, 2021**



**PARAMOUNT TEXTILE LIMITED**

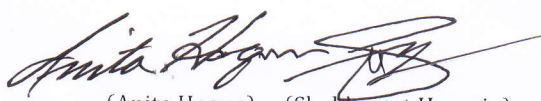
**Chaklader House (Level 6), House No. 22, Road No. 113/A  
Gulshan 2, Dhaka 1212**

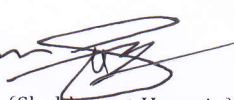
**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**As at March 31, 2021**

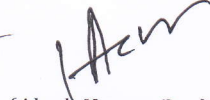
Amount in Taka

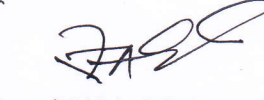
Particulars	Notes	31-03-2021	30-06-2020
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>5,746,671,646</b>	<b>5,061,799,669</b>
Property, plant and equipment	3.00	2,895,906,183	2,987,306,142
Capital work in progress		787,630,379	526,119,512
Investment in Property		491,824,142	495,540,698
Investment in Associates	4.00	1,571,310,941	1,052,833,318
<b>Current assets</b>		<b>4,441,252,898</b>	<b>3,833,568,269</b>
Inventories	5.00	2,787,614,911	2,703,235,756
Trade receivables		493,226,479	675,893,376
Other receivables		568,000	5,617,792
Advance, deposits & prepayments	6.00	890,592,522	341,830,652
Investments		207,895,472	57,361,269
Cash & cash equivalents	7.00	61,355,514	49,629,424
<b>TOTAL ASSETS</b>		<b>10,187,924,544</b>	<b>8,895,367,938</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>		<b>4,052,641,205</b>	<b>3,582,631,598</b>
Ordinary share capital		1,550,765,550	1,476,948,140
Share premium		540,000,000	540,000,000
Retained earnings		1,726,639,625	1,359,207,917
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve		31,618,889	2,858,399
<b>Deferred tax liability</b>	8.00	<b>15,001,108</b>	<b>12,127,087</b>
<b>Non-current liabilities</b>		<b>2,054,703,520</b>	<b>1,693,603,203</b>
Long term loan		2,054,703,520	1,693,603,203
<b>Current liabilities</b>		<b>4,065,578,710</b>	<b>3,607,006,050</b>
Trade and other payables	9.00	205,442,622	312,056,363
Liability for expenses		151,053,736	165,985,662
Short term loan	10.00	3,338,860,211	2,686,229,688
Current portion of long term loan		327,504,438	418,254,704
Income tax provision		42,717,703	24,479,633
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,187,924,544</b>	<b>8,895,367,938</b>
Net asset value (NAV) per share	11.00	26.13	23.10

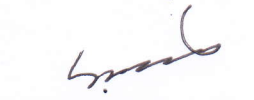
(Restated)

  
 (Anita Haque)  
 Chairman

  
 (Shakhawat Hossain)  
 Managing Director

  
 (Alock Kumar Das)  
 Director

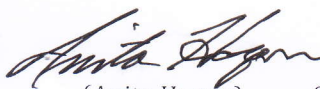
  
 (Md. Jahidul Abedin)  
 Chief Financial Officer


  
 (Md. Robiul Islam, FCS)  
 Company Secretary


Dhaka, May 11, 2021

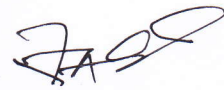
**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME ( UNAUDITED)**  
**For the 3rd quarter ended March 31, 2021**


