



# ***REGENT TEXTILE***

**ANNUAL  
REPORT**

**2017-18**





**ICSB** CORPORATE GOVERNANCE EXCELLENCE NATIONAL AWARD 2017

# CONTENTS

Letter of Transmittal	03
Notice of the 23 <sup>rd</sup> Annual General Meeting (AGM)	04
Mission, Vision and Corporate Values	05
A Brief about the Company	07
Habib Group at-a-Glance	07
Financial Highlights of 2017-2018	08
Financial Ratios	08
Performance Indicator	09
Message from the Honorable Chairman	11
Message from the Managing Director	12
Corporate Information	13
Board of Directors'	14
Management Team	15
Profile of Directors'	16
Directors' Report	18
Risks and Concerns	35
Management Discussions and Analysis	38
Report of the Audit Committee	40
Report on Corporate Governance	42
Certificate on Corporate Governance Compliance	45
Conditions of Corporate Governance Compliance	46
Present Status of BMRE and New RMG Project	61
Value added Statements	64
Auditors' Report & Financial Statements	65
Annexure-A: Declaration by MD/CEO and CFO on Financial Statements	53
Annexure-B: Directorship in Other Companies	54
Annexure-C: Shareholding Structure	56
Annexure-D: Related Party Transactions	58
Annexure-E: Certificate from BAPLC	60
Events	
Proxy Form and Attendance Slip	

## LETTER OF TRANSMITTAL

Date: 01 December 2018

To  
All honorable Shareholders  
Bangladesh Securities and Exchange Commission  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited  
Registrar of Joint Stock Companies & Firms  
Central Depository Bangladesh Limited

**Subject: Annual Report for the year ended June 30, 2018.**

Dear Sir/Madam (s),

We are pleased to enclose a copy of the Annual Report 2017-2018 together with the Audited Financial Statements including Statement of Financial Position, Statement of Profit and Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended June 30, 2018 along with notes thereon of Regent Textile Mills Limited for your information and record.

Thank you so much.

Yours Sincerely



**(M. R. H. Sikder FCS)**  
Company Secretary



## NOTICE OF THE 23<sup>RD</sup> ANNUAL GENERAL MEETING (AGM)

Notice is hereby given to all concerned that the 23<sup>rd</sup> Annual General Meeting (AGM) of Regent Textile Mills Limited will be held on Thursday, the 27<sup>th</sup> December 2018 at 10.45 a.m at Shoronika Community Center, 13, Love Lane, Chattogram 4000, to transact the following businesses and to adopt necessary resolutions:

- |            |  |
|------------|--|
| Agenda # 1 | To receive, consider and adopt the financial statements of the Company for the year ended 30 June 2018 together with Auditors' Report on those Financial Statements and Directors' Report. |
| Agenda # 2 | To declare Dividend for the year ended 30 June 2018 .  |
| Agenda # 3 | To elect/re-elect Directors .  |
| Agenda # 4 | To appoint the Statutory Auditors for the year ended June 30, 2019 and to fix their remuneration.  |
| Agenda # 5 | To appoint Professional for Corporate Governance Compliance Certificate for the year ended June 30, 2019 and to fix their remuneration.  |

All the honorable shareholders are kindly requested to make it convenient to attend the meeting.

By order of the Board of Directors



**M. R. H. Sikder FCS**  
Company Secretary

12<sup>th</sup> December, 2018

### Notes:

1. The Record date was fixed on Sunday, December 02, 2018. Shareholders whose name appeared in the Share Register of the Company or in the Depository Register on the record date, will be entitled to attend the AGM and receive the dividend.
2. A Shareholder eligible to attend and vote at the meeting may appoint a proxy in his/her stead. The form of proxy duly completed must be lodged at the Company's Shares Department at Registered Office, HG Tower, 1182, Jubilee Road (Nur Ahmed Road), Chattogram 4000 not later than 48 hours before the AGM.
3. The Shareholders bearing BO Account are requested to update their account with 12 digit e-TIN and any other changes in the particulars such as Address, Bank Account Number, Cell No., E-mail Address etc. through their Depository Participant (DP) and the Shareholders bearing Folio Numbers are requested to submit their e-TIN certificate to the Share Department of the Company before Record Date, failing of which income tax will be deducted at source @15% instead of 10% from cash dividend as per Section 54 of IT Ordinance 1984.
4. In case of non-receipt of Annual Report of the Company sent through postal/courier services, Shareholders may collect the same from company's Shares Department. *The Annual Report 2017-2018 and the Proxy Form are available at the Company's Website [www.regenttex.com](http://www.regenttex.com)*
5. As per Notification of BSEC No: SEC/SRMI/2000 953/1950 dated 24 October 2000, no gift or any other kind of benefit will be given to the Shareholders attending the Annual General Meeting (AGM).

