

# **PARAMOUNT TEXTILE LIMITED**

**FIRST QUARTER ENDED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2019**



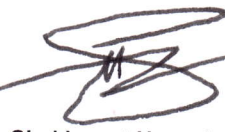
**PARAMOUNT TEXTILE LIMITED**

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

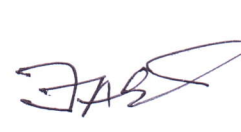
**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**As at 30<sup>th</sup> September, 2019**

Particulars	Notes	Amount in Taka	
		30-09-2019	30-06-2019
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>4,937,533,413</b>	<b>4,895,856,726</b>
Property, plant and equipment	3.00	3,309,160,178	3,361,207,498
Capital work in progress		303,078,656	310,450,312
Investment in Property		499,294,794	500,546,159
Investment in Associates	4.00	825,999,786	723,652,757
<b>Current assets</b>		<b>3,221,956,378</b>	<b>3,349,228,121</b>
Inventories	5.00	2,418,483,245	2,594,427,511
Trade receivables		371,082,217	388,305,693
Advance, deposits & prepayments	6.00	349,138,638	287,948,281
Other receivables		4,000,000	3,000,000
Investments		50,325,417	50,990,499
Cash & bank balances	7.00	28,926,861	24,556,137
<b>TOTAL ASSETS</b>		<b>8,159,489,791</b>	<b>8,245,084,847</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>		<b>3,185,129,714</b>	<b>3,003,857,287</b>
Ordinary share capital		1,354,998,290	1,354,998,290
Share premium		540,000,000	540,000,000
Retained earnings		1,099,130,285	917,192,775
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve		(12,616,001)	(11,950,919)
<b>Deferred tax liability</b>	8.00	<b>249,779</b>	<b>483,883</b>
<b>Non-current liabilities</b>		<b>1,868,882,339</b>	<b>2,063,471,843</b>
Long term loan		1,868,882,339	2,063,471,843
<b>Current liabilities</b>		<b>3,105,227,957</b>	<b>3,177,271,833</b>
Trade and other payables	9.00	188,449,688	215,956,069
Liability for expenses		127,825,588	116,220,447
Short term loan	10.00	2,334,180,147	2,397,558,620
Current maturity of long term loan		411,199,888	418,507,791
Income tax provision		43,572,647	29,028,906
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,159,489,791</b>	<b>8,245,084,847</b>
Net asset value (NAV) per share	11.00	23.51	22.17

  
**Anita Haque**  
Chairman

  
**Shakhawat Hossain**  
Managing Director

  
**Alock Kumar Das**  
Director

  
**Md. Jahidul Abedin**  
Chief Financial officer

  
**Md. Robiul Islam, FCS**  
Company Secretary

**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**


For 1<sup>st</sup> quarter ended 30<sup>th</sup> September, 2019


Particulars	Note	Amount in Taka	
		01-07-2019 To 30-09-2019	01-07-2018 To 30-09-2018
Revenue	14.00	1,421,920,423	1,434,871,020
Cost of sales		(1,192,501,478)	(1,191,911,916)
<b>Gross Profit</b>		<b>229,418,945</b>	<b>242,959,104</b>
Administrative expenses		(56,152,931)	(61,452,634)
Distribution costs		(10,033,771)	(11,015,576)
		(66,186,702)	(72,468,210)
<b>Profit from operations</b>		<b>163,232,243</b>	<b>170,490,894</b>
Finance costs		(73,487,615)	(80,244,499)
Other income		56,119	540,170
Income from house rent		3,858,322	3,711,456
Exchange gain/ (loss)		672,792	718,750
<b>Profit/(loss) before WPPF &amp; WF</b>		<b>94,331,861</b>	<b>95,216,771</b>
Provision for contribution to WPPF & WF		(431,743)	(406,344)
Share of profit/(Loss) of associates	4.00	102,347,029	-
<b>Profit before tax</b>		<b>196,247,146</b>	<b>94,810,427</b>
<b>Tax expenses</b>		(14,309,637)	(14,490,064)
Income tax		(14,543,741)	(14,708,368)
Deferred tax benefit/ (expense)		234,104	218,304
<b>Net profit/ (loss) after tax</b>		<b>181,937,510</b>	<b>80,320,363</b>
Unrealized gain / (loss) on investment in shares		(665,082)	148,276
<b>Total comprehensive income</b>		<b>181,272,427</b>	<b>80,468,638</b>
Basic earnings per share (EPS)		1.34	0.62
Basic earnings per share (EPS) (Restated)	15.00		0.59