Particulars	Note	Three Quarter Ended		Amount in Taka 3rd Quarter	
		01-07-2020 to 31-03-2021 (9 months)	01-07-2019 to 31-03-2020 (9 months)	01-01-2021 to 31-03-2021 (3 months)	01-01-2020 to 31-03-2020 (3 months)
Revenue	14.00	3,752,452,512	4,167,372,730	1,157,261,122	1,378,288,340
Cost of sales		(3,143,885,406)	(3,488,609,586)	(977,457,503)	(1,159,557,470)
<b>Gross profit</b>		<b>608,567,106</b>	<b>678,763,144</b>	<b>179,803,619</b>	<b>218,730,870</b>
Administrative expenses		(154,934,370)	(170,900,652)	(43,642,849)	(50,380,184)
Distribution costs		(38,995,219)	(40,431,356)	(17,433,203)	(18,132,808)
		(193,929,589)	(211,332,008)	(61,076,052)	(68,512,992)
<b>Profit from operations</b>		<b>414,637,517</b>	<b>467,431,136</b>	<b>118,727,567</b>	<b>150,217,878</b>
Finance costs		(179,044,018)	(197,302,274)	(45,937,810)	(66,729,872)
Other income		21,877,374	(5,546,197)	1,472,838	170,062
Income from house rent	15.00	10,362,226	11,574,965	3,772,650	3,858,322
Exchange gain/ (Loss)		2,030,100	1,917,003	677,490	621,730
<b>Profit/(loss) before WPPF &amp; WF</b>		<b>269,863,199</b>	<b>278,074,633</b>	<b>78,712,735</b>	<b>88,138,120</b>
Contribution to WPPF & WF		(1,180,536)	(1,239,771)	(331,205)	(398,959)
Share of profit/(Loss) of associates		302,602,624	330,949,372	79,039,602	104,463,219
<b>Profit before tax</b>		<b>571,285,287</b>	<b>607,784,234</b>	<b>157,421,132</b>	<b>192,202,380</b>
<b>Tax expenses</b>					
Income tax	16.00	(40,659,971)	(43,794,952)	(12,323,500)	(14,506,086)
Deferred tax benefit/ (expense)		(2,874,021)	(38,760)	4,796,299	340,154
		(43,533,993)	(43,833,713)	(7,527,202)	(14,165,933)
<b>Net profit/ (loss) after tax</b>		<b>527,751,294</b>	<b>563,950,521</b>	<b>149,893,930</b>	<b>178,036,447</b>
Unrealized gain / (loss) on share		28,760,490	10,836,108	(35,813,532)	(3,742,222)
<b>Total comprehensive income</b>		<b>556,511,784</b>	<b>574,786,629</b>	<b>114,080,398</b>	<b>174,294,225</b>
Basic earning per share (EPS)	17.00	3.40	3.64 (Restated)	0.97	1.15 (Restated)

  
 (Anita Haque)  
 Chairman

  
 (Shakhawat Hossain)  
 Managing Director

  
 (Alok Kumar Das)  
 Director






  
 (Md. Jahidul Abedin)  
 Chief Financial Officer

  
 (Md. Robiul Islam, FCS)  
 Company Secretary

Dhaka, May 11, 2021

**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF CASH FLOWS ( UNAUDITED)**  
**For the 3rd quarter ended March 31, 2021**

Particulars	Amount in Taka	
	31-03-2021	31-03-2020
<b>A) Cash flows from operating activities</b>		
<b>Cash received from operating activities</b>		
Cash received from customer	3,935,119,409	4,132,571,030
Cash received from house rent	19,852,972	18,035,664
Cash received from other income	1,595,335	354,694
	<b>3,956,567,716</b>	<b>4,150,961,388</b>
<b>Cash paid for operating activities</b>		
Cash paid to suppliers	2,188,637,901	2,481,942,877
Wages & salaries	504,752,209	503,167,988
Factory overhead	442,623,719	373,011,670
Administrative overhead	170,390,630	181,723,871
Distribution costs	38,995,219	40,431,356
Financial costs	179,044,018	197,302,274
Advance & Security deposit receipt	273,898	1,361,440
Advance , deposits & pre-payments	5,259,645	6,376,894
Exchange loss/ (gain)	(2,030,100)	(1,917,003)
Income tax /advance income tax paid	45,207,428	42,045,142
	<b>3,573,154,567</b>	<b>3,825,446,509</b>
<b>Net cash flows from operating activities ( Note :- 18.00)</b>	<b>383,413,149</b>	<b>325,514,879</b>
<b>B) Cash flows from investing activities</b>		
Payment of investment in Associates	(215,875,000)	-
Investment in share	(102,326,114)	-
Payment against property,Plant,equipment and CWIP	(1,081,518,832)	(365,571,666)
<b>Net cash increase from investing activities</b>	<b>(1,399,719,946)</b>	<b>(365,571,666)</b>
<b>C) Cash flows from financing activities</b>		
Dividend payment	(74,968,574)	(94,322,947)
Proceeds from bank overdraft	290,097,833	322,043,502
Proceeds from loan against trust receipts (LATR)	(42,285,449)	32,607,915
Proceed from term loan	855,189,077	(205,905,604)
<b>Net cash flows used in financing activities</b>	<b>1,028,032,887</b>	<b>54,422,866</b>
<b>Net increase in cash and cash equivalents</b>	<b>11,726,090</b>	<b>14,366,079</b>
<b>Cash and cash equivalents, beginning of the period</b>	<b>49,629,424</b>	<b>24,556,137</b>
<b>Cash and cash equivalents, end of the 3rd Quarter</b>	<b>61,355,514</b>	<b>38,922,216</b>
Net operating cash flows per share (NOCFPS) ( Note:- 19.00)	2.47	2.10 (Restated)

