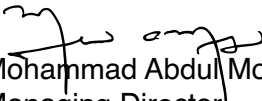


Dear Shareholders
Assalamualaikum!

We forward herewith of the Third Quarter (Q3) Financial Statements (Un-audited) performances of the company, for the 9 (nine) months period (July 2019 to March 2020) ended 31st March 2020 of H.R. Textile Mills Limited as per Regulation of the Stock Exchange (Listing) Regulations, 2015 under LR 17(3).


Mohammad Abdul Moyeed
Managing Director



Third Quarter (Q3) Financial Statements (Un-Audited)
for the 9 (nine) months period ended 31st March 2020

H.R. Textile Mills Limited
Mirandel (2nd Floor), House # 3
Road # 5, Block # J, Baridhara
Dhaka-1212, Bangladesh
Phone: (8802) 9899147
Fax: (8802) 9899147
E-mail: hrtex_cs@pride-grp.com
www.pride-grp.com/hrt

H.R Textile Mills Limited
Statement of Financial Position (Un-Audited)
As at March 31, 2020

ASSETS	Notes	Third Quarter ended	Year ended June
		March 31, 2020	30, 2019
		Taka	Taka
Non-Current Assets			
Property, Plant and Equipment	2	1,927,519,090	1,656,302,759
Total Non-Current Assets		1,927,519,090	1,656,302,759
Current Assets			
Stocks and Stores	3	571,378,528	393,277,250
Trade and Other Debtors	4	593,063,432	574,533,283
Export Incentive Receivables	5	33,761,437	55,458,792
Advances, Deposits and Prepayments	6	88,735,252	67,318,628
Cash and Bank Balances	7	45,966,718	24,770,312
Total Current Assets		1,332,905,367	1,115,358,265
TOTAL ASSETS		3,260,424,457	2,771,661,024
<u>Shareholders' Equity & Liabilities</u>			
Shareholders' Equity			
Share Capital	8	253,000,000	253,000,000
General Reserve	9	6,956,752	6,956,752
Tax Holiday Reserve	10	22,378,988	22,378,988
Dividend Equalisation Reserve	11	10,000,000	10,000,000
Revaluation Surplus	12	684,877,400	685,668,176
Retained earnings	13	141,323,999	119,942,475
Total Shareholders' Equity		1,118,537,139	1,097,946,391
Long-term Liabilities			
Long-term Loans-Secured, Future Maturity	14	1,164,150,013	705,830,468
Provision for Gratuity	15	28,299,999	28,392,064
Provision for Deferred Taxation	16	46,736,217	44,359,829
Total long-term Liabilities		1,239,186,229	778,582,361
Current Liabilities			
Bank Overdrafts- Secured	17	78,828,523	79,251,108
Time Loan- Secured	18	209,055,506	-
Trade Creditors	19	477,981,076	630,941,433
Accrued Expenses	20	48,593,551	27,136,943
Provision for Current Taxation	21	22,411,056	30,415,148
Bills Receivable Discounted	22	14,298,609	38,658,707
Workers' Participation /Welfare Funds	23	16,135,744	18,386,925
Current Maturity of Long-term Loans	24	35,397,024	70,342,008
Total Current Liabilities		902,701,089	895,132,272
Total Liabilities		2,141,887,318	1,673,714,633
Total Shareholders' Equity & Liabilities		3,260,424,457	2,771,661,024
Net Assets Value (NAV) per share	34	44.21	43.40

The annexed notes from 1 to 35 form an integral part of these financial statements.

H.R. TEXTILE MILLS LIMITED
Statement of Profit or Loss and Comprehensive Income (Un-Audited)
Third Quarter (Q3) period ended March 31, 2020

Particulars	Notes	9 months ended 1 July'19 to 31 March 20 Taka	9 months ended 1 July'18 to 31 March 19 Taka	Third Quarter (Q3) 1 Jan to 31 March 20 Taka	Third Quarter (Q3) 1 Jan to 31 March 19 Taka
Sales	25	1,747,475,751	1,662,498,150	594,156,753	526,765,059
Export Incentives	26	18,548,745	17,542,145	3,290,288	3,708,537
Turnover		1,766,024,496	1,680,040,295	597,447,041	530,473,596
Less: Cost of Goods Sold	27	1,524,563,584	1,458,882,542	521,100,535	471,391,463
Gross Profit		241,460,912	221,157,753	76,346,506	59,082,133
Less :Administrative and General Expenses	28	194,263,527	172,348,754	60,388,562	44,102,259
Operating Profit		47,197,385	48,808,999	15,957,944	14,979,874
Add: Other Income	29	987,548	1,324,756	315,090	345,471
Net Profit before WPP & WF		48,184,933	50,133,755	16,273,034	15,325,345
Less: Provision Contribution to WPP & WF	23	2,294,521	2,387,322	774,907	729,778
Net Profit before Tax		45,890,412	47,746,433	15,498,127	14,595,567
Provision for Income-tax		12,809,054	13,125,464	4,584,440	1,018,504
Current Tax	30	10,432,666	11,848,007	1,346,248	910,797
Deferred Tax	16	2,376,388	1,277,457	3,238,192	107,707
Net Profit after Tax		33,081,358	34,620,969	10,913,687	13,577,063
(Transferred to the Statement of Changes in Equity)					
Earning Per Share (EPS) of Tk.10	31	1.31	1.37	0.43	0.54

