

**AUDITORS' REPORT**

**OF**

**H.R. TEXTILE MILLS LIMITED**

**For the year ended June 30, 2018**

**ATA KHAN & CO.**

**CHARTERED ACCOUNTANTS**

**ATA KHAN & CO.**  
**Chartered Accountants**

**Auditors' Reports**  
**To**  
**The Shareholders of H.R Textile Mills Limited**

We have audited the accompanying financial statements of **H.R Textile Mills Limited** (the Company) which comprise the Statement of Financial Position as at June 30, 2018, Statement of Profit or Loss and other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information disclosed in Notes 1–35 to the financial statements for the year then ended.

**Management's responsibility for the Financial Statements**

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS); the Companies Act, 1994 and Securities and Exchanges Rules, 1987 and for such internal control as the management determines it necessary to enable the preparation of financial statements that are free from material misstatements, 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 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company'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 Company'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 overall 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of **H.R Textile Mills Limited** as at June 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the applicable sections of the Companies Act, 1994, the Securities & 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purpose of the Company's business.

Dated : Dhaka, October 24 , 2018


  
**ATA KHAN & Co.**  
Chartered Accountants





**H.R Textile Mills Limited**  
**Statement of Financial Position**  
As on June 30, 2018


<b>ASSETS</b>	<b>Notes</b>	<b>2018 Taka</b>	<b>2017 Taka</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	742,807,641	654,955,516
<b>Total Non-Current Assets</b>		<b>742,807,641</b>	<b>654,955,516</b>
<b>Current Assets</b>			
Stocks and Stores	3	333,256,421	318,011,364
Trade and Other Debtors	4	371,222,914	308,746,156
Export Incentive Receivables	5	75,406,776	95,177,576
Advances, Deposits and Prepayments	6	53,229,531	49,288,275
Cash and Bank Balances	7	48,281,991	82,080,927
<b>Total Current Assets</b>		<b>881,397,633</b>	<b>853,304,298</b>
<b>TOTAL ASSETS</b>		<b>1,624,205,274</b>	<b>1,508,259,814</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Equity</b>			
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 Equalization Reserve	11	10,000,000	10,000,000
Unappropriated Profit		96,374,242	78,579,347
<b>Total Shareholders' Equity</b>		<b>388,709,982</b>	<b>370,915,087</b>
<b>Long-term Liabilities</b>			
Long-term Loans-Secured, Future Maturity	12	128,042,025	181,745,275
Provision for Gratuity	13	27,852,964	29,166,174
Deferred Tax Liabilities	14	39,128,378	35,773,545
<b>Total long-term Liabilities</b>		<b>195,023,367</b>	<b>246,684,994</b>
<b>Current Liabilities</b>			
Bank Overdrafts- Secured	15	80,578,522	89,658,237
Time Loan- Secured	16	123,733,987	14,483,306
Trade Creditors	17	643,380,910	588,826,909
Accrued Expenses	18	22,533,807	27,324,749
Provision for Current Taxation	19	32,518,992	27,755,655
Bills Receivable Discounted	20	37,667,941	33,424,991
Workers' Participation /Welfare Funds	21	20,910,081	27,678,894
Current Maturity of Long-term Loans	22	79,147,685	81,506,992
<b>Total Current Liabilities</b>		<b>1,040,471,925</b>	<b>890,659,733</b>
<b>Total Liabilities</b>		<b>1,235,495,292</b>	<b>1,137,344,727</b>
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>1,624,205,274</b>	<b>1,508,259,814</b>
<b>Net Assets Value (NAV) per share of Tk.10</b>		<b>15.36</b>	<b>14.66</b>

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

  
Dr. M. A Moyeen  
Chairman

  
Mr. M. A Moyeed  
Managing Director

  
Mr. M. A Momen  
Director

  
Mr. Md. Wali ullah  
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka  
24 October, 2018

  
**ATA KHAN & CO.**  
Chartered Accountants



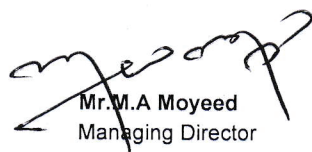
**H.R Textile Mills Limited**  
**Statement of Profit or Loss and other Comprehensive Income**  
**For the year ended June 30,2018**

<u>Particulars</u>	<u>Notes</u>	<u>2018</u> <u>Taka</u>	<u>2017</u> <u>Taka</u>
Sales Revenue	23	2,024,397,221	1,640,655,729
Export Incentive	24	22,088,900	17,589,653
<b>Turnover</b>		<b>2,046,486,121</b>	<b>1,658,245,382</b>
Less: Cost of Goods Sold	25	1,759,509,642	1,417,026,861
<b>Gross Profit</b>		<b>286,976,479</b>	<b>241,218,521</b>
Less: Administrative, Selling and General Expenses	26	220,427,548	184,707,006
Operating Profit		66,548,931	56,511,515
Add: Other income	27	1,581,879	365,400
<b>Profit Before Workers' Participation/Welfare Funds</b>		<b>68,130,810</b>	<b>56,876,915</b>
Less: Contribution to Workers' Participation/Welfare Funds	21	3,244,324	2,708,425
<b>Net Profit before Tax</b>		<b>64,886,486</b>	<b>54,168,490</b>
Provision for Income Tax		21,791,591	17,882,042
Provision for Tax (Current)	28	18,436,758	14,082,234
Provision for Tax (Deferred)	14	3,354,833	3,799,808
<b>Net Profit after tax</b>		<b>43,094,895</b>	<b>36,286,448</b>
(Transferred to the Statement of Changes in Equity)			
<b>Earning Per Share (EPS) of Tk. 10</b>		<b>1.70</b>	<b>1.43</b>

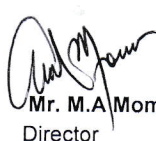
The annexed notes from 1 to 35 form an integral part of these financial statements.