 (Anita Haque) Chairman	 (Shakhawat Hossain) Managing Director	 (Alock Kumar Das) Director	 (Md. Jahidul Abedin) Chief Financial Officer	 (Md. Robiul Islam, FCS) Company Secretary
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Dhaka, May 11, 2021

**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**


For the 3rd Quarter ended March 31, 2021

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2020	1,476,948,140	540,000,000	1,359,207,917	203,617,141	2,858,399	3,582,631,597
Current period	73,817,410	-	527,751,294	-	28,760,490	630,329,194
Cash dividend paid to shareholders for the year ended June 30, 2020	-	-	(86,502,176)	-	-	(86,502,176)
Stock dividend paid to shareholders for the year ended June 30, 2020	-	-	(73,817,410)	-	-	(73,817,410)
<b>Total Equity as at 31-03-2021</b>	<b>1,550,765,550</b>	<b>540,000,000</b>	<b>1,726,639,625</b>	<b>203,617,141</b>	<b>31,618,889</b>	<b>4,052,641,205</b>


**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

For the 3rd Quarter ended March 31, 2020


Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2019	1,354,998,290	540,000,000	917,192,775	203,617,141	(11,950,919)	3,003,857,287
Current period	121,949,850	-	563,950,521	-	10,836,108	696,736,480
Cash dividend paid to shareholders for the year ended June 30, 2019	-	-	(94,849,880)	-	-	(94,849,880)
Stock dividend paid to shareholders for the year ended June 30, 2019	-	-	(121,949,850)	-	-	(121,949,850)
<b>Total Equity as at 31-03-2020</b>	<b>1,476,948,140</b>	<b>540,000,000</b>	<b>1,264,343,566</b>	<b>203,617,141</b>	<b>(1,114,811)</b>	<b>3,483,794,036</b>

  
(Anita Haque)  
Chairman

(Shakhawat Hossain)  
Managing Director

  
(Alok Kumar Das)  
Director

(Md. Jahidul Abedin)  
Chief Financial Officer

  
(Md. Robiul Islam, FCS)  
Company Secretary

Dhaka, May 11, 2021

**PARAMOUNT TEXTILE LIMITED**  
**SELECTED NOTES TO THE FINANCIAL STATEMENTS ( UNAUDITED)**  
**For the 3rd Quarter ended March 31, 2021**

**1.00 Status and nature of business**

The company was incorporated in Bangladesh on June 12, 2006 under the Companies Act 1994. Company's shares are listed with Dhaka and Chittagong stock Exchanges and are placed under "A" category. The principal activities of the company are manufacturing high quality woven fabrics that are consumed by export oriented garments industries in Bangladesh and abroad.

**2.00 Basis of preparation**

These financial statements have been prepared in accordance with the requirement of International Accounting Standards 34 " Interim Financial Reporting" and the requirements of the Securities & Exchange rules 1987.