Chairman

Managing Director

Director

CFO/HF&A

Company Secretary

H.R Textile Mills Limited
Statement of Cash Flows (Un-Audited)
Third Quarter (Q3) ended 31 March, 2020

Particulars	Notes	Amount in Taka	
		July 2019 to March 2020	July 2018 to March 2019
Cash flows from Operating Activities:			
Cash received from Sales and Export incentives		1,769,191,702	1,634,675,319
Exchange Fluctuation Gain/ (Loss)		713,498	1,142,056
Receipts from Other Income		274,050	182,700
Cash paid for goods and services		(1,850,421,852)	(1,604,433,535)
Cash from operation		(80,242,602)	31,566,540
Interest paid		(100,261,193)	(88,832,186)
Income tax paid/deducted at sources		(10,384,707)	(9,545,424)
Net Cash inflows from operating activities		(190,888,502)	(66,811,070)
Cash flows from Investing Activities:			
Acquisition of property, plant and equipment	2.1	(342,320,815)	(142,153,046)
Net Cash outflows from investing activities		(342,320,815)	(142,153,046)
Cash flows from Financing Activities:			
Bank Overdraft Received/(Repaid)		(422,585)	23,749,214
Long Term Loans Received/(Repaid)		458,319,545	103,601,208
Time Loan Received/(Repaid)		209,055,506	138,743,021
Bills Receivable Discounted Received/(Repaid)		(24,360,098)	1,336,976
Current Maturity of Long-term Loans		(34,944,984)	(8,301,350)
Cash Dividend Paid		(53,241,661)	(11,620,754)
Net Cash inflow from financing activities		554,405,723	247,508,315
Net increase/(decrease) in cash and bank balances		21,196,406	38,544,199
Cash and bank balances on opening		24,770,312	48,281,991
Net increase/(decrease) in cash and bank balances		21,196,406	38,544,199
Cash and bank balances at closing - Note 7		45,966,718	86,826,190
Net operating cash flows per share (NOCFPS)	32	(7.55)	(2.64)

Chairman

Managing Director

Director

CFO/HF&A

Company Secretary

H.R Textile Mills Limited
Statement of Changes in Shareholders' Equity (Un-Audited)
For the Third Quarter (Q3) ended March 31, 2020

Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Revaluation Surplus	Dividend Equalization Reserve	Retained Earnings	Total Taka
Balance as at June 30, 2019	253,000,000	6,956,752	22,378,988	685,668,176	10,000,000	119,942,475	1,097,946,391
Net profit after Tax	-	-	-	-	-	33,081,358	33,081,358
Revaluation Surplus realised	-	-	-	(790,776)	-	790,776	-
Cash Dividend declared 2019	-	-	-	-	-	(12,490,610)	(12,490,610)
Balance as at March 31, 2020	253,000,000	6,956,752	22,378,988	684,877,400	10,000,000	141,323,999	1,118,537,139

H.R Textile Mills Limited
Statement of Changes in Shareholders' Equity (Un-Audited)
For the Third Quarter (Q3) ended March 31, 2019

Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Revaluation Surplus	Dividend Equalization Reserve	Retained Earnings	Total Taka
Balance as at June 30, 2018	253,000,000	6,956,752	22,378,988	-	10,000,000	96,374,242	388,709,982
Revaluation Surplus as on 31 Dec 2018	-	-	-	686,195,360	-	-	686,195,360
Net profit after Tax	-	-	-	-	-	34,620,969	34,620,969
Cash Dividend declared 2018	-	-	-	-	-	(25,300,000)	(25,300,000)
Balance as on March 31, 2019	253,000,000	6,956,752	22,378,988	686,195,360	10,000,000	105,695,211	1,084,226,311

Chairman

Managing Director

Director

CFO/HF&A

Company Secretary

2. Property, Plant and Equipment

2.1 The make-up of Fixed Assets is as below:

(Amount in Taka)