Dr.M.A Moyeen  
Chairman



Mr.M.A Moyeed  
Managing Director



Mr. M.A Momen  
Director



Mr.Md.Wali ullah  
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka  
24 October ,2018




  
**ATA KHAN & CO.**  
Chartered Accountants


**H.R Textile Mills Limited**  
**Statement of Cash Flows**  
**For the year ended June 30,2018**

<u>Particulars</u>	<u>Notes</u>	<u>2018</u> <u>Taka</u>	<u>2017</u> <u>Taka</u>
<b>Cash flows from Operating Activities:</b>			
Cash received from customers and export incentives		2,005,362,042	1,821,302,562
Cash paid for goods and services		(1,761,166,968)	(1,514,058,261)
<b>Cash from operation</b>		<b>244,195,074</b>	<b>307,244,301</b>
Interest paid		(75,250,179)	(54,111,083)
Income tax paid/deducted at sources		(16,126,655)	(14,018,289)
<b>Net Cash inflows from operating activities</b>		<b>152,818,240</b>	<b>239,114,929</b>
<b>Cash flows from Investing Activities:</b>			
Acquisition of fixed assets	2.2	(159,121,662)	(100,302,909)
<b>Net Cash outflows from investing activities</b>		<b>(159,121,662)</b>	<b>(100,302,909)</b>
<b>Cash flows from Financing Activities:</b>			
Bank Overdraft Received/(Repaid)		(9,079,715)	11,846,762
Long Term Loans Received/(Repaid)		(56,062,557)	10,553,879
Time Loan Received/(Repaid)		109,250,681	14,483,306
Bills Receivable Discounted Received/( Repaid)		4,242,950	(111,392,624)
Cash Dividend Paid		(75,846,873)	(22,856,850)
<b>Net Cash inflow from financing activities</b>		<b>(27,495,514)</b>	<b>(97,365,527)</b>
<b>Net increase/(decrease) in cash and bank balances</b>		<b>(33,798,936)</b>	<b>41,446,493</b>
Cash and bank balances on opening		82,080,927	40,634,434
Net increase/(decrease) in cash and bank balances		(33,798,936)	41,446,493
<b>Cash and bank balances at closing - Note 7</b>		<b>48,281,991</b>	<b>82,080,927</b>
<b>Net operating cash flows per share (NOCFPS) of Tk. 10</b>		<b>6.04</b>	<b>9.45</b>

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

  
**Dr.M.A Moyeen**  
Chairman

  
**Mr.M.A Moyeed**  
Managing Director

  
**Mr. M.A Momen**  
Director


  
**Mr.Md.Wali ullah**  
Company Secretary

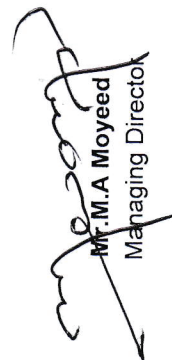




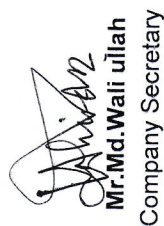
**H.R Textile Mills Limited**  
**Statement of Changes in Shareholders' Equity**  
**For the year ended June 30, 2018**

<u>Particulars</u>	Share Capital	General Reserve	Tax Holiday Reserve	Dividend Equalization Reserve	Retained Earnings	Total Taka
Balance as at June 30, 2016	253,000,000	6,956,752	22,378,988	10,000,000	67,592,899	359,928,639
Net profit after Tax					36,286,448	36,286,448
Cash Dividend declared 2016					(25,300,000)	(25,300,000)
Balance as at June 30, 2017	253,000,000	6,956,752	22,378,988	10,000,000	78,579,347	370,915,087
Net profit after Tax					78,579,347	78,579,347
Cash Dividend declared 2017					43,094,895	43,094,895
Balance as at June 30, 2018	253,000,000	6,956,752	22,378,988	10,000,000	(25,300,000)	(25,300,000)
					96,374,242	388,709,982

  
**Dr. M.A. Moyeed**  
Chairman

  
**Mr. M.A. Moyeed**  
Managing Director

  
**Mr. M.A. Momen**  
Director

  
**Mr. Md. Wali ullah**  
Company Secretary



## H.R TEXTILE MILLS LIMITED

### Notes to the financial statements

For the year ended June 30, 2018

#### Forming an Integral Part of the Financial Statements

#### 1. Notes-General

**(a) Status and Activities:**

This is a public limited company incorporated in Bangladesh under the Companies Act, 1913 on 3 December 1984 under the entrepreneurship of the Pride Group. The other shareholders are the general public and local financial institutions. The shares of the Company are listed with both the Dhaka and Chittagong Stock Exchanges in Bangladesh. The address of the registered office is B-87, Mailbag Chowdhury Para, Dhaka and the mills are located at Karnapara, Savar, Dhaka. The Company owns textile mills and its principal activities are knitting, processing and finishing of textile products and making garments.

**(b) Components of the Financial Statements:**

- (i) Statement of Financial Position as on 30 June 2018;
- (ii) Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2018;
- (iii) Statements of Changes in Shareholders' Equity for the year ended 30 June 2018;
- (iv) Statement of Cash Flows for the year ended 30 June 2018; and
- (v) Notes to the Financial Statements for the year ended 30 June 2018.

**(c) Reporting Period:**

The financial period of the Company covers an accounting year from 1 July 2017 to June 30 2018 next consistently.

**(d) Reporting Currency:**

The figures in the financial statements represent Bangladesh Taka currency, which have been rounded off to the nearest Taka, except where indicated otherwise.

**(e) Comparative Information**

Comparative information have been disclosed in respect of the year 2017 for all numerical information in the financial statements and also narrative and descriptive information when it is relevant to an understanding of the current year's financial statements. Figures of the previous year have been re-classified whenever considered necessary to ensure comparability with the current period.

**(f) Statement of compliance with local laws:**

The financial statements have been prepared in compliance with requirements of the Companies Act, 1994; Securities and Exchange Rules, 1987 and other relevant laws as applicable. The cash flows from operating activities are computed by the direct method as prescribed by the Securities and Exchange Rules, 1987.