**2.01 Basis of preparation**

The same accounting policies and methods of computation have been followed in these condensed interim financial information as were applied in preparation of the financial statements of Paramount Textile Limited as at and for the year ended June 30, 2020.

Note	Particulars	Amount in Taka			
		31-03-2021	30-06-2020		
<b>3.00 Property, Plant and equipment</b>					
	Opening Balance of Property, plant and equipment	2,987,306,142	3,361,207,496		
	Add : Addition during the period	299,291,267	190,415,451		
		3,286,597,409	3,551,622,947		
	Less : Depreciation Charged during the period	390,691,226	564,316,805		
	<b>Closing balance of property, plant and equipment</b>	<b>2,895,906,183</b>	<b>2,987,306,142</b>		
<b>4.00 Investment in Associates</b>					
<b>4.01 Paramount Btrac Energy Ltd</b>					
	Opening Investment in Share	1,052,833,318	723,652,757		
	Addition: During the period	-	(38,550,000)		
	Share of profit/(Loss) of associates (Note-4.01)	302,602,624	367,730,561		
		<b>1,355,435,941</b>	<b>1,052,833,318</b>		
<b>4.01 Share of profit of Associate</b>					
	Net profit attributable to the Shareholders of associate	617,556,375	750,470,532		
	Percentage of holding	49.00%	49.00%		
	<b>Share of net profit</b>	<b>302,602,624</b>	<b>367,730,561</b>		
	The company's investment in associates as 49.00% equity interest at Paramount BTrac Energy Ltd (PBEL). PBEL is a joint venture company between Paramount Textile Limited and Bangla Trac Limited having formed at 25 <sup>th</sup> February, 2018 and commencing COD at 16 <sup>th</sup> February, 2019. In financial statement 49.00% equity interest is accounted using equity method in accordance with IAS 28. Investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee. The investor's share of investee's profit or loss is recognized in the investor's profit or loss.				
<b>4.02 Intraco Solar power Ltd</b>					
	Investment in Intraco Solar power Ltd	184,875,000	-		
	Add: Addition during the period	31,000,000	-		
		<b>215,875,000</b>	-		
	The company's investment in associates as 29% equity interest at Intraco solar power Ltd (ISPL). ISPL is joint venture company between Paramount Textile Ltd, Intraco CNG Ltd and Juli new Energy co. Ltd. In Financial statement 29% equity interest in accounted using equity method.				
	<b>Total investment in Associates</b>	<b>1,571,310,941</b>	<b>1,052,833,318</b>		
<b>5.00 Inventories</b>					
	Chemicals	326,682,369	370,890,710		
	Finished Goods	656,772,735	855,200,593		
	Yarn	1,229,312,989	968,326,182		
	Work in Process	571,856,066	502,813,502		
	Packing & Sub Material	2,990,752	6,004,769		
		<b>2,787,614,911</b>	<b>2,703,235,756</b>		
<b>6.00 Advance, deposits &amp; prepayments</b>					