## MISSION, VISION AND CORPORATE VALUES

### MISSION:

Merging the artistic skills and efficiency of manufacturing in the midst of topnotch technology for possible best quality products and services which will built the confidence level of our valued customers, other stakeholders and the shareholders of the Company.

Regent Textiles Mills Limited uses the best customary tools to win and maintain the satisfaction, trust and loyalty of its valued customers. Quality, Delivery and Innovation are the core elements of our philosophy. In order to provide uninterrupted services to the valued customers, a progressive and professional management team and a dedicated team of employees are set up to run the merchandising, commercial operations and production. Our Continuous effort with commitment is the key to accomplish this MISSION.

### VISION:

To be the market leader in all of our products, our foremost aim is to think big, be the pace setter and modernizer. Since 1995, Regent Textile Mills Limited is trying best and concrete plans to replicate its best practices in every of its offerings to customers. It is the VISION that every employee of the organization is clear about.

- Strive for attaining a leadership position in our business sector.
- Provide products and services of high and consistent quality, ensuring value for money to our customer
- Attain a high level of productivity in all our operations through effective utilization of time and adoption of appropriate technology.
- Ensure superior return on investment through judicious use of resources and efficient operations, utilizing our core competencies.

### OUR OBJECTIVES

- To achieve highest standards in quality, delivery and compliance.
- To achieve high efficiency measures in production units.
- To protect the interests of all shareholders.
- To work hard to optimize profit through conduction of transparent business operations.

### OUR COMMITMENTS

- Making perfect quality product ensuring fully compliant environment
- Ensuring appropriate utilization of shareholders capital, in view of promising growth with highest return
- Ensuring well remuneration and motivation to our all valued employees whereas their hard work ensuring the growth of the company
- Precise conducting with Buyers, Suppliers, Financial Assistants who extended their assistance in due course to achieve triumph of the company
- Implement the Corporate and Social responsibilities towards the Government of Bangladesh by Tax Deduction at Source, Payment of Corporate Tax & Duties and prompt response to public agencies demand on account of public interest.
- Avoid malpractice through anti-environmental behaviors, corruption dealings, unethical and immoral activities in any circumstance that a responsible citizen as an entity.
- Practicing corporate governance in every aspects of activities
- Ensure equality in all races, religion and gender in terms of operation in the industry.
- Achieve a millennium development goal for the human Civilization existing and for our future generation at the same time



## ***BUSINESS ETHICS***



## **CORPORATE VALUES**

- Create a quality benchmark in every aspect of its business
- Maintain and further enhance customer satisfaction in terms of quality and price
- Ensure a happy, motivated and skilled workforce
- Work towards green production
- Create employment and retain with steady, controlled and focused company growth
- Contribute to the country's economic sustainability with our exports and business practices



## A BRIEF ABOUT THE COMPANY



The company was established in 1994 and started commercial operation in 1999. It was incorporated on November 30, 1994 as a Public Limited Company vide Reg. No. CHC-1780. Registered office of the company is at HG Tower, 1182 Jubilee Road (Nur Ahmed Road), Chittagong- 4000, Bangladesh and Factory is located at East Kalurghat, Charkhidirpur, Bandar, Chittagong. On March 01, 2005 the present sponsors acquired Regent Textile Mills Limited turned around the performance of the company through the sponsor's prudent management skills. From the very beginning of the company the management established strong MIS through IT infrastructure and installed customized software to increase efficiency and skill of the employees as well as production quality and capacity.