**(g) Statements of compliance with Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standards (BFRSs):**

The financial statements complied with requirements of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) as issued by the International Accounting Standards Board (IASB) and as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

**(h) Statement of Measurement Basis:**

The financial statements have been prepared using the Historical Cost basis, except for the earlier revaluation of certain non-current assets.

**(i) Accrual basis Accounting:**

The financial statements have been prepared, except for cash flows information, under the accrual basis of accounting.

**(j) Statement of Specific Accounting Policies Applied:**

**(i) Revenue Recognition:**

Sales are recognized at the time of delivery from godown.

**(ii) Fixed Assets and Depreciation:**

Fixed Assets, i.e., Property, Plant, Equipment are stated at their historical cost less accumulated depreciation. No Depreciation has been charged on land and land development and on the Capital Work In progress. Depreciation is charged on all other fixed assets on straight-line method. The rates at which assets are depreciated depend on the nature and estimated useful life of each asset, and are given below:

<u>Item</u>	<u>Rate</u>
Factory Building	2.50%
Plant and Machinery	7.00%
Factory Shed	7.50%
Electric, Gas, Water, Steam and Telephone Installation, Furniture & Fixture, Office Equipment, Factory Equipment and Tools & Apparatus.	10.00%
Motor Vehicles	15.00%

Net carrying amounts (written down value) is arrived at after deduction of accumulated depreciation from gross carrying amounts (cost) The gross carrying amounts (cost) represent cost of acquisition or construction and capitalization of pre-production expenditure including interest during construction period and lease payments. Leased plant and machinery has been capitalized at "Principal amount" thereof and proportionate interest hereof has been charged to interest expenses in terms of BAS 17-"Lease".





**(iii) Stocks and Stores:**

Stocks and Stores are valued at lower of weighted average cost and net realizable value. Cost of Work in Process includes material and proportionate conversion cost. Finished goods include material and conversion cost.

**(iv) Provision for Tax:**

Provision for current income tax has been made during the year under review in respect of net profit at the rate of 15%. Provision for deferred tax has been made at 15% on the timing difference relating to Written Down Value in terms of BAS 12- "Income Taxes."

**(v) Foreign Currency Transaction:**

Transactions in Foreign Currencies are translated into Bangladesh Taka at the rate of exchange ruling on the date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into Bangladesh Taka at the rate of exchange ruling at the date of Statement of Financial position. Exchange differences are dealt with in the Statement of Profit or Loss and Other Comprehensive Income.

**(vi) Translation of closing balances of foreign currencies:**

These are converted into Bangladesh Taka at the exchange rate ruling on the date of Statement of Financial Position as follows:

	2018		2017	
	<u>Receivables</u>	<u>Payables</u>	<u>Receivables</u>	<u>Payables</u>
US Dollar	82.64	82.92	79.67	79.83

**(vii) Trade Receivables:**

Trade Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad.

**(viii) Payables:**

Trade payables are stated at their nominal value.

**(ix) Cash and cash equivalents:**

Cash in hand and cash at bank have been considered as the cash and cash equivalents for the preparation of these financial statements, which were held and available for use by the Company without any restriction and there was insignificant risk of changes in value of these current assets.

**(x) Related Party Transaction:**

The Company has some related party transactions at arm's length basis with its related parties.



**(xi) Earnings per Share (EPS):**

The Company calculates Earning per Share (EPS) in accordance with Bangladesh Accounting Standard, BAS -33 "Earning per Share."

**(xii) Retrial Benefits (Gratuity):**

The retrial benefits (gratuity) liability for the permanent employees of the Company is accrued at one months' basic pay for each completed year of service of each employee who has completed service for six months or more.



## 2. Property, Plant and Equipment

### 2.1 The make-up of Fixed Assets of Unit-1 is as below:

Particulars	Cost or valuation			Depreciation		W.D.V. As on June 30, 2018
	As on July 01, 2017	Addition/ (Deletion)	As on June 30, 2018	During the Year	As on June 30, 2018	
Factory Land and Development	7,250,000	-	7,250,000	-	-	7,250,000
Factory Building	23,230,710	-	23,230,710	580,768	14,290,578	8,940,132
Factory Shed	6,823,475	-	6,823,475	-	6,823,470	5
Plant and Machinery	89,257,661	-	89,257,661	-	89,257,656	5
Electric Installation	3,601,103	-	3,601,103	-	3,601,098	5
Gas Installation	2,171,914	-	2,171,914	-	2,171,909	5
Water Installation	1,168,842	-	1,168,842	-	1,168,837	5
Steam Installation	1,991,090	-	1,991,090	-	1,991,085	5
Furniture and Fixtures	718,694	-	718,694	-	718,689	5
Telephone Installation	449,033	-	449,033	-	449,028	5
Motor Vehicles	5,783,524	-	5,783,524	-	5,783,519	5
Office Equipment	3,723,054	-	3,723,054	-	3,723,049	5
Loose Tools	142,382	-	142,382	-	142,377	5
Factory Equipment	153,885	-	153,885	-	153,880	5
<b>Total Taka</b>	<b>146,465,367</b>	<b>-</b>	<b>146,465,367</b>	<b>580,768</b>	<b>130,275,175</b>	<b>16,190,192</b>