	Advance against salary	11,844,385	6,453,355		
	Advance against suppliers and others	767,539,301	246,822,603		
	Advance income tax	22,785,527	-		
	Advance office/house rent	1,319,735	1,609,735		
	Bank guarantee	1,543,113	1,490,952		
	Security deposits-CDBL	500,000	500,000		
	Imprest fund	2,292,944	2,162,763		
	L/C Margin deposit	1,666,352	3,834,783		
	Pre-paid Expense	25,542,656	8,845,822		
	Discount on Zero Coupon Bond	26,068,749	40,620,879		
	Security deposits for internet	7,000	7,000		
	Security deposit for tital gas	29,469,760	29,469,760		
	Telephone line deposit	13,000	13,000		
		<b>890,592,522</b>	<b>341,830,652</b>		
<b>7.00 Cash and bank balances</b>					
	Cash in hand	20,162,474	5,332,270		
	Cash at bank	9,373,870	11,673,553		
	Cash at bank (Foreign currency)	4,319,170	10,123,601		
	Cash at bank (FDR)	27,500,000	22,500,000		
		<b>61,355,514</b>	<b>49,629,424</b>		
	Cash at bank (Foreign currency) bank account, account maintained in foreign currency has been disclosed in local currency; thus foreign exchange fluctuation gain/(Loss) has been recognized				
<b>8.00 Deferred tax (assets)/Liability</b>					
	<b>For the period ended March 31, 2021</b>				
	Particulars	Carrying amount as at 31st March, 2021	Tax base value as at 31st March 2021	Taxable/(Deductible) temporary difference as on 31.03.2021	Taxable/(Deductible) temporary difference as on 30.06.2020
	Property, plant and equipment	2,895,906,184	2,772,366,414	123,539,770	131,770,316
	Provident fund	(2,934,168)	-	(2,934,168)	(12,699,448)
	WPPF & WF	(36,911,556)	-	(36,911,556)	(35,770,928)
	Post employment benefit	(4,765,918)	-	(4,765,918)	(4,358,292)
				78,928,128	78,941,648
	Effective tax rate			15%	15%
	<b>Deferred tax liability/(assets) excluding holding gain reserve (A)</b>			<b>11,839,219.27</b>	<b>11,841,247</b>
	Holding gain reserve	31,618,889	-	31,618,889	2,858,399
	Effective tax rate			10%	10%
	<b>Deferred tax liability/(assets) on holding gain reserve (B)</b>			<b>3,161,888.91</b>	<b>285,840</b>
	<b>Deferred tax liability/(assets) (A+B)</b>			<b>15,001,108</b>	<b>12,127,087</b>
<b>9.00 Trade and other payables</b>					
	Trade payables			205,442,622	312,056,363
				<b>205,442,622</b>	<b>312,056,363</b>
<b>10.00 Short term loan</b>					
	UPAS (PBL & HSBC)			224,799,906	404,820,793
	LATR & PAD (Pubali Bank Ltd & HSBC)			-	42,285,449
	EDF (Eastern Bank Ltd & HSBC)			1,643,356,308	1,058,517,282
	Bank overdraft/STL (PBL, HSBC, EBL & Woori Bank)			1,470,703,997	1,180,606,164
				<b>3,338,860,211</b>	<b>2,686,229,688</b>
<b>11.00 Net Assets value (NAV) per share</b>					
	Net assets			4,052,641,205	3,582,631,598
	Number of shares			155,079,555	155,079,555
				<b>26.13</b>	<b>23.10</b>
					(Restated)