  
Anita Haque  
Chairman

  
Shakhawat Hossain  
Managing Director

  
Alock Kumar Das  
Director

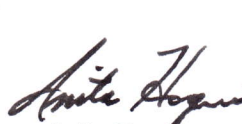
  
Md. Jahidul Abedin  
Chief Financial officer

  
Md. Robiul Islam, FCS  
Company Secretary


Dhaka, 14 November 2019


**PARAMOUNT TEXTILE LIMITED**  
**STATEMENT OF CASH FLOWS (UNAUDITED)**  
**For the 1<sup>st</sup> quarter ended 30<sup>th</sup> September, 2019**


Particulars	Amount in Taka	
	01-07-2019 To 30-09-2019	01-07-2018 To 30-09-2018
<b>A) Cash flows from operating activities</b>		
<b>Cash received from operating activities</b>		
Cash received from customer	1,439,143,899	1,354,480,704
Cash received from house rent	4,511,888	3,234,080
Cash received from other income	56,119	540,170
	<b>1,443,711,906</b>	<b>1,358,254,954</b>
<b>Cash paid for operating activities:</b>		
Cash paid to suppliers	832,635,624	884,590,432
Wages & salaries	180,049,354	169,365,645
Factory overhead	132,544,942	102,316,652
Administrative overhead	53,774,783	66,201,728
Distribution costs	10,033,771	11,015,576
Financial costs	73,487,615	80,244,499
Advance & security deposit receipt	(434,880)	(463,280)
Advance , deposits & pre-payments	3,426,939	(8,737,419)
Exchange loss/ (gain)	(672,792)	(718,750)
Income tax paid/ advance income tax paid	15,430,063	8,975,671
	<b>1,300,275,419</b>	<b>1,312,790,754</b>
<b>Net cash flows from operating activities ( Note-16)</b>	<b>143,436,487</b>	<b>45,464,200</b>
<b>B) Cash flows from investing activities</b>		
Payment of investment in Associates	-	(109,650,000)
Payment against property, Plant, equipment and CWIP	(124,324,716)	(61,944,770)
<b>Net cash increase from investing activities</b>	<b>(124,324,716)</b>	<b>(171,594,770)</b>
<b>C) Cash flows from financing activities</b>		
Dividend payment	(104,506)	(1,737)
Proceeds from bank overdraft	33,422,478	92,348,869
Proceeds from loan against trust receipts (LATR)	7,452,353	(75,740,775)
Proceed from term loan	(55,511,372)	117,640,267
<b>Net cash flows used in financing activities</b>	<b>(14,741,047)</b>	<b>134,246,624</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,370,724</b>	<b>8,116,054</b>
<b>Cash and cash equivalents, beginning of the period</b>	<b>24,556,137</b>	<b>12,193,280</b>
<b>Cash and cash equivalents, end of the 1st quarter</b>	<b>28,926,861</b>	<b>20,309,334</b>
Net operating cash flows per share (NOCFPS) ( Note- 17.00)	1.06	0.34 (Restated)

  
**Anita Haque**  
 Chairman

  
**Shakhawat Hossain**  
 Managing Director

  
**Alock Kumar Das**  
 Director

  
**Md. Jahidul Abedin**  
 Chief Financial officer

  
**Md. Róbiul Islam, FCS**  
 Company Secretary

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

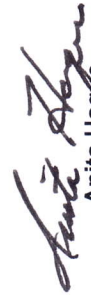
For the 1<sup>st</sup> quarter ended 30<sup>th</sup> September, 2019


