

# H.R. Textile Mills Limited

An Enterprise of **PRIDE** Group

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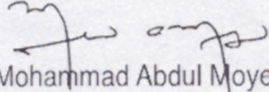
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Dear Shareholders

We forward herewith the un-audited third quarter (Q3) financial statements of the company for the third quarter period from 1st July 2016 to 31st March 2017 as per Regulation of the Stock Exchange (Listing) Regulations, 2015 under LR 16(2).



Mohammad Abdul Moyeed  
Managing Director



Third Quarter (Q3) Report 2017 (Un-Audited)  
for the third quarter 9 (nine) months period ended 31st March 2017

H.R. Textile Mills Limited  
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**H.R. TEXTILE MILLS LIMITED**  
**Statement of Financial Position (Un-audited)**  
**As on March 31, 2017**

	Third quarter (Q3) ended March 31, 2017 Taka	Year ended June 30, 16 (audited) Taka
<b>CAPITAL EMPLOYED IN</b>		
<b>NON-CURRENT ASSETS:</b>		
Property, Plant and Equipment	659,450,529	622,435,333
Total Non-Current Assets	<b>659,450,529</b>	<b>622,435,333</b>
<b>CURRENT ASSETS:</b>		
Stocks and Stores	287,862,462	268,897,227
Trade and Other Debtors	348,385,715	441,549,311
Export Incentive Receivables	101,136,920	125,066,201
Advance, Deposits and Prepayments	47,642,406	43,394,886
Cash and Bank Balances	64,481,275	40,634,434
Total Current Assets	<b>849,508,778</b>	<b>919,542,059</b>
<b>Total Assets</b>	<b>1,508,959,307</b>	<b>1,541,977,392</b>
<b>SHAREHOLDERS' EQUITY:</b>		
Share Capital	253,000,000	253,000,000
General Reserve	6,956,752	6,956,752
Tax Holiday Reserve	22,378,988	22,378,988
Dividend Equalisation Reserve	10,000,000	10,000,000
Unappropriated Profit	70,477,506	67,592,899
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>362,813,246</b>	<b>359,928,639</b>
<b>LONG-TERM LIABILITIES:</b>		
Long-Term Loans-Secured Future Maturity	221,643,346	199,048,499
Provision for Gratuity	31,094,277	31,304,282
Deferred Tax Liabilities	29,499,264	31,973,737
	<b>282,236,887</b>	<b>262,326,518</b>
<b>CURRENT LIABILITIES:</b>		
Bank Overdrafts-Secured	82,709,578	77,811,475
Trade Creditors	564,982,754	570,393,047
Accrued Expenses	32,425,982	23,380,222
Provision for Taxation	18,647,175	13,673,421
Bills Receivable Discounted	48,684,155	144,817,615
Workers' Participation /Welfare Funds	37,654,484	35,996,566
Current Maturity of Long-term Loans	78,805,046	53,649,889
Total Current Liabilities	<b>863,909,174</b>	<b>919,722,235</b>
<b>Total Liabilities</b>	<b>1,146,146,061</b>	<b>1,182,048,753</b>
<b>Total Equity and Liabilities</b>	<b>1,508,959,307</b>	<b>1,541,977,392</b>
<b>Net Assets value per share of Tk.10</b>	<b>14.34</b>	<b>14.23</b>

Chairman of the 119th BDM

Managing Director

Director

CFO/HK

Company Secretary

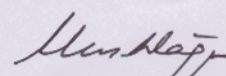


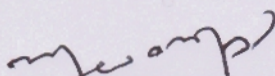
**H.R. TEXTILE MILLS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)**  
**Third Quarter (Q3) for the 9 (nine) months period ended March 31, 2017**