Particulars	Cost or valuation		Depreciation		W.D.V. As on March 31, 2019
	As on July 01, 2019	Addition/ (Deletion)	As on March 31, 2019	During the Year	
Factory Land and Development	8,479,375	-	8,479,375	-	8,479,375
Factory Building	336,957,885	-	336,957,885	6,317,960	80,529,176
Factory Shed	6,823,475	-	6,823,475	-	6,823,470
Plant and Machinery	1,296,955,367	90,487,070	1,387,442,437	54,522,036	872,549,297
Electric Installation	33,799,439	490,866	34,290,305	2,559,501	22,752,469
Gas Installation	6,476,035	-	6,476,035	-	6,476,025
Water Installation	8,465,520	135,000	8,600,520	641,664	7,394,951
Steam Installation	2,563,352	-	2,563,352	-	2,563,342
Furniture and Fixtures	9,955,127	211,600	10,166,727	15,870	9,970,987
Telephone Installation	1,027,861	-	1,027,861	-	1,027,851
Motor Vehicles	46,192,122	-	46,192,122	2,467,830	33,534,059
Office Equipment	37,957,447	59,000	38,016,447	2,849,759	35,207,675
Loose Tools	183,875	-	183,875	-	183,865
Factory Equipment	12,326,502	292,000	12,618,502	939,088	9,731,932
Capital Works in Progress	180,902,592	250,645,279	431,547,871	-	-
A. Total	1,989,065,974	342,320,815	2,331,386,789	70,313,708	1,088,745,099

Revaluation

Factory Land and Development	644,020,625	-	644,020,625	-	-	644,020,625
Factory Building	42,174,735	-	42,174,735	790,776	1,317,960	40,856,775
B. Total	686,195,360	-	686,195,360	790,776	1,317,960	684,877,400
Total (A+B) as on December 31, 2019	2,675,261,334	342,320,815	3,017,582,149	71,104,484	1,090,063,059	1,927,519,090
Total Taka as on June 30, 2019	2,367,610,882	307,650,452	2,675,261,334	80,350,694	1,018,958,575	1,656,302,759

	1 July,2019 to 31 March,2020	1 July,2018 to 31 March,2019
2.2. Depreciation for the year is charged as below:		
<u>Particulars</u>	<u>Taka</u>	<u>Taka</u>
Cost of Goods Sold-Note 27.1	56,883,587	47,928,452
Administrative, Selling and General Expenses-Note 28.1	14,220,897	11,982,113
	<u>71,104,484</u>	<u>59,910,565</u>

3. Stocks and stores

3.1 The make-up is as below:

	March 31,2020		June 30,2019	
	In Kg	Taka	In Kg	Taka
Stock of Yarn	3.2 1,407,680	364,589,471	823,473	211,701,754
Stock of Dyes and Chemicals	3.3 390,631	73,463,239	375,288	65,547,814
Stock of Work-in-Process	3.4	47,598,424		44,367,516
Stock of Finished Goods	3.5	49,874,521		41,029,893
Stock of Accessories		9,584,878		9,456,443
Goods in Transit		16,683,298		12,062,410
		561,793,831		384,165,830
Stock of Spares		9,584,697		9,111,420
		<u>571,378,528</u>		<u>393,277,250</u>

3.2 Stock of Yarn

Stock of Yarn	1,407,680	364,589,471	823,473	211,701,754
	<u>1,407,680</u>	<u>364,589,471</u>	<u>823,473</u>	<u>211,701,754</u>

3.3 Stock of Dyes and Chemicals

Dyes	49,417	37,568,454	36,488	29,750,874
Chemicals	341,214	35,894,785	338,800	35,796,940
	<u>390,631</u>	<u>73,463,239</u>	<u>375,288</u>	<u>65,547,814</u>

3.4 Stock in Work in Process

Cost of Materials	24,339,932	23,556,383
Costs of Conversion	23,258,492	20,811,133
	<u>47,598,424</u>	<u>44,367,516</u>

3.5 Stock of Finished Products

Finished Garments	22,895,484	22,073,256
Knitted Fabrics	178,584	18,956,637
	<u>178,584</u>	<u>41,029,893</u>

4. Trade and Others Debtors

	March 31,2020		June 30,2019	
	US\$	Taka	US\$	Taka
Export Sales Receivable(Below 180 Days)	6,192,431	517,563,432	6,234,634	519,033,283
Other Debtors	-	75,500,000	-	55,500,000
	<u>6,192,431</u>	<u>593,063,432</u>	<u>6,234,634</u>	<u>574,533,283</u>

These include a sum of Tk.75,500,000(2019;Tk.55,500,000) due from Associates Companies expected to be realized/adjusted within a year from the financial statement end date.

These are unsecured but considered good.

5. Export Incentives Receivable

	March 31,2020	June 30,2019
	Taka	Taka
Opening Balance	55,458,792	75,406,776
Received during the Period	(40,246,100)	(49,832,562)
	15,212,692	25,574,214
For the period	18,548,745	29,884,578
Closing Balance	<u>33,761,437</u>	<u>55,458,792</u>

The receivables are unsecured but considered good.

