

PARAMOUNT TEXTILE LIMITED

THIRD QUARTER ENDED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019




Paramount Textile Ltd.


House # 22, (Level -2, 5, 6 & 7), Road #113/A,
Gulshan -02, Bangladesh , Dhaka-1212

PARAMOUNT TEXTILE LIMITED
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at March 31, 2019

Particulars	Notes	Amount in Taka	
		31-03-2019	30-06-2018
ASSETS			
Non-current assets		4,962,885,352	4,416,973,115
Property, plant and equipment	3.00	3,451,704,013	3,249,956,796
Capital work in progress		342,969,694	656,514,138
Investment in Property		501,810,165	505,602,181
Investment in Associates	4.00	666,401,480	4,900,000
Current assets		3,350,927,001	2,931,904,117
Inventories	5.00	2,435,676,875	2,126,884,443
Trade receivables		415,092,514	407,831,276
Other receivables		1,500,000	-
Advance, deposits & prepayments	6.00	418,575,418	346,126,527
Investments		48,484,452	38,868,591
Cash & cash equivalents	7.00	31,597,743	12,193,280
TOTAL ASSETS		8,313,812,353	7,348,877,232
EQUITY AND LIABILITIES			
Capital and Reserves		2,876,886,626	2,681,784,622
Ordinary share capital		1,354,998,290	1,290,474,570
Share premium		540,000,000	540,000,000
Retained earnings		792,728,160	660,502,568
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve		(14,456,965)	(12,809,657)
Deferred tax liability	8.00	57,151	3,888,778
Non-current liabilities		2,197,343,924	1,974,122,762
Long term loan	9.00	2,197,343,924	1,974,122,762
Current liabilities		3,239,524,652	2,689,081,070
Trade and other payables	10.00	218,889,397	113,908,645
Liability for expenses		107,820,932	101,055,429
Short term loan	11.00	2,487,824,938	2,190,294,344
Current portion of long term loan		378,601,722	262,870,886
Income tax provision		46,387,663	20,951,765
TOTAL EQUITY AND LIABILITIES		8,313,812,353	7,348,877,232
Net asset value (NAV) per share	12.00	21.23	19.79 (Restated)


 (Anita Haque) - (Shakhawat Hossain)
 Chairman Managing Director


 (Alock Kumar Das)
 Director


 (Md. Jahidul Abedin)
 Chief Financial Officer


 (Md. Robiul Islam, ACS)
 Company Secretary

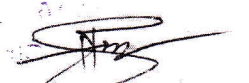
Dhaka, April 29, 2019


PARAMOUNT TEXTILE LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the 3rd quarter ended March 31, 2019


Amount in Taka


Particulars	Note	Three Quarter Ended		3rd Quarter	
		01-07-2018 to 31-03-2019 (9 months)	01-07-2017 to 31-03-2018 (9 months)	01-01-2019 to 31-03-2019 (3 months)	01-01-2018 to 31-03-2018 (3 months)
Revenue	15.00	4,232,631,679	2,968,855,623	1,434,211,636	1,030,862,083
Cost of sales		(3,519,226,568)	(2,480,414,817)	(1,191,661,405)	(858,275,378)
Gross profit		713,405,111	488,440,806	242,550,231	172,586,705
Administrative expenses		(215,784,956)	(160,327,714)	(78,782,376)	(48,034,002)
Distribution costs		(42,496,325)	(30,477,385)	(19,271,713)	(10,705,274)
		(258,281,281)	(190,805,099)	(98,054,089)	(58,739,276)
Profit from operations		455,123,830	297,635,707	144,496,142	113,847,429
Finance costs		(182,254,190)	(114,713,465)	(54,206,917)	(40,896,385)
Other income		1,855,307	1,485,836	1,186,149	84,099
Income from house rent	16.00	12,534,368	7,984,368	3,711,456	2,661,456
Exchange gain/ (Loss)		2,067,461	1,313,018	689,154	493,733
Profit/(loss) before WPPF & WF		289,326,776	193,705,464	95,875,984	76,190,332
Contribution to WPPF & WF		(1,267,611)	(829,356)	(430,280)	(322,810)
Share of profit/(Loss) of associates	4.00	39,851,480	-	39,851,480	-
Profit before tax		327,910,645	192,876,108	135,297,184	75,867,522
Tax expenses					
Income tax		(44,659,740)	(29,809,376)	(14,705,347)	(11,701,503)
Deferred tax benefit/ (expense)		3,831,627	(543,344)	3,799,082	(472,974)
		(40,828,113)	(30,352,720)	(10,906,265)	(12,174,477)
Net profit/ (loss) after tax		287,082,532	162,523,388	124,390,919	63,693,046
Unrealized gain / (loss) on share		(1,647,308)	(5,197,077)	(1,243,569)	(4,569,591)
Total comprehensive income		285,435,224	157,326,311	123,147,350	59,123,455
Basic earning per share (EPS)	17.00	2.12	1.20 (Restated)	0.92	0.47 (Restated)