### 2.2 The make-up of Fixed Assets of Unit-2 is as follows:

Land Development	1,229,375	-	1,229,375	-	-	1,229,375
Factory Building	181,447,748	30,227,295	211,675,043	4,679,049	52,012,875	159,662,168
Plant and Machinery	1,082,783,922	54,793,240	1,137,577,162	55,050,084	669,523,293	468,053,869
Gas Installation	4,304,121	-	4,304,121	-	4,304,116	5
Electric Installation	14,966,615	1,100,000	16,066,615	1,572,305	13,966,549	2,100,066
Water Installation	5,655,573	1,641,105	7,296,678	646,630	4,737,898	2,558,780
Steam Installation	572,262	-	572,262	-	572,257	5
Telephone Installation	578,828	-	578,828	-	578,823	5
Motor Vehicles	34,110,228	6,298,370	40,408,598	3,504,024	21,992,270	18,416,328
Furniture and Fixtures	7,623,998	1,612,435	9,236,433	848,855	8,255,859	980,574
Office Equipment	32,634,673	398,820	33,033,493	3,290,440	24,940,964	8,092,529
Factory Equipment	9,879,657	2,292,960	12,172,617	1,097,382	7,406,314	4,766,303
Loose Tools	41,493	-	41,493	-	41,488	5
Capital Works in Progress	-	60,757,437	60,757,437	-	-	60,757,437
<b>Total Taka</b>	<b>1,375,828,493</b>	<b>159,121,662</b>	<b>1,534,950,155</b>	<b>70,688,769</b>	<b>808,332,706</b>	<b>726,617,449</b>
<b>Grand Total June, 2018</b>	<b>1,522,293,860</b>	<b>159,121,662</b>	<b>1,681,415,522</b>	<b>71,269,537</b>	<b>938,607,881</b>	<b>742,807,641</b>
<b>Grand Total June, 2017</b>	<b>1,421,990,951</b>	<b>100,302,909</b>	<b>1,522,293,860</b>	<b>67,782,726</b>	<b>867,338,344</b>	<b>654,955,516</b>





**2.3. Depreciation for the year is charged as below:**

**Particulars**

	2018	2017
	Taka	Taka
Cost of Goods Sold-Note 25.1	57,015,630	54,226,180
Administrative Selling and General Expenses-Note 26.1	14,253,907	13,556,546
	<u>71,269,537</u>	<u>67,782,726</u>

**3. Stocks and stores**

**3.1 The make-up is as below:**

	2018		2017	
	In Kg	Taka	In Kg	Taka
Stock of Yarn	3.2 603,895	170,810,558	607,086	152,051,570
Stock of Dyes and Chemicals	3.3 281,124	52,941,206	160,105	38,419,208
Stock of Work-in-Process	3.4	43,464,295		57,568,320
Stock of Finished Goods	3.5	48,948,923		52,089,632
Stock of Accessories		5,683,320		3,494,275
Goods in Transit		5,699,504		8,756,232
		<u>327,547,806</u>		<u>312,379,237</u>
Stock of Spares		5,708,615		5,632,127
		<u>333,256,421</u>		<u>318,011,364</u>

**3.2 Stock of Yarn**

Stock of Yarn	603,895	170,810,558	607,086	152,051,570
	<u>603,895</u>	<u>170,810,558</u>	<u>607,086</u>	<u>152,051,570</u>

**3.3 Stock of Dyes and Chemicals**

Dyes	38,550	27,458,636	22,285	19,857,080
Chemicals	242,574	25,482,570	137,820	18,562,128
	<u>281,124</u>	<u>52,941,206</u>	<u>160,105</u>	<u>38,419,208</u>

**3.4 Stock in Work in Process**

Cost of Materials	18,502,289			17,490,070
Costs of Conversion	24,962,006			40,078,250
	<u>43,464,295</u>			<u>57,568,320</u>

**3.5 Stock of Finished Products**

Finished Garments		26,728,412		11,540,584
Knitted Fabrics	110,348	22,220,511	125,545	40,549,048
	<u>110,348</u>	<u>48,948,923</u>	<u>125,545</u>	<u>52,089,632</u>

**4. Trade and Others Debtors**

	2018		2017	
	US\$	Taka	US\$	Taka
Export Sales Receivable (Below 180 Days)	3,941,468	325,722,914	3,292,652	262,325,556
Other Debtors	-	45,500,000	-	46,420,600
	<u>3,941,468</u>	<u>371,222,914</u>	<u>3,292,652</u>	<u>308,746,156</u>

These include a sum of Tk.45,500,000 (2017;Tk.46,420,600) due from Associates Companies, expected to be realized /adjusted within a year from the financial statement end date.

These are unsecured but considered goods.

**5. Export Incentives Receivable**

	2018	2017
	Taka	Taka
Opening Balance	95,177,576	125,066,201
Less : Received	41,859,700	47,478,278
	53,317,876	77,587,923
For the Year	22,088,900	17,589,653
Closing Balance	<u>75,406,776</u>	<u>95,177,576</u>

The receivables are unsecured but considered goods.



**6. Advances, Deposits and Prepayments****Advances :**

	2018 Taka	2017 Taka
Salary Advance	1,324,504	958,512
Advance Tax	210,000	-
Factory Insurance Advance	905,912	1,345,431
Operational Advance	5,933,929	5,973,962
Tax deducted at source	30,144,945	26,361,405
	<b>38,519,290</b>	<b>34,639,310</b>

**Deposits :**

Security Deposit	10,151,571	8,984,221
Bank Guarantee Margin	4,558,670	3,392,820
L/C Margin	-	2,271,924
	<b>14,710,241</b>	<b>14,648,965</b>
	<b>53,229,531</b>	<b>49,288,275</b>

The advances are unsecured but considered goods.

**7. Cash and Bank Balances****Cash at Banks with Banks on Current Account:**

Brac Bank Ltd, Dhanmondi Branch, CD A/c	16,506	286,653
Mutual Trust Bank Ltd., Gulshan Branch, CD A/c	2,122	125,197
Mutual Trust Bank Ltd., Gulshan Branch, Dollar A/c	31,357,734	22,874,983
Mutual Trust Bank Ltd., Gulshan Branch, ERQ A/c	401,854	91,597
Mutual Trust Bank Ltd., Gulshan Branch, SND A/c	389,238	-
HSBC, Anchor Tower Branch, MDA Margin A/c	5,797,972	13,837,729
HSBC, Anchor Tower Branch, FCY A/c	795,271	-
Trust Bank Ltd, SKB Branch, Dollar A/c	1,127,877	39,093,343
Trust Bank Ltd, SKB Branch, FCAD A/c	850,588	1,366,509
Trust Bank Ltd, SKB Branch, CD A/c	6,267	9,630
Dutch Bangla Bank Ltd., Gulshan Branch, CD A/c	1,103,754	704,838
AB Bank Ltd, Motijheel Branch, CD A/c	-	74,868
AB Bank Ltd, Motijheel Branch, CD A/c	25,039	873
AB Bank Ltd, Motijheel Branch, Notice A/c	-	2,342
AB Bank Ltd, Motijheel Branch, Notice A/c	3,814,731	324,132
	<b>45,688,953</b>	<b>78,792,394</b>

