

PARAMOUNT TEXTILE LIMITED

**HALF YEAR FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2020**

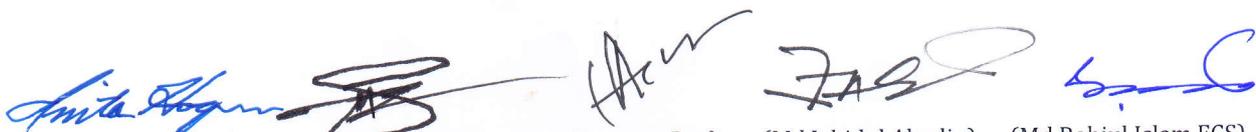


PARAMOUNT TEXTILE LIMITED
Chaklader House (Level 6), House No. 22, Road No. 113/A
Gulshan 2, Dhaka 1212

PARAMOUNT TEXTILE LIMITED
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at December 31, 2020

Particulars	Notes	Amount in Taka	
		31-12-2020	30-06-2020
ASSETS			
A. Non-current assets		5,392,592,271	5,061,799,669
Property, plant and equipment	3.00	2,977,327,986	2,987,306,142
Capital work in progress		460,929,952	526,119,512
Investment in Property		493,062,994	495,540,698
Investment in Associates	4.00	1,461,271,340	1,052,833,318
B. Current assets		4,145,730,925	3,833,568,269
Inventories	5.00	2,754,614,720	2,703,235,756
Trade receivables		439,980,608	675,893,376
Other receivables		1,511,200	5,617,792
Advance, deposits & prepayments	6.00	635,958,734	341,830,652
Investments		243,715,643	57,361,269
Cash & cash equivalents	7.00	69,950,020	49,629,424
TOTAL ASSETS (A+B)		9,538,323,196	8,895,367,938
EQUITY AND LIABILITIES			
C. Capital and Reserves		3,938,560,806	3,582,631,598
Ordinary share capital		1,550,765,550	1,476,948,140
Share premium		540,000,000	540,000,000
Retained earnings		1,576,745,694	1,359,207,917
Tax holiday reserve		203,617,141	203,617,141
Holding gain reserve		67,432,421	2,858,399
D. Deferred tax liability	8.00	19,797,407	12,127,087
E. Non-current liabilities		1,626,435,292	1,693,603,203
Long term loan		1,626,435,292	1,693,603,203
F. Current liabilities		3,953,529,691	3,607,006,050
Trade and other payables	9.00	224,645,077	312,056,363
Liability for expenses		242,227,354	165,985,662
Short term loan	10.00	3,092,772,868	2,686,229,688
Current portion of long term loan		341,068,288	418,254,704
Income tax provision		52,816,104	24,479,633
TOTAL EQUITY AND LIABILITIES (C+D+E+F)		9,538,323,196	8,895,367,938
Net asset value (NAV) per share	11.00	25.40	23.10

Restated


 (Anita Haque) (Shakhawat Hossain) (Alock Kumar Das) (Md. Jahidul Abedin) (Md. Robiul Islam, FCS)
 Chairman Managing Director Director Chief Financial Officer Company Secretary

Dhaka, January 28, 2021

PARAMOUNT TEXTILE LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the half year ended December 31, 2020