	March 31,2020	June 30,2019
	Taka	Taka
6. Advances, Deposits and Prepayments		
Advances :		
Salary Advance	1,562,548	1,131,166
Advance Tax	215,000	210,000
Factory Insurance Advance	1,575,986	1,039,705
Operational Advance	8,054,784	7,185,690
Eltech Engineering Co. Ltd	9,600,000	3,600,000
Tax deducted at source	37,171,183	26,786,476
	<u>58,179,501</u>	<u>39,953,037</u>
Deposits :		
Security Deposits	20,571,731	17,381,571
Bank Guarantee Margin	9,984,020	9,984,020
	<u>30,555,751</u>	<u>27,365,591</u>
	<u>88,735,252</u>	<u>67,318,628</u>

The advances are unsecured but considered good.

7. Cash and Bank Balances

Cash at Banks with Banks on Current Account:

Brac Bank Ltd, Dhanmondi Branch,CD A/c	8,907	211,760
Mutual Trust Bank Ltd.,Gulshan Branch, CD A/c	178,793	118,752
Mutual Trust Bank Ltd.,Gulshan Branch, Dollar A/c	1,678,921	807,270
Mutual Trust Bank Ltd.,Gulshan Branch, ERQ A/c	338,628	337,615
Mutual Trust Bank Ltd.,Gulshan Branch, SND A/c	1,543,950	569,135
HSBC,Anchor Tower Branch, MDA Margin A/c	523,777	259,082
HSBC,Anchor Tower Branch, FCY A/c	1,846,083	192,318
Trust Bank Ltd,SKB Branch, Dollar A/c	759,639	10,117,969
Trust Bank Ltd,SKB Branch,FCAD A/c	927,436	672,191
Trust Bank Ltd,SKB Branch, CD A/c	11,854	114,169
IPDC Finance Ltd.	10,000,000	
United Commercial Bank Ltd, Corporate Branch	2,326,025	-
Dutch Bangla Bank Ltd.,Gulsgan Branch ,CD A/c	26,053	3,737
AB Bank Ltd,Motijheel Branch, CD A/c	20,303,458	7,301,646
AB Bank Ltd,Motijheel Branch, Notice A/c	825,487	918,064
	<u>41,299,011</u>	<u>21,623,708</u>

With Bank on Short Term Deposit Account:

Trust Bank Ltd.,SKB Branch, SND A/c	21,202	21,401
Southeast Bank Ltd, Principal Branch, STD A/c	1,061,926	1,020,619
	<u>1,083,128</u>	<u>1,042,020</u>
Cash at Banks	42,382,139	22,665,728
Cash in Hand	3,584,579	2,104,584
	<u>45,966,718</u>	<u>24,770,312</u>

8. Share Capital

8.1 Authorized:

100,000,000 Ordinary Shares of Tk.10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
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8.2 Issued, Subscribed and Paid-up:

25,300,000 Ordinary Shares of Tk.10 each fully paid-up	<u>253,000,000</u>	<u>253,000,000</u>
14,000,000 Ordinary Shares of Tk.10 each fully paid-up in cash	<u>140,000,000</u>	<u>140,000,000</u>
11,300,000 Ordinary Shares of Tk.10 each issued as fully paid-up bonus shares	<u>113,000,000</u>	<u>113,000,000</u>
	<u>253,000,000</u>	<u>253,000,000</u>

8.3 Composition of Shareholdings:

Classes of Holdings	March 31,2020		June 30,2019	
	No. of Shares	%	No. of Shares	%
Sponsors	12,808,619	50.63	12,808,619	50.63
Financial Institutions	2,221,340	8.78	3,277,612	12.96
ICB Securities Trading Co.	260,956	1.03	38,400	0.15
ICB Investors A/c	-	-	28,190	0.11
ICB Mutual Fund	-	-	3,000	0.01
ICB Unit Fund	196,035	0.77	3,500	0.01
General Public	9,813,050	38.79	9,140,679	36.13
	<u>25,300,000</u>	<u>100.00</u>	<u>25,300,000</u>	<u>100.00</u>

Distribution schedule-Disclosures Under the Listing Regulations of Stock Exchanges:

The distribution schedule showing the number of shareholder and their shareholding in percentage has been disclosed below as a requirement of the Stock Exchanges (Listing) Regulations, 2015.