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	-	-	181,937,510	-	(665,082)	181,272,427
<b>Total equity as at 30-09-2019</b>	<b>1,354,998,290</b>	<b>540,000,000</b>	<b>1,099,130,285</b>	<b>203,617,141</b>	<b>(12,616,001)</b>	<b>3,185,129,714</b>

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


For the 1<sup>st</sup> quarter ended 30<sup>th</sup> September, 2018


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	-	-	80,320,363	-	148,276	80,468,638
<b>Total equity as at 30-09-2018</b>	<b>1,290,474,570</b>	<b>540,000,000</b>	<b>740,822,931</b>	<b>203,617,141</b>	<b>(12,661,381)</b>	<b>2,762,253,260</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, 14 November 2019

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

For the 1<sup>st</sup> quarter ended 30<sup>th</sup> September, 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 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, 2019.

Notes	Particulars	Amount in Taka		
		30-09-2019	30-06-2019	
<b>3.00 Property, plant and equipment</b>				
	Opening balance of property, plant and equipment	3,361,207,498	3,249,956,796	
	Add : Addition during the period	84,512,307	753,486,427	
		<u>3,445,719,805</u>	<u>4,003,443,223</u>	
	Less : depreciation charged during the period	136,559,626	642,235,727	
	<b>Closing balance of property, plant and equipment</b>	<b><u>3,309,160,178</u></b>	<b><u>3,361,207,498</u></b>	
<b>4.00 Investment in Associates (Paramount BTrac Energy Ltd)</b>				
	Opening	723,652,757	4,900,000	
	Addition : During the period	-	621,650,000	
	Add/Less: Share of Profit/(Loss) of associates (Note -4.01)	102,347,029	97,102,757	
		<u>825,999,786</u>	<u>723,652,757</u>	
<b>4.01 Share of Profit of Associate</b>				
	Net profit attributable to the Shareholders of associate	208,871,487	198,168,890	
	Percentage of holding	49.00%	49.00%	
	<b>Share of net profit</b>	<b><u>102,347,029</u></b>	<b><u>97,102,757</u></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>5.00 Inventories</b>				
	Chemicals	280,892,698	292,859,028	
	Finished goods	581,540,800	594,945,235	
	Yarn	1,116,444,297	1,268,067,801	
	Work in process	436,356,033	432,530,300	
	Packing & sub material	3,249,417	6,025,147	
		<u>2,418,483,245</u>	<u>2,594,427,511</u>	
<b>6.00 Advance, deposits &amp; prepayments</b>				
	Advance against salary	5,741,788	5,073,450	
	Advance against suppliers	229,213,277	182,029,212	
	Advance income tax	15,430,063	-	
	Advance office/house Rent	2,509,735	2,809,735	
	Bank guarantee	1,433,683	1,395,537	
	Security deposit-CDBL	500,000	500,000	
	Imprest fund	8,991,679	7,995,388	
	L/C margin deposit	655,644	342,112	
	Pre-paid Expense	-	4,042,568	
	Discount on Zero Coupon Bond	55,173,009	60,023,719	
	Security deposits for Internet	7,000	7,000	
	Security deposits for titas gas	29,469,760	23,716,560	
	Telephone line deposit	13,000	13,000	
		<u>349,138,638</u>	<u>287,948,281</u>	
<b>7.00 Cash and bank balances</b>				
	Cash in hand	13,847,253	4,953,083	
	Cash at bank	1,292,004	10,621,255	
	Cash at bank (foreign currency)	13,787,604	8,981,799	
		<u>28,926,861</u>	<u>24,556,137</u>	
<b>8.00 Deferred tax (assets) / liability</b>				
	Opening balance	483,883	3,888,778	
	Current period	(234,104)	(3,404,896)	
		<u>249,779</u>	<u>483,883</u>	
<b>9.00 Trade and other payables</b>				
	Trade payables	188,449,688	215,956,069	
		<u>188,449,688</u>	<u>215,956,069</u>	
<b>10.00 Short term loan</b>				
	UPAS (Pubali Bank Ltd.)	599,925,764	845,714,393	
	LATR & PAD (Pubali Bank Ltd & HSBC)	7,452,353	-	
	EDF ( Eastern Bank Ltd & HSBC)	759,393,951	617,858,626	
	Bank overdraft/STL (PBL, HSBC, EBL & Woori Bank)	967,408,079	933,985,601	
		<u>2,334,180,147</u>	<u>2,397,558,620</u>	
<b>11.00 Net Assets value ( NAV) per share</b>				
	Net assets	3,185,129,714	3,003,857,287	
	Number of shares	135,499,829	135,499,829	
		<u>23.51</u>	<u>22.17</u>	
<b>12.00 Related party disclosures</b>				
	During the period ended September 30, 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 IAS 24: Related party disclosure.			
	<b>Name of related parties</b>	<b>Nature of transaction</b>	<b>Transaction during the period</b>	
			<b>Balance/ outstanding as on September 30, 2019</b>	
			<b>Balance/ outstanding as on June 30, 2019</b>	
	Paramount Insurance Co. Ltd.	Insurance	4,047,170	3,824,163
	Paramount Insurance Co. Ltd.	Investment	-	10,887,548
	Paramount BTrac Energy Ltd.	House Rent	1,500,000	3,000,000
			<u>4,000,000</u>	<u>3,000,000</u>
<b>13.00 Workers profit participation fund &amp; welfare funds (WPPF &amp; WF)</b>				