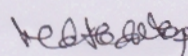
Particulars	Third quarter Ended 1 July ,16 to 31 March ,17 Taka	Third quarter Ended 1 July ,15 to 31 March ,16 Taka	1 Jan,17 to 31 March,17 Taka	1 Jan,16 to 31 March,16 Taka
Sales	1,061,634,514	896,653,863	352,403,041	218,772,148
Export Incentives	14,563,114	39,360,851	6,030,807	3,646,077
Turnover	1,076,197,628	936,014,714	358,433,848	222,418,225
Less: Cost of Goods Sold	909,298,456	791,274,906	300,272,824	187,499,956
<b>Gross Profit</b>	<b>166,899,172</b>	<b>144,739,808</b>	<b>58,161,024</b>	<b>34,918,269</b>
Less: Administrative and General Expenses	132,356,943	114,350,682	48,092,991	31,696,897
<b>Operating Profit</b>	<b>34,542,229</b>	<b>30,389,126</b>	<b>10,068,033</b>	<b>3,221,372</b>
Add: Other Income	274,050	500,991	91,350	91,350
Profit before WP/WF	34,816,279	30,890,117	10,159,383	3,312,722
Less: Contribution to WP/WF	1,657,918	1,470,958	483,780	157,749
<b>Net Profit/(Loss) before Tax</b>	<b>33,158,361</b>	<b>29,419,159</b>	<b>9,675,603</b>	<b>3,154,973</b>
Income Tax Charge	4,973,754	4,412,874	1,451,341	473,246
Current Tax	4,130,334	6,810,109	1,186,628	992,908
Deferred Tax	843,420	(2,397,235)	264,713	(519,662)
<b>Net Profit/(Loss) after Tax</b>	<b>28,184,607</b>	<b>25,006,285</b>	<b>8,224,262</b>	<b>2,681,727</b>
(Transferred to the statement of Changes in Equity)				
Earning Per Share (EPS) of Tk.10	1.11	0.99	0.33	0.11

**Cash Flow Statement (Un-Audited)**  
**Third Quarter (Q3) for the 9 (nine) months period ended March 31, 2017**

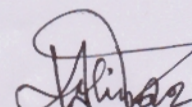
Particulars	Third quarter (Q3) ended 31st March 2017 Taka	Third quarter (Q3) ended 31st March 2016 Taka
<b>Cash flows from Operating Activities:</b>		
Cash collected from customers and export incentives	1,193,564,555	1,014,351,734
Cash paid for goods and services	(1,058,318,343)	(1,061,601,025)
Cash from operation	135,246,212	(47,249,291)
Interest paid	(35,118,108)	(31,071,281)
Income tax paid/deducted at sources	(10,283,970)	(6,549,278)
Cash inflows from operating activities	89,844,134	(84,869,850)
<b>Cash flows from Investing Activities:</b>		
Acquisition of fixed assets	(85,165,182)	(39,777,060)
<b>Cash flows from Financing Activities:</b>		
Bank Overdraft received/(Paid)	4,898,103	54,296,040
Long Term loan received/(Paid)	22,594,847	29,012,204
Dividend paid	(8,325,061)	(1,265,519)
<b>Cash inflow (outflow) from financing activities</b>	<b>19,167,889</b>	<b>82,042,725</b>
Net increase/(decrease) in cash and bank balances	23,846,841	(42,604,185)
Cash and bank balances on opening	40,634,434	63,648,040
Net increase/(decrease) in cash and bank balances	23,846,841	(42,604,185)
Cash and bank balances at closing	<b>64,481,275</b>	<b>21,043,855</b>
Net operating cash flow per share (NOCFPS)	<b>3.55</b>	<b>(3.35)</b>

  
Chairman of the 19th BDM

  
Managing Director

  
Director

  
CFO/H&A

  
Company Secretary

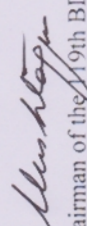


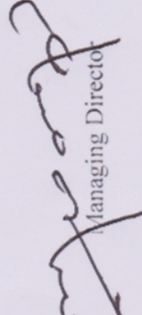
# H.R. TEXTILE MILLS LIMITED

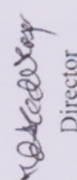
## Statement of Changes in Shareholders' Equity (Un-Audited)

For the Third Quarter (Q3) 9 (nine) months period ended March 31, 2017

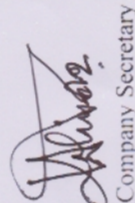
Particulars	Share Capital	General Reserve	Tax Holiday Reserve	Dividend Equalisation Reserve	Retained Earnings	Total Taka
Balance as at 30th June 2016	253,000,000	6,956,752	22,378,988	10,000,000	67,592,899	359,928,639
Net profit after tax					28,184,607	28,184,607
Cash Dividend declared					(25,300,000)	(25,300,000)
Balance as at 31st March 2017	253,000,000	6,956,752	22,378,988	10,000,000	70,477,506	362,813,246