Particulars	Note	Half Year Ended		Amount in Taka 2nd Quarter Ended	
		01-07-2020 to 31-12-2020 (6 months)	01-07-2019 to 31-12-2019 (6 months)	01-10-2020 to 31-12-2020 (3 months)	01-10-2019 to 31-12-2019 (3 months)
		Revenue	14.00	2,595,191,390	2,789,084,390
Cost of sales		(2,166,427,903)	(2,329,052,116)	(969,058,004)	(1,136,550,638)
Gross profit		428,763,487	460,032,274	187,918,391	230,613,329
Administrative expenses		(111,291,521)	(120,520,468)	(56,882,845)	(64,367,537)
Distribution costs		(21,562,016)	(22,298,548)	(10,800,033)	(12,264,777)
		(132,853,537)	(142,819,016)	(67,682,878)	(76,632,314)
Profit from operations		295,909,950	317,213,258	120,235,513	153,981,015
Finance costs		(133,106,208)	(130,572,402)	(63,516,458)	(57,084,787)
Other income/Loss		20,404,536	(5,716,259)	9,253,517	(5,772,378)
Income from house rent	15.00	6,589,576	7,716,643	2,850,534	3,858,321
Exchange gain/ (Loss)		1,352,610	1,295,273	670,311	622,481
Profit/(loss) before WPPF & WF		191,150,464	189,936,513	69,493,417	95,604,652
Contribution to WPPF & WF		(849,331)	(840,812)	(399,557)	(409,069)
Share of profit/(Loss) of associates		223,563,022	226,486,153	93,730,421	124,139,124
Profit before tax		413,864,155	415,581,854	162,824,281	219,334,707
Tax expenses					
Income tax	16.00	(28,336,471)	(29,288,866)	(10,263,892)	(14,745,125)
Deferred tax benefit/ (expense)		(7,670,320)	(378,914)	2,928,917	(613,018)
		(36,006,792)	(29,667,780)	(7,334,976)	(15,358,143)
Net profit/ (loss) after tax		377,857,363	385,914,074	155,489,305	203,976,564
Unrealized gain / (loss) on share		64,574,022	14,578,330	(31,974,918)	15,243,412
Total comprehensive income		442,431,385	400,492,404	123,514,387	219,219,976
Basic earning per share (EPS)	17.00	2.44	2.49	1.00	1.32
			Restated		Restated


 (Anita Haque)
 Chairman


 (Shakhawat Hossain)
 Managing Director


 (Alock Kumar Das)
 Director


 (Md. Jahidul Abedin)
 Chief Financial Officer

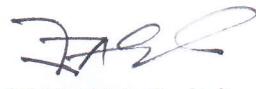
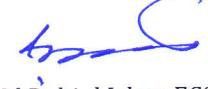

 (Md. Robiul Islam, FCS)
 Company Secretary

Dhaka, January 28, 2021

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CASH FLOWS (UNAUDITED)
For the half year ended December 31, 2020

Particulars	Amount in Taka	
	31-12-2020	31-12-2019
A) Cash flows from operating activities		
Cash received from operating activities		
Cash received from customer	2,831,104,158	2,802,706,154
Cash received from house rent	13,520,272	8,523,776
Cash received from other income	115,858	233,230
	2,844,740,288	2,811,463,160
Cash paid for operating activities		
Cash paid to suppliers	1,435,702,426	1,672,727,533
Wages & salaries	337,525,199	341,983,204
Factory overhead	271,286,069	271,359,660
Administrative overhead	121,241,028	115,528,440
Distribution costs	21,562,016	22,298,548
Financial costs	133,106,208	130,572,402
Advance & Security deposit receipt	1,051,196	869,760
Advance , deposits & pre-payments	92,277,812	27,478,837
Exchange loss/ (gain)	(1,352,610)	(1,295,273)
Income tax /advance income tax paid	16,154,020	23,157,777
	2,428,553,364	2,604,680,888
Net cash flows from operating activities (Note :- 18.00)	416,186,924	206,782,272
B) Cash flows from investing activities		
Payment of investment in Associates	(184,875,000)	-
Investment In share	(106,276,066)	-
Payment against property,Plant,equipment and CWIP	(366,533,463)	(397,517,186)
Net cash increase from investing activities	(657,684,529)	(397,517,186)
C) Cash flows from financing activities		
Dividend payment	(370,652)	(104,506)
Proceeds from bank overdraft	7,865,512	441,705,380
Proceeds from loan against trust receipts (LATR)	(42,285,449)	-
Proceed from term loan	296,608,790	(185,600,397)
Net cash flows used in financing activities	261,818,201	256,000,477
Net increase in cash and cash equivalents	20,320,596	65,265,563
Cash and cash equivalents, beginning of the period	49,629,424	24,556,137
Cash and cash equivalents, end of the half year	69,950,020	89,821,700

Net operating cash flows per share (NOCFPS) (Note:- 19.00) 2.68 1.33
(Restated)

				
(Anita Haque) Chairman	(Shakhawat Hossain) Managing Director	(Alock Kumar Das) Director	(Md. Jahidul Abedin) Chief Financial Officer	(Md. Robiul Islam, FCS) Company Secretary