**With Bank on Short Term Deposit Account:**

Trust Bank Ltd., SKB Branch, SND A/c	23,030	879,995
Southeast Bank Ltd, Principal Branch, STD A/c	1,002,585	982,908
	1,025,615	1,862,903
Cash at Banks	<b>46,714,568</b>	<b>80,655,297</b>
Cash in Hand	1,567,423	1,425,630
	<b>48,281,991</b>	<b>82,080,927</b>

**8. Share Capital****8.1 Authorized:**

100,000,000 Ordinary Shares of Tk.10 each	<b>1,000,000,000</b>	<b>1,000,000,000</b>
---	----------------------	----------------------

**8.2 Issued, Subscribed and Paid-up:**

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





### 8.3 Composition of Shareholdings:

Classes of Holdings	2018		2017	
	No. of Shares	%	No. of Shares	%
Sponsors	12,911,855	51.04	12,911,855	51.04
Financial Institutions	2,955,545	11.68	2,219,127	8.77
ICB Capital Management Ltd.	170,977	0.68	-	-
ICB Securities Ltd.	12,253	0.05	-	-
ICB	-	-	72,697	0.29
ICB Investors A/c	-	-	29,459	0.12
ICB Mutual Fund	-	-	3,000	0.01
ICB Unit Fund	-	-	1,166,370	4.61
General Public	9,249,370	36.55	8,897,492	35.16
	<b>25,300,000</b>	<b>100</b>	<b>25,300,000</b>	<b>100</b>

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

The distribution schedule showing the number of shareholders and their share holdings in percentage has been disclosed below as a requirement of the "Listing Regulations of Dhaka and Chittagong Stock Exchange".

Range of Holdings	2018			2017		
	No. of shareholders	No. of Shares	Holdings %	No. of Shareholders	No. of Shares	Holdings %
0000001-0000499	7,211	1,990,236	7.87	5,022	1,274,967	5.04
0000500-0000500	3,729	1,864,500	7.37	5,454	2,727,000	10.78
0000501-0002000	1,068	2,362,143	9.34	728	764,850	3.02
0002001-0005000	530	1,696,000	6.70	765	1,683,256	6.65
0005001-0010000	125	881,500	3.48	187	949,568	3.75
0010001-0050000	57	1,881,000	7.43	61	629,436	2.49
0050001-0100000	11	968,000	3.83	16	849,108	3.36
0100001-0250000	4	848,000	3.35	11	1,198,753	4.74
0250001-0500000	-	-	-	4	1,248,071	4.93
0500001 and above	6	12,808,621	50.63	7	13,974,991	55.24
<b>Total</b>	<b>12,741</b>	<b>25,300,000</b>	<b>100.00</b>	<b>12,255</b>	<b>25,300,000</b>	<b>100</b>

### 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.

### 9. General Reserve

	2018 Taka	2017 Taka
Opening and Closing Balance	6,956,752	6,956,752
	<b>6,956,752</b>	<b>6,956,752</b>

### 10. Tax Holiday Reserve

Opening and Closing Balance	22,378,988	22,378,988
	<b>22,378,988</b>	<b>22,378,988</b>

### 11. Dividend Equalisation Reserve

Opening and Closing Balance	10,000,000	10,000,000
	<b>10,000,000</b>	<b>10,000,000</b>

### 12. Long-term Loan -Secured Future Maturity

10% Loan - Note 12.1	2,516,705	-
5% Loan - Note 12.2	102,892,400	168,657,945
Deferred L/C Liabilities -Note 12.3	22,632,920	-
Deferred L/C Liabilities -Note 12.4	-	13,087,330
	<b>128,042,025</b>	<b>181,745,275</b>

#### 12.1 The movement of loan is as follows:

Opening Balance	-	-
Add: Loan received this year	2,516,705	-
<b>Closing Balance</b>	<b>2,516,705</b>	<b>-</b>

The loan has been taken from Mutual Trust Bank Ltd, Gulshan Branch for import of Plant and machinery. The loan carries interest at 10% and is repayable in 16 Quarterly installments, starting from 11 June, 2018. The loan is secured by hypothecation of stock, machinery, equipment and book debts.





**12.2 The movement of loan is as follows:**

	2018 Taka	2017 Taka
Opening Balance	168,657,945	113,572,966
Add: Loan received this Year	13,382,140	139,106,507
	<b>182,040,085</b>	<b>252,679,473</b>
Less: Current Maturity	(79,147,685)	(81,506,992)
Less: Loan re-paid this year	-	(2,514,536)
<b>Closing Balance</b>	<b>102,892,400</b>	<b>168,657,945</b>

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, starting from 1st January 2014.

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

Opening Balance	-	-
Add: This Year	22,632,920	-
<b>Closing Balance</b>	<b>22,632,920</b>	<b>-</b>

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

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

Opening Balance	13,087,330	85,182,173
Less: Paid during the year	13,087,330	72,094,843
	-	13,087,330
Add: Addition this Year	-	-
<b>Closing Balance</b>	<b>-</b>	<b>13,087,330</b>

The offshore facility has been taken from The Hongkong and Shanghai Banking Corporation Plc, Anchor Tower, 108 Bir Uttam C R Dutta Road Dhaka-1205, Bangladesh, for import of Plant and machinery at 360 days deferred L/C payment.