 (Anita Haque)
 Chairman


 (Shakhawat Hossain)
 Managing Director


 (Alock Kumar Das)
 Director


 (Md. Jahidul Abedin)
 Chief Financial Officer


 (Md. Robiul Islam, ACS)
 Company Secretary

Dhaka, April 29, 2019

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CASH FLOWS (UNAUDITED)
For the 3rd quarter ended March 31, 2019

Particulars	Amount in Taka	
	31-03-2019	31-03-2018
A) Cash flows from operating activities		
Cash received from operating activities		
Cash received from customer	4,225,370,441	2,798,884,373
Cash received from house rent	16,406,240	12,105,600
Cash received from other income	641,320	233,195
	4,242,418,001	2,811,223,168
Cash paid for operating activities		
Cash paid to suppliers	2,425,305,757	1,565,294,374
Wages & salaries	476,251,521	374,860,217
Factory overhead	338,666,688	236,675,997
Administrative overhead	233,851,463	173,403,311
Distribution costs	42,496,325	30,477,385
Financial costs	182,254,190	114,713,465
Advance & Security deposit receipt	(1,386,880)	1,676,800
Advance , deposits & pre-payments	40,939,704	59,674,947
Exchange loss/ (gain)	(2,067,461)	(1,313,018)
Income tax /advance income tax paid	42,000,738	32,888,971
	3,778,312,045	2,588,352,449
Net cash flows from operating activities (Note :- 18.00)	464,105,956	222,870,719
B) Cash flows from investing activities		
Payment of investment in Associates	(621,650,000)	(4,900,000)
Payment against property,Plant,equipment and CWIP	(369,539,552)	(2,011,670,971)
Net cash increase from investing activities	(991,189,552)	(2,016,570,971)
C) Cash flows from financing activities		
Dividend payment	(89,994,533)	(58,493,786)
Proceeds from bank overdraft	(95,632,420)	379,970,706
Proceeds from loan against trust receipts (LATR)	(75,740,775)	80,317,140
Proceed from term loan	807,855,787	1,442,165,239
Net cash flows used in financing activities	546,488,059	1,843,959,299
Net increase in cash and cash equivalents	19,404,463	50,259,047
Cash and cash equivalents, beginning of the period	12,193,280	43,941,183
Cash and cash equivalents, end of the 3rd Quarter	31,597,743	94,200,230
Net operating cash flows per share (NOCFPS) (Note:- 19.00)	3.43	1.64 (Restated)



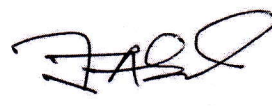
(Anita Haque)
Chairman



(Shakhawat Hossain)
Managing Director



(Alock Kumar Das)
Director



(Md. Jahidul Abedin)
Chief Financial Officer



(Md. Robiul Islam, ACS)
Company Secretary


Dhaka, April 29, 2019

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the 3rd Quarter ended March 31, 2019

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2018	1,290,474,570	540,000,000	660,502,568	203,617,141	(12,809,657)	2,681,784,622
Current period	64,523,720	-	287,082,532	-	(1,647,308)	349,958,944
Cash dividend paid to shareholders for the year ended June 30, 2018	-	-	(90,333,220)	-	-	(90,333,220)
Stock dividend paid to shareholders for the year ended June 30, 2018	-	-	(64,523,720)	-	-	(64,523,720)
Total Equity as at 31-03-2019	1,354,998,290	540,000,000	792,728,160	203,617,141	(14,456,965)	2,876,886,626

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the 3rd Quarter ended March 31, 2018

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
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
Current period	117,315,870	-	162,523,388	-	(5,197,077)	274,642,182
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)
Total Equity as at 31-03-2018	1,290,474,570	540,000,000	545,500,247	203,617,141	(11,774,716)	2,567,817,242


(Anita Haque)
Chairman


(Alok Kumar Das)
Director


(Md. Jahidul Abedin)
Chief Financial Officer


(Md. Robiul Islam, ACS)
Company Secretary

Dhaka, April 29, 2019

PARAMOUNT TEXTILE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

For the 3rd Quarter ended March 31, 2019

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 Bangladesh 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, 2018.