Dhaka, January 28, 2021

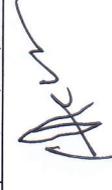
PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the half year ended December 31, 2020

Particulars	Amount in Taka					
	Share capital	Share premium	Retained earnings	Tax holiday reserve	Holding gain reserve	Total
Balance as at 1 July 2020	1,476,948,140	540,000,000	1,359,207,917	203,617,141	2,858,399	3,582,631,597
Current period	73,817,410	-	377,857,363	-	64,574,022	516,248,795
Cash dividend paid to shareholders for the year ended June 30, 2020	-	-	(86,502,176)	-	-	(86,502,176)
Stock dividend paid to shareholders for the year ended June 30, 2020	-	-	(73,817,410)	-	-	(73,817,410)
Total Equity as at 31-12-2020	1,550,765,550	540,000,000	1,576,745,694	203,617,141	67,432,421	3,938,560,806

PARAMOUNT TEXTILE LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the half year ended December 31, 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	121,949,850	-	385,914,074	-	14,578,330	522,442,254
Cash dividend paid to shareholders for the year ended June 30, 2019	-	-	(94,849,880)	-	-	(94,849,880)
Stock dividend paid to shareholders for the year ended June 30, 2019	-	-	(121,949,850)	-	-	(121,949,850)
Total Equity as at 31-12-2019	1,476,948,140	540,000,000	1,086,307,118	203,617,141	2,627,411	3,309,499,810


Anita Haque
Chairman
(Shakhawat Hossain)
Managing Director


(Arock Kumar Das)
Director


(Md. Jahidul Abedin)
Chief Financial Officer


(Md. Robiul Islam, FCS)
Company Secretary

Dhaka, January 28, 2021

PARAMOUNT TEXTILE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2020

- 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, 2020.

Note	Particulars	31-12-2020	30-06-2020
3.00 Property, Plant and equipment			
	Opening Balance of Property, plant and equipment	2,987,306,142	3,361,207,496
	Add : Addition during the period	246,026,770	190,415,451
		3,233,332,912	3,551,622,947
	Less : Depreciation Charged during the period	256,004,926	564,316,805
	Closing balance of property, plant and equipment	2,977,327,986	2,987,306,142
4.00 Investment in Associates			
4.01 Paramount Btrac Energy Ltd			
	Opening	1,052,833,318	723,652,757
	Addition : During the period	-	(38,550,000)
	Add/Less:Share of Profit/(Loss) of associates (Note -4.001)	223,563,022	367,730,561
		1,276,396,340	1,052,833,318
4.001 Share of Profit of Associate			
	Net profit attributable to the Shareholders of associate	456,251,065	750,470,532
	Percentage of holding	49.00%	49.00%
	Share of net profit	223,563,022	367,730,561
	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 th February, 2018 and commencing COD at 16 th 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.		
4.02 Intraco Solar Power Plant Ltd			
	Investment in Intraco Solar Power Plant Ltd	184,875,000	-
		184,875,000	-
	Total Investment in Associates	1,461,271,340	1,052,833,318
	The company's investment in associates as 29% equity interest at Intraco Solar Power Ltd (ISPL). ISPL is Joint venture company between Paramount Textile Ltd, Intraco CNG Ltd and Juli new Energy co.Ltd. In Financial statement 29% equity interest in accounted using equity method.		
5.00 Inventories			
	Chemicals	351,043,349	370,890,710
	Finished Goods	791,984,193	855,200,593
	Yarn	1,231,419,069	968,326,182
	Work in Process	376,559,013	502,813,502
	Packing & Sub Material	3,609,096	6,004,769
		2,754,614,720	2,703,235,756
6.00 Advance, deposits & prepayments			
	Advance against salary	6,371,803	6,453,355
	Advance against suppliers and others	497,708,413	246,822,603
	Advance income tax	16,154,020	-
	Advance office/house rent	1,499,735	1,609,735
	Bank guarantee	1,525,534	1,490,952
	Security deposits-CDBL	500,000	500,000
	Imprest fund	2,661,020	2,162,763
	L/C Margin deposit	26,496,324	3,834,783
	Pre-paid Expense	22,632,666	8,845,822
	Discount on Zero Coupon Bond	30,919,459	40,620,879
	Security deposits for internet	7,000	7,000
	Security deposit for tital gas	29,469,760	29,469,760
	Telephone line deposit	13,000	13,000
		635,958,734	341,830,652
7.00 Cash and bank balances			
	Cash in hand	16,792,424	5,332,270
	Cash at bank	2,845,201	11,673,553
	Cash at bank (Foreign currency)	27,812,395	10,123,601
	Cash at bank (FDR)	22,500,000	22,500,000
		69,950,020	49,629,424
	Cash at bank (Foreign currency) bank account, account maintained in foreign currency has been disclosed in local currency, thus foreign exchange fluctuation gain/(Loss) has been recognized		