**13. Provision for Gratituty**

Opening Balance	29,166,174	31,304,282
Add: Contribution this Year	3,470,387	2,157,254
	<b>32,636,561</b>	<b>33,461,536</b>
Less: Paid this Year	4,783,597	4,295,362
<b>Closing Balance</b>	<b>27,852,964</b>	<b>29,166,174</b>

**14. Deferred tax Liabilities**

Opening Balance	35,773,545	31,973,737
Add: Provision during the year	3,354,833	3,799,808
<b>Closing balance</b>	<b>39,128,378</b>	<b>35,773,545</b>

**Deferred tax liabilities for 2018**

	As per Accounting base W.D.V	As per Tax base W.D.V	Temporary Difference Taxable/ (Deductable)
Property, Plant and Equipments	742,807,641	454,098,819	288,708,822
Tax rate			15%
Deferred tax liabilities			43,306,323
Gratuity provision		27,852,964	-
Deferred tax assets 15%			4,177,945
<b>Net deferred tax liabilities</b>			<b>39,128,378</b>



**15. Bank Overdrafts**

Trust Bank Ltd, SKB Branch  
 HSBC Bank, Plc, Anchor Tower Branch, Kawranbazar  
 Mutual Trust bank Ltd. Gulshan Branch

2018 Taka	2017 Taka
51,350,460	51,180,303
19,188,123	38,477,934
10,039,939	-
<b>80,578,522</b>	<b>89,658,237</b>

These are secured.

**16. Time Loan Bank**

11.5% Loan - Note 16.1  
 11.55% Loan - Note 16.2

7,437,916	14,483,306
116,296,071	-
<b>123,733,987</b>	<b>14,483,306</b>

These are secured.

**16.1 The movement of loan is as follows:**

Opening Balance	14,483,306	24,929,537
Add: Loan received this Year	7,437,916	-
Less: Loan re-paid this Year	(14,483,306)	(10,446,231)
<b>Closing Balance</b>	<b>7,437,916</b>	<b>14,483,306</b>

The loan has been taken from Trust Bank Ltd, Motijheel Branch for Working Capital requirement. The loan carries interest at 11.50% and is repayable in 12 months. The loan is secured by hypothecation of stock, machinery, equipment and book debts.

**16.2 The movement of loan is as follows:**

Opening Balance	-	-
Add: Loan received this Year	116,296,071	-
Less: Loan re-paid this Year	-	-
<b>Closing Balance</b>	<b>116,296,071</b>	<b>-</b>

The loan has been taken from Mutual Trust Bank Ltd, Gulshan Branch for retrofitting, factory building expansion & Construction purpose. The loan carries interest at 11.50% and is repayable in 12 months. The loan is secured by hypothecation of stock, machinery, equipment and book debts.



**17. Creditors**

	2018		2017	
	US\$	Taka	US\$	Taka
For Import Purchases	<u>7,054,770</u>	584,981,488	<u>6,050,037</u>	482,974,454
For Local Purchases		10,242,705		7,045,533
For Dividend Payable		47,552,099		98,098,972
For Staff Income Tax		233,149		336,481
For Refund Warrant		<u>371,469</u>		<u>371,469</u>
		<u>643,380,910</u>		<u>588,826,909</u>

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

**18. Accrued Expenses**

Gas Expenses (Factory)	12,197,954	18,725,237
Electricity Bill	364,049	214,310
Telephone	81,459	57,682
Salaries, Wages and Allowances	9,065,845	7,047,020
Security Bill	192,000	348,000
Legal Fee	60,000	60,000
Auditors' Fee (Including Vat)	172,500	172,500
AGM Expenses	400,000	700,000
	<u>22,533,807</u>	<u>27,324,749</u>

**19. Provision for Taxation**

Opening balance	27,755,655	13,673,421
Add: Addition during the year	<u>18,436,758</u>	<u>14,082,234</u>
	<u>46,192,413</u>	<u>27,755,655</u>
Less: Paid during the year	<u>(13,673,421)</u>	<u>-</u>
Closing Balance	<u>32,518,992</u>	<u>27,755,655</u>

**20. Bills Receivable Discounted**

Opening Balance	33,424,991	144,817,615
Add: Discounted during the Year	<u>222,798,531</u>	<u>232,827,641</u>
	<u>256,223,522</u>	<u>377,645,256</u>
Less: Collected during the Year	<u>218,555,581</u>	<u>344,220,265</u>
Closing Balance	<u>37,667,941</u>	<u>33,424,991</u>

**21. Workers' Participation/Welfare Funds**

Opening Balance	27,678,894	35,996,566
Less: Payment this Year	<u>11,245,632</u>	<u>12,768,223</u>
	<u>16,433,262</u>	<u>23,228,343</u>
Add: Contributions for the Year	3,244,324	2,708,425
Add: Interest during the Year	1,232,495	1,742,126
Closing Balance	<u>20,910,081</u>	<u>27,678,894</u>

Interest has been provided on the funds balance in terms of the Bangladesh Labour Law.

**22. Current Maturity of long-term loans**

Opening Balance	81,506,992	53,649,889
Add: Current Maturity	<u>79,147,685</u>	<u>81,506,992</u>
	<u>160,654,677</u>	<u>135,156,881</u>
Less: Paid this year	<u>81,506,992</u>	<u>53,649,889</u>
Closing Balance	<u>79,147,685</u>	<u>81,506,992</u>

The offshore facility has been taken from The Hongkong and Shanghai Banking Corporation Plc, Anchor Tower, 108 Bir Uttam C R Dutta Road, Dhaka-1205, Bangladesh, for import of Plant and machinery at 360 days deferred L/C payment.