**12.00 Related party disclosures**

During the period ended March 31, 2021 the company entered into a number of transactions with related party in the normal course of business. All these transaction takes place in an arm length basis. Name of the related party, nature of these transactions and amount thereof been set out below in accordance with the provisions of IAS 24: Related party disclosure.

Name of related parties	Nature of transaction	Transaction during the period	Balance/ outstanding as on March 31, 2021	Balance/ outstanding as on June 30, 2020
Paramount Insurance Co. Ltd.	Insurance	27,038,124	6,330,029	3,106,174
Paramount Insurance Co. Ltd.	Investment	-	41,410,020	16,212,908
Paramount BTrac Energy Ltd	Office Rent	4,500,000	500,000	3,000,000

**13.00 Workers profit participation fund & welfare funds (WPPF & WF)**

Provision has been made on WPPF & WF at .03% on revenue collection in accordance with the Bangladesh Labour Act,2006 (Amendment 2013) & rule 214 of the Bangladesh Labour rule. 2015.

Note	Particulars	01-07-2020 to 31-03-2021	01-07-2019 to 31-03-2020
<b>14.00 Revenue</b>			
	Yarn dyed fabric	3,207,060,815	3,603,149,505
	Knit yarn dyeing	257,586,585	257,597,851
	Printing	287,805,112	306,625,374
		<u>3,752,452,512</u>	<u>4,167,372,730</u>
<b>15.00 Income from House Rent</b>			
	Income from House Rent ( Commercial space)	14,803,180	16,535,664
	Less : Maintenance cost	(4,440,954)	(4,960,699)
		<u>10,362,226</u>	<u>11,574,965</u>
<b>16.00 Income Tax</b>			
	Profit Before Tax	571,285,287	607,784,234
	Add/(Less): Exchange Loss/gain	(2,030,100)	(1,917,003)
	Add/(Less): Other income	(21,877,374)	5,546,197
	Add/(Less): House rent income	(10,362,226)	(11,574,965)
	Add/(Less): Share of profit/(Loss) of associates	(302,602,624)	(330,949,372)
	Taxable income	<u>234,412,963</u>	<u>268,889,091</u>
	Tax Rate	15%	15%
	<b>Income tax on operational Income (A)</b>	<u>35,161,944</u>	<u>40,333,364</u>
<b>16.01 Income tax on other income</b>			
	Other income (7,74,929+3,78,563+2,030,100)*25%	795,898	567,848
	Dividend income (4+1,843-25,000)*20%	83,369	-
	Profit on sale of share (realized profit)- (202,82,039*10%)	2,028,204	-
	<b>Income tax on other income (B)</b>	<u>2,907,471</u>	<u>567,848</u>
<b>16.01 Income tax on House rent income (10,362,226*25%)</b>		2,590,557	2,893,741
	<b>Income tax on House rent income( C )</b>	<u>2,590,557</u>	<u>2,893,741</u>
	<b>Total Income Tax (A+B+C)</b>	<u>40,659,971</u>	<u>43,794,952</u>
<b>17.00 Basic earnings per share -EPS (Restated 2020 3rd Qutater ended)</b>			
	Net profit after tax	527,751,294	563,950,521
	Number of share ( Note-17.02)	155,079,555	155,079,555
		<u>3.40</u>	<u>3.64</u>
<b>17.01 Basic earnings per share (EPS)</b>			(Restated)
	Net profit after tax	527,751,294	563,950,521
	Number of share	155,079,555	147,694,814
		<u>3.40</u>	<u>3.82</u>
	i) Earnings per share has been calculated in accordance with BAS-33		
<b>17.02 Number of shares</b>			
	Number of shares at the beginning of the year	147,694,814	135,499,829
	Add. Bonus shares issued during the year	7,384,741	12,194,985
	<b>Closing number of shares</b>	<u>155,079,555</u>	<u>147,694,814</u>
<b>18.00 Reconciliation of net income with cash flows from operating activities</b>			
	<b>Net Profit</b> (As per Statement of Profit or Loss and Other Comprehensive Income)	527,751,294	563,950,521
	<b>Adjustments to Reconciled with non cash items,non-operating items and net changes of the operating accruals :</b>		
	<b>Non-Cash Items :</b>	<u>67,313,663</u>	<u>102,464,157</u>
	Depreciation	390,691,226	424,484,296
	Income Tax provision	(1,673,435)	1,788,571
	WPPF & WF Provision	1,180,536	1,239,771
	Profit on sale of share	(20,282,039)	5,900,891
	Share of profit/(Loss) of associates	(302,602,624)	(330,949,372)
	<b>Changes in operating accruals :</b>	<u>(211,651,809)</u>	<u>(340,899,799)</u>
	Increase/ Decrease in Trade receivables	187,716,686	(33,301,700)
	Increase/ Decrease in Inventory	(84,379,155)	(89,559,659)
	Increase/ Decrease trade payables and others	(286,634,628)	(220,766,457)
	Increase/ Decrease in Liability for Expenses	(22,821,169)	10,466,348
	Increase/Decrease in Advance & Prepayment	(5,259,645)	(6,376,894)
	Increase/ Decrease in Security deposit	(273,898)	(1,361,440)
	<b>Net Cash flows from operating activities</b>	<u>383,413,149</u>	<u>325,514,879</u>
<b>19.00 Net operating cash flows per share ( NOCFPS)</b>			
	Net cash flows from operating activities	383,413,149	325,514,879
	Number of shares	155,079,555	155,079,555
		<u>2.47</u>	<u>2.10</u>
			(Restated)
<b>20.00 Significant Variance</b>			
	Being a 100% export oriented company,due to ongoing pandemic situation- covid-19 our business impacted has been impacted,during the reporting period our revenue has decreased and subsequently EPS also decreased.		