Notes	Particulars	Amount in Taka	
		01-07-2019 to 30-09-2019	01-07-2018 to 30-09-2018
<b>14.00 Revenue</b>			
	Yarn dyed fabric	1,256,493,869	1,268,969,438
	Knit yarn dyeing	55,663,230	77,782,317
	Sweater yarn dyeing	-	142,532
	Printing	109,763,324	87,976,733
		<u>1,421,920,423</u>	<u>1,434,871,020</u>
<b>15.00 Basic earnings per share (EPS)</b>			
	Net profit after tax	181,937,510	80,320,363
	Number of share ( <b>Note-15.01</b> )	135,499,829	135,499,829
		<u>1.34</u>	<u>0.59</u>
			(Restated)
Earnings per share has been calculated in accordance with IAS-33			
<b>15.01 Number of shares</b>			
	Number of shares	135,499,829	129,047,457
	Closing number of shares	<u>135,499,829</u>	<u>129,047,457</u>
<b>16.00 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)	<u>181,937,510</u>	<u>80,320,363</u>
	<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>34,775,279</u>	<u>155,860,545</u>
	Depreciation	137,810,991	149,939,808
	Income Tax provision	(1,120,426)	5,514,393
	WPPF & WF Provision	431,743	406,344
	Share of profit/(Loss) of associates	(102,347,029)	-
		<u>(73,276,302)</u>	<u>(190,716,707)</u>
	<b>Changes in operating accruals :</b>		
	Increase/ Decrease in Trade receivables	16,223,476	(82,458,316)
	Increase/ Decrease in Inventory	175,944,266	(398,816,884)
	Increase/ Decrease trade payables and others	(273,295,010)	261,960,455
	Increase/ Decrease in Liability for Expenses	10,843,025	19,397,339
	Increase/Decrease in Advance & Prepayment	(3,426,939)	8,737,419
	Increase/ Decrease in Security deposit	434,880	463,280
		<u>143,436,487</u>	<u>45,464,200</u>
	<b>Net Cash flows from operating activities</b>		
<b>17.00 Net operating cash flows per share ( NOCFPS)</b>			
	Net cash flows from operating activities	143,436,487	45,464,200
	Number of shares	135,499,829	135,499,829
		<u>1.06</u>	<u>0.34</u>
			(Restated)

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