Shareholdings range in number of shares	March 31,2020			June 30,2019		
	No. of shareholders	No. of Shares	Holdings %	No. of Shareholders	No. of Shares	Holdings %
000001-0000499	7,197	1,984,961	7.85	7,203	1,986,649	7.85
0000500-0000500	3,714	1,857,000	7.34	3,704	1,852,000	7.32
0000501-0002000	915	2,025,543	8.00	1,063	2,351,143	9.29
0002001-0005000	520	1,664,000	6.58	527	1,686,400	6.67
0005001-0010000	118	832,136	3.29	124	874,448	3.45
0010001-0050000	44	1,452,000	5.74	41	1,353,000	5.35
0050001-0100000	3	264,000	1.04	6	528,000	2.09
0100001-0250000	4	848,000	3.35	4	848,000	3.35
0250001-0500000	2	1,011,741	4.00	1	1,011,741	4.00
050001 and above	7	13,360,619	52.81	6	12,808,619	50.63
Total	<u>12,524</u>	<u>25,300,000</u>	<u>100.00</u>	<u>12,679</u>	<u>25,300,000</u>	<u>100.00</u>

8.4 Option on unissued shares:

There is no option regarding authorized capital not yet issued but can be used to increase the issued, subscribed and paid up capital through the issuance of new shares.

	March 31,2020	June 30,2019
	Taka	Taka
9. General Reserve		
Opening and Closing Balar	<u>6,956,752</u>	<u>6,956,752</u>
	<u>6,956,752</u>	<u>6,956,752</u>
10. Tax Holiday Reserve		
Opening and Closing Balar	<u>22,378,988</u>	<u>22,378,988</u>
	<u>22,378,988</u>	<u>22,378,988</u>
11. Dividend Equalisation Reserve		
Opening and Closing Balar	<u>10,000,000</u>	<u>10,000,000</u>
	<u>10,000,000</u>	<u>10,000,000</u>
12. Revaluation Surplus		
Revaluation Surplus	685,668,176	686,195,360
Transferred to retained earnings	(790,776)	(527,184)
Closing Balance	<u>684,877,400</u>	<u>685,668,176</u>
13. Retained earnings		
Balance as on June 30,2019	119,942,475	96,374,242
Total Comprehensive income for the period:		
Profit for the period	33,081,358	48,341,049
Revaluation reserve realised	790,776	527,184
	<u>153,814,609</u>	<u>145,242,475</u>
Dividend during the year:		
Final dividend for previous year	(12,490,610)	(25,300,000)
Balance as on March 31,2020	<u>141,323,999</u>	<u>119,942,475</u>

14. Long-term Loan -Secured Future Maturity	March 31,2020	June 30,2019
	Taka	Taka
12% Loan - Note 14.1	944,826,900	530,485,517
5% Loan - Note 14.2	20,523,916	39,178,786
Deferred L/C Liabilities -Note 14.3	49,441,113	136,166,165
15% Loan - Note 14.4	149,358,084	-
	<u>1,164,150,013</u>	<u>705,830,468</u>

14.1 The movement of loan is as follows:

Opening Balance	530,485,517	2,516,705
Loan received this period	414,341,383	527,968,812
Closing Balance	<u>944,826,900</u>	<u>530,485,517</u>

The loan has been taken from Mutual Trust Bank Ltd,GulshanI Branch for import of Plant and machinery.The loan carries interest at 12% repayable in 16 Quarterly installments,starting from 11 June, 2018.The loan is secured by hypothecation of stock, machinery, equipment :

14.2 The movement of loan is as follows:

Opening Balance	39,178,786	102,892,400
Current Maturity	(18,654,870)	(63,713,614)
Closing Balance	<u>20,523,916</u>	<u>39,178,786</u>

The offshore term loan has been taken from The Hongkong and Shanghai Banking Corporation Plc, Anchor Tower Branch, 108 Bir Uttam C R Dutta Road,Dhaka-1205,Bangladesh for import of Plant and machinery.The loan carries interest at 5% and is repayable in 16 quarterly installments, start from 1st January 2014.

14.3 The movement of Deferred L/C liabilities is as follows:

Opening Balance	136,166,165	22,632,920
Addition this period	83,582,880	136,166,165
Paid this period	(170,307,932)	(22,632,920)
Closing Balance	<u>49,441,113</u>	<u>136,166,165</u>

The offshore facility has been taken from Mutual Trust Bank Limited, Gulshan Branch,120 Gulshan Avenue, Gulshan, Dhaka-1212,Bangl. import of Plant and machinery at 360 days deferred L/C payment.

14.4 The movement of loan is as follows:

Opening Balance	-	-
Loan received this period	150,000,000	-
Paid this period	(641,916)	-
Closing Balance	<u>149,358,084</u>	<u>-</u>

The term loan facility has been taken from IPDC Finance Limited, Head office : Hosna Centre (4th Floor),106 Gulshan Avenue, Dhaka-1212,Bangladesh, for construction of effluent treatment plant.. The loan carries interest at 15% and is repayable in 72 equal monthly ins from 25 November 2019.