8.00 Deferred tax (assets) / liability
For the period ended December 31, 2020

Particulars	Carring amount as at 31st december, 2020	Tax base value as at 31st december, 2020	Taxable/(Deductible) temporary difference as on 31.12.2020	Taxable/(Deductible) temporary difference as on 30.06.2020
Property, plant and equipment	3,105,330,450	2,976,418,562	128,911,888	131,770,316
Provident fund	(1,136,704)	-	(1,136,704)	(12,699,448)
WPPF & WF	(36,182,797)	-	(36,182,797)	(35,770,928)
Post employment benefit	(4,564,617)	-	(4,564,617)	(4,358,292)
			87,027,770	78,941,648
			15%	15%
Deferred tax liability/(assets) excluding holding gain reserve (A)			13,054,165	11,841,247
Holding gain reserve	67,432,421	-	67,432,421	2,858,399
Effective tax rate			10%	10%
Deferred tax liability/(assets) on holding gain reserve (B)			6,743,242.06	285,840
Deferred tax liability/(assets) (A+B)			19,797,407	12,127,087

9.00 Trade and other payables
Trade payables

	224,645,077	312,056,363
	224,645,077	312,056,363

10.00 Short term loan

UPAS (PBL & HSBC)	357,738,354	404,820,793
LATR & PAD (PBL & HSBC)	-	42,285,449
EDF (Eastern Bank Ltd & HSBC)	1,546,562,838	1,058,517,282
Bank overdraft/STL (PBL, HSBC, EBL)	1,188,471,676	1,180,606,164
	3,092,772,868	2,686,229,688

11.00 Net Assets value (NAV) per share

Net assets	3,938,560,806	3,582,631,598
Number of shares	155,079,555	155,079,555
	25.40	23.10

12.00 Related party disclosures

During the period ended December 31, 2020 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.

Name of related parties	Nature of transaction	Transaction during the period	Balance/ outstanding as on December 31, 2020	Balance/ outstanding as on June 30, 2020
Paramount Insurance Co. Ltd.	Insurance	33,742,011	4,666,630	3,106,174
Paramount Insurance Co. Ltd.	Investment	-	16,212,909	16,212,908
Paramount BTrac Energy Ltd	Office Rent	3,000,000	1,500,000	3,000,000

13.00 Workers profit participation fund & welfare funds (WPPF & WF)

Provision has been made on WPPF & WF at .03% on revenue collection in accordance with the Bangladesh Labour Act, 2006 (Amendment 2013) & rule 214 of the Bangladesh Labour rule, 2015.