  
Chairman of the 19th BDM

  
Managing Director

  
Director

  
CFO/WF&A

  
Company Secretary



**H.R. Textile Mills Limited**  
**Notes to the Interim Financial Statements (Un-audited)**  
**For the Third Quarter (Q3) 9 (nine) months period ended 31<sup>st</sup> March 2017**

1. Accounting policies and methods used for preparation and presentation of Financial Statements:

i. These Financial Statements are the unaudited Interim Financial Statements of H.R. Textile Mills Limited, for the Third Quarter (Q3) ended 31<sup>st</sup> March 2017 (here after 'the Interim Period'). They are prepared in accordance with the Bangladesh Accounting Standard (BAS 34) 'Interim Financial Reporting'. H.R. Textile Mills Limited has been following the same accounting policies and methods for the preparation and presentation of the third quarter Financial Statements of the Company as it was followed in the previous period.

ii. The Earning per Share (EPS) and Net Operating Cash Flow per Share (NOCFPS) as on March 31, 2017 stood at Tk. 1.11 and 3.55 respectively, compared to last year EPS (Tk.0.99) & NOCFPS (Tk. (3.35).

The rise in EPS was mainly due to increase in Sales which has the same impact on NOCFPS along with collection from customers

The NAV per share in current period stood at Tk. 14.34 against Tk. 14.23 of the corresponding previous period.

iii. There was no exceptional item to be disclosed under the head related party transaction.

2. Seasonability/Cyclicity of Interim Operation:

HRTM is a fabric and Readymade Garments (RMG) exporter and there was no significant seasonality /Cyclicity affect in operation during the period

3. Changes in Non-Currents Assets:

During the period a sum of Tk. 37.02 million was added to Non-Current Assets mainly in the Plant & Machinery, Electrical Installation, Water Installation, Furniture & Fixture and Office equipment.

4. Changes in Current Assets:

The total Current Assets was decreased by Tk. 70.03 million during the period due to decrease in Trade and Other Debtors and Export Incentive Receivables with June 30, 2016 and changed in Stock and Stores, Advance, Deposits and Prepayments and Cash and Bank Balances.

5. Changes in Shareholder's Equity:

Shareholder's Equity has increased by Tk. 2.88 million due to retained earning.

6. Changes in Current Liabilities:

The total Current liabilities have decreased by Tk. 55.81 million mainly due to settlement of Back to Back payment and repayments of bills discounted.

7. Changes in Long term Liabilities:

The total amount of long-term liabilities has increased by Tk. 19.91 million due to increase in bank loan against purchase of Plant and Machinery.

8. Change in Export Incentive :

Export Incentive has decreased by Tk. 24.80 million during the period from July 01, 2016 to March 31, 2017 compared with the previous period. Export Incentive mainly related to use of raw materials (local or foreign), Provision and another reasons of adjustment of financial year changing hence not directly related to sales.

9. Change in Bill Discounting:

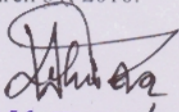
Bill Discounting was decreased by Tk. 96.13 million during the period of 1<sup>st</sup> July 2016 to 31<sup>st</sup> March 2017 compared with June 30, 2016 for none discounting, nothing unusual.

10. Changes in Operating Income and Expenses:

i. The turnover for the period J has increased by Tk. 140.18 million compared to same period in the previous year the overall cost of goods sold has increased by Tk. 118.02 million from previous period. Turnover has increased by 14.98% and the gross profit rate has increased by 15.31% due to increase in gross profit.

ii. The operating expense has increased by 15.75% for previous period. As a result operating profit stood at Tk. 34.54 million during the current period against Tk. 30.39 million compared with the previous period.

iii. During this period Net Profit after tax stood at Tk. 28.18 million compared to Tk. 25.01 million against the previous period of July 01, 2015 to March 31, 2016.

  
**Md. Wali Ullah**  
Company Secretary  
H.R. Textile Mills Limited