**23. Sales****Export sales:**

	2018			2017		
	Quantity	USD	Taka	Quantity	USD	Taka
Knit Fabrics (Kgs)	1,875,970	11,535,384	951,290,987	1,663,903	10,166,450	809,961,061
Garments (pcs)	6,579,896	13,020,091	1,073,106,234	4,782,887	10,426,693	830,694,668
<b>Total</b>		<b>24,555,475</b>	<b>2,024,397,221</b>		<b>20,593,143</b>	<b>1,640,655,729</b>

**24. Export Incentives**

Cash Incentive

2018	2017
Taka	Taka
22,088,900	17,589,653
<b>22,088,900</b>	<b>17,589,653</b>

**25. Cost of Goods Sold****25.1 The break-up is as follows:-**

Materials Consumed - Note 25.2	1,384,950,594	1,112,025,337
Salary, Wages and Allowances - Note 25.3	175,263,039	134,996,325
Tiffin & Entertainment Expenses	658,456	465,953
Depreciation - Note 2.3	57,015,630	54,226,180
Stores and Spares Consumed	1,554,236	1,659,635
Factory Conveyance	712,564	565,965
Power and Gas	105,650,647	95,570,014
Gratuity	2,533,247	1,617,264
Vehicle expenses	1,344,856	1,185,963
Repairs and Maintenance	1,285,452	1,459,635
Packing & Loading Expenses	986,694	985,692
Import Landing, Clearing and Insurance	1,045,842	1,159,642
Factory Stationery Expenses	758,423	865,326
Carriage Inward and Outward	1,254,231	1,252,642
Knitting, Sewing & Processing Charge	1,542,364	1,298,456
Factory Insurance	4,898,389	4,229,793
Sewing Machine Rental	581,563	575,887
Miscellaneous	228,681	145,980
Total Manufacturing Costs for the year	<b>1,742,264,908</b>	<b>1,414,285,689</b>
Add Opening Work in Process	57,568,320	59,829,824
Total Manufacturing Costs	<b>1,799,833,228</b>	<b>1,474,115,513</b>
Less Closing Work in Process	43,464,295	57,568,320
Cost of Goods Manufactured	<b>1,756,368,933</b>	<b>1,416,547,193</b>
Add Opening Finished Goods	52,089,632	52,569,300
Cost of Goods available for use	<b>1,808,458,565</b>	<b>1,469,116,493</b>
Less Closing Finished Goods	48,948,923	52,089,632
<b>Cost of Goods Sold</b>	<b>1,759,509,642</b>	<b>1,417,026,861</b>

**25.2 Materials Consumed**

	2018		2017	
	Quantity (Kg.)	Taka	Quantity (Kg)	Taka
Yarn	3,462,055	979,242,364	2,899,038	791,553,246
Dyes	237,214	154,663,245	221,373	122,483,245
Chemicals	1,278,121	152,096,453	1,474,679	121,292,314
Accessories		98,948,532		76,696,532
<b>Total Materials Consumption</b>		<b>1,384,950,594</b>		<b>1,112,025,337</b>

**25.3 Salaries, Wages and Allowances**

Employees drawing Tk.3,000 or more per month

Employees drawing less than Tk.3,000 per month

**Total**

No. of Employees	Taka	No. of Employees	Taka
1,878	175,263,039	1,847	134,996,325
-	-	-	-
<b>1,878</b>	<b>175,263,039</b>	<b>1,847</b>	<b>134,996,325</b>



## 26. Administrative, Selling and General Expenses

### 26.1 The break-up is as below:

	2018 Taka	2017 Taka
Directors' Remuneration-Note 26.2	2,600,000	2,600,000
Salaries and Allowances Note 26.3	55,325,412	53,169,532
Security Service charges	1,152,000	2,088,000
Depreciation - Note 2.3	14,253,907	13,556,546
Electricity Expenses	3,574,572	2,682,725
Postage, Courier, Telephone and Fax	1,556,942	1,196,523
Form & Stamp	1,010,278	
Gratuity	937,140	539,990
Travelling and Conveyance	845,634	995,762
Legal and Professional Expenses	60,000	60,000
Auditors' Fee-Note 26.2	172,500	172,500
A.G.M Expenses	387,561	874,890
Registration and Fees	825,464	975,320
Staff welfare	1,225,423	1,265,320
Stationery Expenses	1,054,120	1,285,692
Office Repairs and Maintenance	1,050,213	1,354,200
Vehicle Expenses	2,756,321	3,863,240
Entertainment Expenses	954,633	1,062,300
Central fund for RMG	503,956	380,733
Buying House Commission	4,025,611	1,470,543
Freight Charges & Freight out	14,297,509	5,956,759
Garments Testing & Inspection Charges	10,392,143	7,836,802
Interest Expense -Note-26.4	75,250,179	54,111,083
Currency Gain/ (Loss)	-	458,437
Bank Charges	25,557,290	25,981,589
Miscellaneous	658,740	768,520
	<u>220,427,548</u>	<u>184,707,006</u>

26.2 No remuneration or fee, other than that specified in note 26.1, was paid to directors and auditors.

### 26.3 Salaries and Allowances:

	No of Employees	Taka	No of Employees	Taka
Employees drawing Tk.3,000 or more per month	146	55,325,412	132	53,169,532
Employees drawing less than Tk.3,000 per month				
	<u>146</u>	<u>55,325,412</u>	<u>132</u>	<u>53,169,532</u>

### 26.4 Interest expense is as follows:

Interest on Workers' Participation/Welfare Funds	1,232,495	1,742,126
Interest on Long Term Loans	11,657,041	11,526,611
Interest on Bills Discounted	50,869,270	32,284,534
Interest on Bank Overdraft	7,877,478	7,618,236
Interest on Time Loan	3,613,895	939,576
	<u>75,250,179</u>	<u>54,111,083</u>

### 27. Other Income

Rental income	365,400	365,400
Exchange Gain/(Loss)	1,216,479	-
	<u>1,581,879</u>	<u>365,400</u>





**28. Income tax (Current Tax)**

	2018 Taka	2017 Taka
Profit before tax	64,886,486	54,168,490
Add: Depreciation as per Accounting base	71,269,537	67,782,726
	<b>136,156,023</b>	<b>121,951,216</b>
Less: Depreciation as per Tax base	92,321,966	90,976,585
	<b>43,834,057</b>	<b>30,974,631</b>
Add: Provision for Gratuity for the Year	3,470,387	2,157,254
	<b>47,304,444</b>	<b>33,131,885</b>
Less: Other income (Separate calculation)	365,400	365,400
	<b>46,939,044</b>	<b>32,766,485</b>
Less: Payment for Gratuity	4,783,597	4,295,362
	<b>42,155,447</b>	<b>28,471,123</b>
Tax Rate @ 15%	<b>6,323,317</b>	<b>4,270,668</b>
Minimum tax	<b>16,126,655</b>	<b>14,018,289</b>
<b>Add: Other income tax</b>		
Rental income	365,400	365,400
Less: Maintenance @ 30%	109,620	109,620
	<b>255,780</b>	<b>255,780</b>
Add: Tax Rate @ 25%	63,945	63,945
Current tax	<b>16,190,600</b>	<b>14,082,234</b>
Add: Additional Tax for the Prior Years finally determined	2,246,158	-
	<b>18,436,758</b>	<b>14,082,234</b>