Regent Textile Mills Limited is woven composite textile having dyeing, printing, sewing, finishing and packing procedures. It offers a complete process line from weaving to finishing of RMG fabrics and home furnishing items. Constant quality control keeps it in touch with each specific process of production and its fully equipped laboratory and quality control monitor output on a full time basis. The company is running with 12.00 million meters weaving and 14.00 million meter dying and printing capacity per year. The Textile mill holds a capacity to produce approximately 40,000-50,000 meters fabrics per day. The company exports its products to number of world renowned buyers, such as Wall Mart (worldwide) Heimtex AB (Sweden), Red Cats Asia Limited, Princess Groppen AS (Norway), New wave Group SA (Switzerland), BonPrix (Germany), Silex Vyvoz A Dovož SRO (Czech Republic), Lidl (France) and Siplec. Regent Textile Mills Limited is a 100% export oriented textile mill for high quality woven fabrics and home furnishing items. The Company's products variety ranges from 50 gsm to 450 gsm. Finished home textile products are exported to international market especially to EU market.

## HABIB GROUP AT - A - GLANCE



HABIB GROUP (HG) was initiated in 1947 as a proprietorship firm named Habib Sons. Today, the Group is large diversified ones, headquartered in Chittagong, Bangladesh. Our renowned concerns produce and market a variety of products line that serve a wide range of valued customers across the Globe. Habib Group of Industries, which includes businesses in Power, Steel, Cement, Fertilizer, Aviation (Regent Air), Shipping, Paper, Textile, Apparel, Spinning, Weaving Shares & Securities, Real State, Navigation and Trading etc. sectors, incorporated in Bangladesh.

Now - a - days, Habib Group is a leader and one of the pioneers in the industrial sector and we are recognized worldwide for our unparalleled market-driven innovation, engineering expertise, and management excellence. Our group's annual turnover is more than \$500 million. We have around 20,000 employees and have manufacturing locations throughout the Country.

Since 1947, we have maintained a strong commitment to provide products and services of superior quality, and improve the lives of the end consumers worldwide, now and for the generations to come. With extensive expertise and experience spanning more than five decades, Habib Group is uniquely positioned to be at the forefront of all businesses for decades to come.

The Group will continue to expand its businesses in different sectors as part of partners of the Government, Foreign agencies and the people of the Country.

Eventually, Habib Group is still expanding its wings and diversifying its business interests. The sponsors of the group have been investing in different industrial set ups. Over the periods, Habib Group has established itself as one of the most prominent and rising business houses of Bangladesh. The effective succession planning is running on with a strong commitment of the sponsors. Corporate culture and practices of good governance are implementing in different sectors of the Group.

## FINANCIAL HIGHLIGHTS OF 2017-2018

Cost of Major Items	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
<b>Assets Employed</b>					
Non-Current Assets	3,146,034,181	2,222,538,689	1,887,595,549	1,841,185,267	1,771,479,020
Net Current Assets	1,295,073,969	2,111,562,257	1,736,461,826	295,131,534	293,259,537
<b>Total Assets Employed</b>	<b>4,441,108,150</b>	<b>4,334,100,946</b>	<b>3,624,057,375</b>	<b>2,136,316,801</b>	<b>2,064,738,557</b>
<b>Financed By</b>					
Share Capital	1,155,000,000	1,155,000,000	1,155,000,000	600,000,000	600,000,000
Share Premium	724,782,034	724,782,034	724,782,034	-	-
Revaluation Reserve	982,609,733	986,342,088	990,266,215	996,636,643	1,001,198,106
Retained Earnings	683,418,910	612,341,920	635,671,489	420,301,405	269,155,962
<b>Shareholders' Equity</b>	<b>3,545,810,677</b>	<b>3,478,466,042</b>	<b>3,450,719,738</b>	<b>2,016,938,048</b>	<b>1,870,354,068</b>
Long Term Borrowings	841,541,876	785,745,277	114,541,946	62,842,479	139,276,028
Deferred Tax Liability	53,755,597	69,889,627	58,795,691	56,536,277	55,108,461
<b>Total Capital Employed</b>	<b>4,441,108,150</b>	<b>4,334,100,947</b>	<b>3,624,057,375</b>	<b>2,136,316,804</b>	<b>2,064,738,557</b>
<b>Operational Result</b>					
Sales	1,215,257,968	1,058,204,192	2,004,431,936	1,656,465,005	1,722,567,233
Gross Profit	241,327,952	217,625,948	468,896,897	372,715,152	389,801,975
Profit from Operations	156,112,132	138,703,183	351,435,425	277,729,726	285,458,935
Profit before Income Tax & Reserve	141,192,412	161,454,583	249,264,877	176,839,721	195,463,266
Profit After Income Tax	129,702,126	137,000,682	212,460,870	148,885,947	174,906,173
Total Comprehensive Income	119,844,639	137,746,304	208,999,657	146,583,979	175,717,650