15. Provision for Gratituty

Opening Balance	28,392,064	27,852,964
Contribution during this p	3,598,385	4,797,845
	31,990,449	32,650,809
Paid during this period	(3,690,450)	(4,258,745)
Closing Balance	<u>28,299,999</u>	<u>28,392,064</u>

16. Provision for Deferred Taxation

Opening Balance	44,359,829	39,128,378
Provision during the period	2,376,388	5,231,451
Closing balance	<u>46,736,217</u>	<u>44,359,829</u>

16.1 Details of deferred tax calculation

The tax effects of temporary difference ari from tax base and accounting base of reve assets and liabilities	As per Accounting base W.D.V	As per Tax base W.D.V	Temporary Difference	Tax @ 15%	Tax @ 15%
Deferred tax liabilities					
Property, Plant and Equipments	<u>1,927,519,090</u>	<u>1,587,644,320</u>	<u>339,874,770</u>	50,981,217	48,618,639
Deferred tax assets					
Gratuity provision		<u>28,299,999</u>	<u>28,299,999</u>	4,245,000	4,258,810
Net deferred tax liabilities				<u>46,736,217</u>	<u>44,359,829</u>

17. Bank Overdrafts	March 31,2020	June 30,2019
	Taka	Taka
Trust Bank Ltd, SKB Branch	53,137,328	51,519,908
HSBC Bank, Plc,Anchor Tower Branch,Kawranbazar	25,691,195	18,201,386
Mutual Trust bank Ltd.Gulshan Branch	-	9,529,814
	<u>78,828,523</u>	<u>79,251,108</u>

These are secured.

18. Time Loan Bank		
Opening Balance	-	-
Loan received this period	209,055,506	-
Closing Balance	<u>209,055,506</u>	<u>-</u>

The loan has been taken from United Commercial Bank Ltd, Corporate Branch ,Plot CWS(A)1, Road 34, Gulshan Anenue , Dhaka-1212 fc Capital requirement.The loan carries interest at 12% and is repayable in 9 months .

19. Creditors	March 31,2020		As at June 30,2019	
	US\$	Taka	US\$	Taka
For Import Purchases	<u>5,379,071</u>	449,582,761	<u>6,678,196</u>	558,096,871
For Local Purchases		7,436,446		11,187,416
For Dividend Payable		20,204,922		60,955,973
For Staff Income Tax		385,478		329,704
For Refund Warrant		<u>371,469</u>		<u>371,469</u>
		<u>477,981,076</u>		<u>630,941,433</u>

These are unsecured but creditors for import purchases are against back to back L/Cs.

20. Accrued Expenses		
Gas Expenses (Factory)	31,791,877	12,494,102
Electricity Bill	90,101	290,262
Telephone	96,351	75,629
Salaries, Wages and Allowances	16,069,847	13,548,450
Security Bill	96,000	96,000
Legal Fee	45,000	60,000
Auditors' Fee (including Vat)	129,375	172,500
AGM Expenses	275,000	400,000
	<u>48,593,551</u>	<u>27,136,943</u>

21. Provision for Current Taxation

Opening balance	30,415,148	32,518,992
Addition during the period	10,432,666	11,978,390
	<u>40,847,814</u>	<u>44,497,382</u>
Paid during the period	(18,436,758)	(14,082,234)
Closing Balance	<u>22,411,056</u>	<u>30,415,148</u>

22. Bills Receivable Discounted

Opening Balance	38,658,707	37,667,941
Discounted during the period	235,894,587	245,845,640
	<u>274,553,294</u>	<u>283,513,581</u>
Collected during the period	(260,254,685)	(244,854,874)
Closing Balance	<u>14,298,609</u>	<u>38,658,707</u>

23. Workers' Participation/Welfare Funds

Opening Balance	18,386,925	20,910,081
Payment during this period	(5,045,987)	(6,854,844)
	<u>13,340,938</u>	<u>14,055,237</u>
Contributions for the period	2,294,521	3,277,545
Interest during the period	500,285	1,054,143
Closing Balance	<u>16,135,744</u>	<u>18,386,925</u>

Interest has been provided on the funds balance in terms of the Bangladesh Lak

24. Current Maturity of long-term loans

	March 31,2020	June 30,2019
	Taka	Taka
Opening Balance	70,342,008	79,147,685
Current Maturity this period	18,654,870	63,713,614
	88,996,878	142,861,299
Paid during this period	(53,599,854)	(72,519,291)
Closing Balance	35,397,024	70,342,008

The offshore facility has been taken from The Honkong and Shanghai Banking Corporation Plc, Anchor Tower, 108 Bir Uttara Road, Dhaka-1205, Bangladesh, for import of Plant and machinery .