Note	Particulars	Amount in Taka			
		31-03-2019	30-06-2018		
3.00 Property, Plant and equipment					
	Opening Balance of Property, plant and equipment	3,249,956,796	1,945,398,902		
	Add : Addition during the period	673,744,498	1,932,433,696		
		<u>3,923,701,294</u>	<u>3,877,832,598</u>		
	Less : Depreciation Charged during the period	471,997,281	627,875,802		
	Closing balance of property, plant and equipment	<u>3,451,704,013</u>	<u>3,249,956,796</u>		
4.00 Investment in Associates					
	Opening Investment in Share	4,900,000	-		
	Addition: During the period	621,650,000	4,900,000		
	Share of profit/(Loss) of associates	39,851,480	-		
		<u>666,401,480</u>	<u>4,900,000</u>		
	Paramount Textile Ltd hold 49% shares of Paramount BTrac Energy Ltd (PBEL). As per IAS-28 this investment is required to be treated as investment in Associates.				
5.00 Inventories					
	Chemicals	271,230,773	245,087,617		
	Finished Goods	611,056,499	601,958,888		
	Yarn	983,113,436	889,599,328		
	Work in Process	566,967,198	386,496,585		
	Packing & Sub Material	3,308,969	3,742,025		
		<u>2,435,676,875</u>	<u>2,126,884,443</u>		
6.00 Advance, deposits & prepayments					
	Advance against salary	13,146,606	13,640,050		
	Advance against suppliers	276,970,790	268,238,500		
	Advance income tax	22,776,897	-		
	Advance office/house rent	3,143,035	3,168,635		
	Bank guarantee	1,395,537	5,508,927		
	Security deposits-CDBL	500,000	500,000		
	Imprest fund	1,506,885	1,146,891		
	L/C Margin deposit	2,439,535	7,747,166		
	Pre-paid Expense	8,085,144	3,170,703		
	Discount on Zero Coupon Bond	64,874,429	15,177,595		
	Security deposits for internet	7,000	7,000		
	Security deposit-PBEL	-	4,091,500		
	Security deposit for tital gas	23,716,560	23,716,560		
	Telephone line deposit	13,000	13,000		
		<u>418,575,418</u>	<u>346,126,527</u>		
7.00 Cash and bank balances					
	Cash in hand	12,097,668	3,865,515		
	Cash at bank	2,951,890	5,991,295		
	Cash at bank (Foreign currency)	16,548,185	2,336,470		
		<u>31,597,743</u>	<u>12,193,280</u>		
8.00 Deferred tax (assets) / liability					
	Opening balance	3,888,778	3,362,468		
	Current period	(3,831,627)	526,310		
		<u>57,151</u>	<u>3,888,778</u>		
9.00 Long term loan					
	HSBC	334,013,635	449,407,547		
	Zero Coupon Bond	355,625,000	68,750,000		
	IDLC Finance Ltd	54,446,290	246,525,604		
	Banka Bangla Finance Ltd	335,274,373	-		
	Pubali Bank Ltd	1,117,984,626	1,209,439,611		
		<u>2,197,343,924</u>	<u>1,974,122,762</u>		
10.00 Trade and other payables					
	Trade payables	218,889,397	113,301,437		
	Other payables	-	607,208		
		<u>218,889,397</u>	<u>113,908,645</u>		
11.00 Short term loan					
	UPAS (PBL & HSBC)	1,054,457,290	694,518,114		
	LATR & PAD(Pubali Bank Ltd & HSBC)	-	75,740,775		
	EDF (Eastern Bank Ltd & HSBC)	555,245,091	446,280,478		
	Bank overdraft/STL (PBL,HSBC,EBL & Woori Bank)	878,122,557	973,754,977		
		<u>2,487,824,938</u>	<u>2,190,294,344</u>		
12.00 Net Assets value (NAV) per share					
	Net assets	2,876,886,626	2,681,784,622		
	Number of shares	135,499,829	135,499,829		
		<u>21.23</u>	<u>19.79</u>		
13.00 Related party disclosures					
	During the period ended March 31, 2019 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 BAS 24: Related party disclosure.				