**29. Remuneration/Payments to Directors/Officers:**

**29.1** The aggregate amount paid/provided during the period in respect of directors and officers of the Company as defined in the Securities and Exchange Rules, 1987 are disclosed below :

Particulars	Directors	Officers	Directors	Officers
Remuneration	2,600,000		2,600,000	
Basic salary		33,095,240		32,156,320
House Rent Allowance		15,894,452		15,848,560
Other benefits and perquisites		6,335,720		5,164,652
	<b>2,600,000</b>	<b>55,325,412</b>	<b>2,600,000</b>	<b>53,169,532</b>

**29.2** No compensation was allowed by the Company to its Managing Director.

**29.3** No amount of money was spent by the Company for compensating any member of the Board for services rendered except as stated above.

**30. The Company has obtained bank credit facilities from the following banks:**

Bank & Branch Name	Type of facility	Limit	Utilised	Unutilised	
				2018 Taka	2017 Taka
<b>Trust Bank Ltd</b>	B to B L/C ,EDF & Sight	650,000,000	281,657,180	368,342,820	247,630,468
SKB Branch, Dhaka	IBP	70,000,000	12,564,230	57,435,770	5,597,559
	Trust receipt	40,500,000	-	40,500,000	40,500,000
	Overdraft	50,000,000	51,350,460	(1,350,460)	(1,180,303)
	Bank guarantee	1,000,000	-	1,000,000	1,000,000
	Term Loan	25,000,000	7,437,916	17,562,084	5,516,694
		<b>836,500,000</b>	<b>353,009,786</b>	<b>483,490,214</b>	<b>299,064,418</b>
<b>Mutual Trust Bank Ltd</b>	B to B L/C ,EDF & Sight	490,000,000	139,515,530	350,484,470	214,064,377
Gulshan Branch, Dhaka	Secured Overdraft	10,000,000	10,039,939	(39,939)	-
	Term Loan	980,000,000	116,296,071	863,703,929	-
	IDBP/FDBP	100,000,000	15,894,463	84,105,537	7,362,635
		<b>1,580,000,000</b>	<b>281,746,003</b>	<b>1,298,253,997</b>	<b>221,427,012</b>
<b>HSBC</b>	Export Cash Limit	246,000,000	85,645,632	160,354,368	21,641,122
Anchor Tower, 108 Bir Uttam	Import Line (PRM)	395,000,000	147,989,813	247,010,187	132,042,148
	Import Line	600,000,000	401,933,619	198,066,381	311,035,466
C R Dutta Road, Dhaka-1205	Overdraft	50,000,000	19,188,123	30,811,877	11,522,066
	Bank guarantee	30,000,000	4,558,670	25,441,330	4,533,800
	Term Loan	184,677,770	34,050,272	150,627,498	20,000,000
		<b>1,505,677,770</b>	<b>693,366,129</b>	<b>812,311,641</b>	<b>500,774,602</b>





**31. The analysis of consumption of materials and spares as to origin is as below:**

	2018		2017	
	Taka	%	Taka	%
Imported	466,748,532	33.66	368,808,649	33.12
Local	919,756,298	66.34	744,876,323	66.88
	<b>1,386,504,830</b>	<b>100.00</b>	<b>1,113,684,972</b>	<b>100.00</b>

**32. The capacity and actual production of the Company are as below :**

Item	Capacity	Actual Production	Percentage (%) of achievement
Finished Garments (Lac Pcs.)	84	65.80(2017:47.83)	78.33%(2017:56.94%)
Knit Fabrics ( MTs.)	4,500	3,653(2017:2,461)	81.18%(2017:54.68%)

**33. Even after Balance Sheet Date:**

The Board of Directors of the Company in its meeting held on October 24, 2018 (2017: 23 October 2017) recommended 10% cash dividend i.e., Tk.1.00 per share of Tk. 10.00 each (2017:10% cash dividend) for all shareholders of the company subject to their approval in the AGM.

**34.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 Balance Sheet exposure with the related parties as at June 30, 2018 is as under:

Name of the related party	Relationship	Nature of Transaction	2018 Taka	2017 Taka
Fashion Knit Garments Ltd	Common Director	Sale of Finished Fabrics	951,290,987	809,961,061
		Receivable	45,500,000	46,420,600

**35.General**

**35.1**

There was no sum for which the Company was contingently liable as at June 30, 2018 and June 30, 2017.

**35.2**

There was no claim, except an aggregate amount of Tk 23,042,449 (2017: 21,095,550) claimed by the Tax Authority but appealed against by the Company, not acknowledged as debt as at June 30, 2018 and June 30, 2017. Such claim, being contingent liability, needs not be provided for.

**35.3**

There was no credit facilities available to the Company, except trade credits and back to back L/c facilities, during the Nine Months ended June 30, 2018 and year ended June 30, 2017.

**35.4**


There was no foreign shareholder of the Company as at June 30, 2018 and June 30, 2017 and no dividend was remitted to any foreign shareholders during the years ended June 30, 2018 and June 30, 2017.

**35.5**

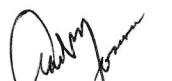
There was no capital expenditure contracted but not incurred or provided for at June 30, 2018 and June 30, 2017.


**35.6**

There was no capital expenditure authorised by the Board but not contracted for at June 30, 2018 and June 30, 2017.

  
Dr. M.A. Moyeen  
Chairman

  
Mr. M.A. Moyeed  
Managing Director

  
Mr. M.A. Momen  
Director

  
Mr. Md. Wali ulah  
Company Secretary