25. Sales

	1 July,2019 to 31 March,2020			1 July,2018 to 31 March,2019		
	Quantity	USD	Taka	Quantity	USD	Taka
<u>Export sales:</u>						
Knit Fabrics (Kgs)	1,740,750	9,859,540	822,975,804	1,798,327	10,339,650	863,878,121
Garments (pcs)	4,751,247	11,075,835	924,499,947	4,175,055	9,558,588	798,620,029
Total		20,935,375	1,747,475,751		19,898,238	1,662,498,150

26. Export Incentives

Cash Incentive	18,548,745	17,542,145
	18,548,745	17,542,145

27. Cost of Goods Sold

	1 July,2019 to 31 March,2020	1 July,2018 to 31 March,2019
	Taka	Taka
27.1 The break-up is as follows:-		
Materials Consumed - Note 27.2	1,218,666,226	1,148,757,945
Salary, Wages and Allowances	163,487,458	159,578,459
Tiffin & Entertainment Expenses	725,845	718,658
Depreciation - Note 2.1	56,883,587	47,928,452
Stores and Spares Consumed	1,075,984	1,082,458
Factory Conveyance	958,491	726,584
Power and Gas	77,785,452	79,194,186
Gratuity	2,525,854	2,720,584
Vehicle expenses	1,327,834	1,302,584
Repairs and Maintenance	985,893	1,025,484
Packing & Loading Expenses	902,542	832,487
Import Landing, Clearing and Insurance	1,105,831	1,115,847
Factory Stationery Expenses	865,932	875,984
Carriage Inward and Outward	2,058,462	1,864,874
Knitting, Sewing & Processing Charge	3,585,648	8,089,744
Factory Insurance	2,607,080	2,658,450
Sewing Machine Rental	715,201	545,872
Miscellaneous	375,800	270,500
Total Manufacturing Costs for the year	1,536,639,120	1,459,289,152
Add Opening Work in Process	44,367,516	43,464,295
Total Manufacturing Costs	1,581,006,636	1,502,753,447
Less Closing Work in Process	47,598,424	45,847,894
Cost of Goods Manufactured	1,533,408,212	1,456,905,553
Add Opening Finished Goods	41,029,893	48,948,923
Cost of Goods available for use	1,574,438,105	1,505,854,476
Less Closing Finished Goods	49,874,521	46,971,934
Cost of Goods Sold	1,524,563,584	1,458,882,542

27.2 Materials Consume	1 July,2019 to 31 March ,2020		1 July,2018 to 31 March ,2020	
	Quantity (Kg.)	Taka	Quantity (Kg)	Taka
Yarn	3,095,974	864,306,070	2,932,210	813,564,065
Dyes	207,184	133,945,894	195,610	126,748,474
Chemicals	962,872	130,529,473	915,176	123,547,864
Accessories		89,884,789		84,897,542
Total Materials Consumption		1,218,666,226		1,148,757,945

28. Administrative, Selling and General Expenses	1 July,2019 to 31	1 July,2018 to 31
	March,2020	March,2019
28.1 The break-up is as below:	Taka	Taka
Directors' Remuneration-Note 28.2	1,900,000	1,900,000
Salaries and Allowances	43,987,458	41,484,578
Security Service charges	864,000	864,000
Depreciation - Note 2.1	14,220,897	11,982,113
Elelectricity Expenses	1,195,170	2,047,580
Postage, Courier, Telephone and Fax	952,558	935,846
Form & Stamp	687,358	675,894
Gratuity	1,072,531	945,745
Travelling and Conveyance	698,748	686,458
Legal and Professional Expenses	45,000	45,000
Auditors' Fee	129,375	129,375
A.G.M Expenses	395,487	385,487
Registration and Fees	678,542	658,945
Staff welfare	862,354	857,457
Stationery Expenses	642,352	641,358
Office Repairs and Maintenance	658,748	658,945
Vehicle Expenses	1,065,942	1,198,546
Entertainment Expenses	854,251	848,967
Central fund for RMG	278,408	284,775
Buying House Commissi	2,658,000	2,458,470
Freight Charges & Freight out	3,964,852	2,058,420
Garments Testing & Inspection Charges	2,096,825	2,390,216
Interest Expense -Note-28.3	100,261,193	84,767,596
Bank Charges	13,728,478	13,087,483
Miscellaneous	365,000	355,500
	194,263,527	172,348,754

28.02 No remuneration or fee, other than that specified in note 28.01, was paid to directors and auditors.

28.3 Interest expense is as follows:

Interest on Workers' Participation/Welfare Funds	500,285	791,508
Interest on Long Term Loans	42,427,895	13,159,874
Interest on Bills Discounted	47,160,897	44,114,898
Interest on Bank Overdraft	6,587,458	8,598,471
Interest on Time Loan	3,584,658	18,102,845
	100,261,193	84,767,596