	Name of related parties	Nature of transaction	Transaction during the period	Balance/ outstanding as on March 31, 2019	Balance/ outstanding as on June 30, 2018
	Paramount Insurance Co. Ltd	Insurance	27,363,068	3,824,163	3,824,163
	Paramount Insurance Co. Ltd	Investment	-	10,887,547	10,887,548
	Paramount BTrac Energy Ltd	Office Rent	1,500,000	1,500,000	-
14.00 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	01-07-2018 to 31-03-2019	01-07-2017 to 31-03-2018
15.00	Revenue		
	Yarn dyed fabric	3,683,274,903	2,686,393,748
	Knit yarn dyeing	293,333,240	208,756,950
	Sweater yarn dyeing	855,383	1,742,503
	Printing	255,168,153	71,962,422
		<u>4,232,631,679</u>	<u>2,968,855,623</u>
16.00	Income from House Rent		
	Income from House Rent (Commercial space)	17,906,240	11,406,240
	Less : Maintenance cost	(5,371,872)	(3,421,872)
		<u>12,534,368</u>	<u>7,984,368</u>
17.00	Basic earnings per share -EPS (Restated 2018 3rd Qutater ended)		
	Net profit after tax	287,082,532	162,523,388
	Number of share (Note-17.02)	135,499,829	135,499,829
		<u>2.12</u>	<u>1.20</u>
17.01	Basic earnings per share (EPS)		(Restated)
	Net profit after tax	287,082,532	162,523,388
	Number of share	135,499,829	129,047,457
		<u>2.12</u>	<u>1.26</u>
	i) Earnings per share has been calculated in accordance with BAS-33		
	ii) 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 earnings per share (EPS)		
17.02	Number of shares		
	Number of shares at the beginning of the year	129,047,457	117,315,870
	Add. Bonus shares issued during the year	6,452,372	11,731,587
	Closing number of shares	<u>135,499,829</u>	<u>129,047,457</u>
18.00	Reconciliation of net income with cash flows from operating activities		
	Net Profit (As per Statement of Profit or Loss and Other Comprehensive Income)	<u>287,082,532</u>	<u>162,523,388</u>
	Adjustments to Reconciled with non cash iteams,non-operating iteams and net changes of the operating accruals :		
	Non-Cash Iteams :	<u>477,692,199</u>	<u>435,818,887</u>
	Depreciation	478,811,200	438,778,423
	Income Tax provision	(1,172,625)	(2,536,251)
	WPPF & WF Provision	1,267,811	829,356
	Profit on sale of share	(1,213,987)	(1,252,641)
	Changes in operating accruals :	<u>(300,668,775)</u>	<u>(375,471,556)</u>
	Increase/ Decrease in Trade receivables	(8,761,238)	(169,271,893)
	Increase/ Decrease in Inventory	(308,792,432)	(574,792,148)
	Increase/ Decrease trade payables and others	105,587,960	420,826,363
	Increase/ Decrease in Liability for Expenses	(9,298,761)	9,117,869
	Increase/Decrease in Advance & Prepayment	(40,939,704)	(59,674,947)
	Increase/Decrease in share of profit/(Loss) of associates	(39,851,480)	-
	Increase/ Decrease in Security deposit	1,386,880	(1,676,800)
	Net Cash flows from operating activities	<u>464,105,956</u>	<u>222,870,719</u>
19.00	Net operating cash flows per share (NOCFPS)		
	Net cash flows from operating activities	464,105,956	222,870,719
	Number of shares	135,499,829	135,499,829
		<u>3.43</u>	<u>1.64</u>
			(Restated)
20.00	Discussion about significant variances		
	During the reporting period the company made a substantial growth in revenue compare to the previous reporting period whose ultimate impact increases Earnings per Share (EPS), NOCFPS & as well as NAV of the company. And this growth happened due to BMRE expansion & Capacity enhancement earlier of the company.		