Note	Particulars	01-07-2020 to 31-12-2020	01-07-2019 to 31-12-2019
14.00	Revenue		
	Yarn dyed fabric	2,240,561,471	2,439,358,807
	Knit yarn dyeing	157,983,428	121,686,678
	Printing	196,646,491	228,038,905
		<u>2,595,191,390</u>	<u>2,789,084,390</u>
15.00	Income from House Rent		
	Income from House Rent (Commercial space)	9,413,680	11,023,776
	Less : Maintenance cost	<u>(2,824,104)</u>	<u>(3,307,133)</u>
		<u>6,589,576</u>	<u>7,716,643</u>
16.00	Income Tax		
	Profit Before Tax	413,864,155	415,581,854
	Add/(Less): Exchange Loss/gain	(1,352,610)	(1,295,273)
	Add/(Less): Other income	(20,404,536)	(233,232)
	Add/(Less): House rent income	(6,589,576)	(7,716,643)
	Add/(Less): Share of profit/(Loss) of associates	<u>(223,563,022)</u>	<u>(226,486,153)</u>
	Taxable income	<u>161,954,411</u>	<u>179,850,553</u>
	Tax Rate	15%	15%
	Income tax on operational Income (A)	<u>24,293,162</u>	<u>26,977,583</u>
16.01	Income tax on other income		
	Other income (103,623+11,958+1,352,610)*25%	367,048	382,122
	Dividend income (277-25,000)*20%	-	-
	Profit on sale of share (realized profit)-(202,88,678*10%)	<u>2,028,868</u>	<u>-</u>
	Income tax on other income (B)	<u>2,395,916</u>	<u>382,122</u>
16.01	Income tax on House rent income (6,589,576*25%)	<u>1,647,394</u>	<u>1,929,161</u>
	Income tax on House rent income (C)	<u>1,647,394</u>	<u>1,929,161</u>
	Total Income Tax (A+B+C)	<u>28,336,471</u>	<u>29,288,866</u>
17.00	Basic earnings per share -EPS (Restated 2019 1st Half)		
	Net profit after tax	377,857,363	385,914,074
	Number of share (Note-16.02)	<u>155,079,555</u>	<u>155,079,555</u>
		<u>2.44</u>	<u>2.49</u>
17.01	Basic earnings per share (EPS)		
	Net profit after tax	377,857,363	385,914,074
	Number of share	<u>155,079,555</u>	<u>147,694,814</u>
		<u>2.44</u>	<u>2.61</u>
	Earnings per share has been calculated in accordance with BAS-33		
17.02	Number of shares		
	Number of shares at the beginning of the year	147,694,814	135,499,829
	Add. Bonus shares issued during the year	<u>7,384,741</u>	<u>12,194,985</u>
	Closing number of shares	<u>155,079,555</u>	<u>147,694,814</u>
18.00	Reconciliation of net income with cash flows from operating activities		
	Net Profit (As per Statement of Profit or Loss and Other Comprehensive Income)	<u>377,857,363</u>	<u>385,914,074</u>
	Adjustments to Reconciled with non cash items,non-operating items and net changes of the operating accruals :		
	Non-Cash Items :	<u>32,855,329</u>	<u>67,933,328</u>
	Depreciation	256,004,926	281,119,177
	Income Tax provision	19,852,772	6,510,003
	WPPF & WF Provision	849,331	840,812
	Profit on sale of share	<u>(20,288,678)</u>	<u>5,949,489</u>
	Share of profit/(Loss) of associates	<u>(223,563,022)</u>	<u>(226,486,153)</u>
		<u>5,474,232</u>	<u>(247,065,130)</u>
	Changes in operating accruals :		
	Increase/ Decrease in Trade receivables	240,019,360	11,121,764
	Increase/ Decrease in Inventory	(51,378,964)	113,473,260
	Increase/ Decrease trade payables and others	(87,411,286)	(345,215,375)
	Increase/ Decrease in Liability for Expenses	(2,425,870)	1,903,818
	Increase/Decrease in Advance & Prepayment	<u>(92,277,812)</u>	<u>(27,478,837)</u>
	Increase/ Decrease in Security deposit	<u>(1,051,196)</u>	<u>(869,760)</u>
	Net Cash flows from operating activities	<u>416,186,924</u>	<u>206,782,272</u>
19.00	Net operating cash flows per share (NOCFPS)		
	Net cash flows from operating activities	416,186,924	206,782,272
	Number of shares	<u>155,079,555</u>	<u>155,079,555</u>
		<u>2.68</u>	<u>1.33</u>
			(Restated)
20.00	Significant Variance		
	Being a 100% export oriented company, due to ongoing pandemic situation for Covid-19 our business impacted. During reporting period our revenue decreased and subsequently EPS also decreased. On the other hand; we also take a chance to extend L/C credit facilities & other short term liabilities payment that's why NOCPS increase in the reporting period significantly..		