29. Other Income

Rental income	274,050	274,050
Exchange Fluctuation Gain/(Loss){ see below}	713,498	1,050,706
	987,548	1,324,756

	1 July,2019 to 31 March,2020	1 July,2018 to 31 March,2019
	Taka	Taka
30. Current Tax		
Profit before tax	45,890,412	47,746,433
Depreciation as per Accounting base	71,104,484	59,910,565
	116,994,896	107,656,998
Depreciation as per Tax base	(86,854,991)	(86,377,258)
	30,139,905	21,279,740
Provision for Gratuity for the Year	3,598,385	3,666,329
	33,738,290	24,946,069
Other income (Separate calculation)	(274,050)	(274,050)
	33,464,240	24,672,019
Payment for Grauity	(3,690,450)	(3,845,687)
	29,773,790	20,826,332
Tax Rate @ 15%	4,466,069	3,123,950
Minimum tax	10,384,707	9,545,424
Add: Other income tax		
Rental income	274,050	274,050
Maintenance @ 30%	(82,215)	(82,215)
	191,835	191,835
Tax Rate @ 25%	47,959	47,959
Current tax	10,432,666	9,593,383
Additional Tax for the Prior Years finally deter	-	2,254,624
	10,432,666	11,848,007

31. Earnings per share

31.1. Basic earnings per share

Earnings Per Share (EPS) is calculated in accordance with Bangladesh Accounting Standard (BAS) 33 : Earnings Per Share. The of EPS is given below:

A. Earnings attributable to the Ordinary Shareholders (net Profit after tax)	33,081,358	34,620,969
B. Number of ordinary of shares outstanding during the year	25,300,000	25,300,000
Earning Per Share (A/B)	1.31	1.37

31.2. Diluted earnings per share

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the period.

32. Net Operating Cash Flows per Share (NOCFPS):

Cash flows from Operating Activities:

Cash received from Sales , Export incentives and Others	1,769,191,702	1,634,675,319
Exchange Fluctuation Gain/ (Loss)	713,498	1,142,056
Receipts from Other Income	274,050	182,700
Cash paid for goods and services	(1,850,421,852)	(1,604,433,535)
Cash from operation	(80,242,602)	31,566,540
Interest paid	(100,261,193)	(88,832,186)
Income tax paid/deducted at sources	(10,384,707)	(9,545,424)
Net Cash inflows from operating activities	(190,888,502)	(66,811,070)
Divided by number of ordinary of shares	25,300,000	25,300,000
Net operating cash flows per share (NOCFPS)	(7.55)	(2.64)

NOCFPS became negative mainly due to adverse credit terms.

33. Reconciliation of net operating cash flow	1 July,2019 to 31 March,2020	1 July,2018 to 31 March,2019
Profit after tax	33,081,358	34,620,969
Depreciation	71,104,484	58,066,597
Changes in:		
Stock and Stores	(178,101,278)	(64,202,324)
Trade and other Debtors	(18,530,149)	(63,831,091)
Export Incentive Receivable	21,697,355	18,466,155
Advance Deposit and Prepayments	(21,416,624)	(5,020,465)
Trade Creditors	(112,209,306)	(47,237,323)
Accrued Expenses	21,456,608	7,994,423
Provision for Current Taxation	(8,004,092)	(2,234,227)
Workers' Participation /Welfare Funds	(2,251,181)	(3,481,099)
Provision for Gratuity	(92,065)	(1,230,142)
Provision for Deferred Taxation	2,376,388	1,277,457
Net cash provided (used) by operating activities	<u>(190,888,502)</u>	<u>(66,811,070)</u>

34. Net Assets Value (NAV) per Share	March 31,2020 Taka	June 30,2019 Taka
Total Assets	3,260,424,457	2,771,661,024
Total Liabilities	(2,141,887,318)	(1,673,714,633)
A. Net Assets	<u>1,118,537,139</u>	<u>1,097,946,391</u>
B. Number of ordinary of shares	<u>25,300,000</u>	<u>25,300,000</u>
Net Assets Value (NAV) per Share (A/B)	<u>44.21</u>	<u>43.40</u>

The NAV per share increased mainly due to revaluation surplus detailed in note 12.

35.Related Parties Disclosures

The Company in normal course of business carried out a number of transactions with other entities that fall within the definition of "related Party" contained in Bangladesh Accounting Standard-24: "Related Party Disclosures". Total exposure with the related parties during the period ended as at, March 31,2020 is as under:

Name of the related party	Relationship	Nature of Transaction	Amount in Taka	
			March 31,2020	June 30,2019
Fashion Knit Garments Ltd	Common Director	Sale of Finished Fabrics	822,975,804	1,328,928,729
		Receivable	<u>75,500,000</u>	<u>55,500,000</u>

Chairman

Managing Director

Director

CFO/HF&A

Company Secretary