## Financial Ratios

Cost of Major Items	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
Gross Profit Ratio %	19.86	20.57	23.39	22.50	22.63
Net Profit Ratio %	10.67	12.95	10.60	08.99	10.15
Return on Shareholders' Equity %	3.66	3.94	6.16	7.38	9.35
Return on Capital Employed %	2.92	3.16	5.86	6.97	8.47
Current Ratio - Times	1.59	2.92	2.68	1.28	1.22
Quick Ratio - Times	1.30	1.62	2.31	0.91	0.85
Inventory Turnover Ratio - Times	1.87	2.65	3.95	2.90	3.45
Assets Turnover Ratio - Times	0.20	0.19	0.43	0.50	0.57
Debt Equity Ratio - Times	0.87	0.56	0.35	0.58	0.80

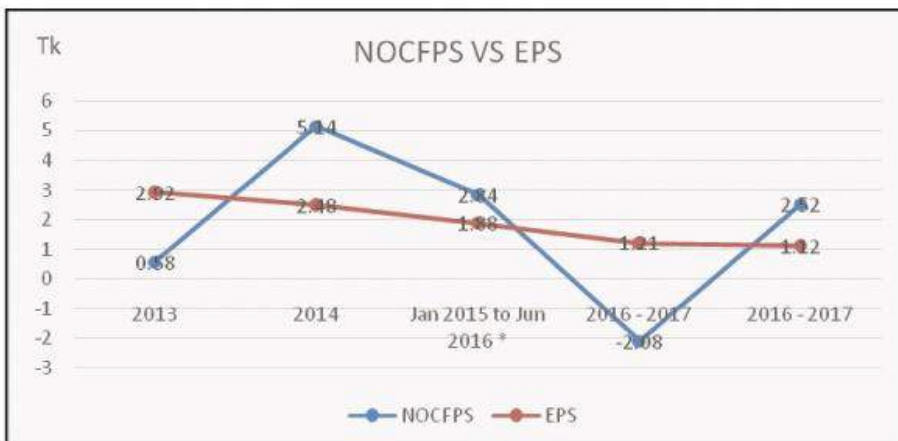
## PERFORMANCE INDICATOR

### Revenue, Gross Profit and Net Profit after Tax

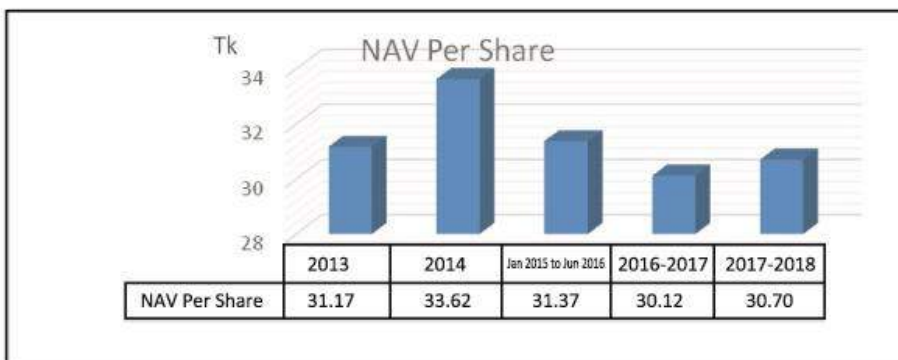


### Earnings per Shares (EPS)

### Net Operating Cash Flow per Share (NOCFPS)

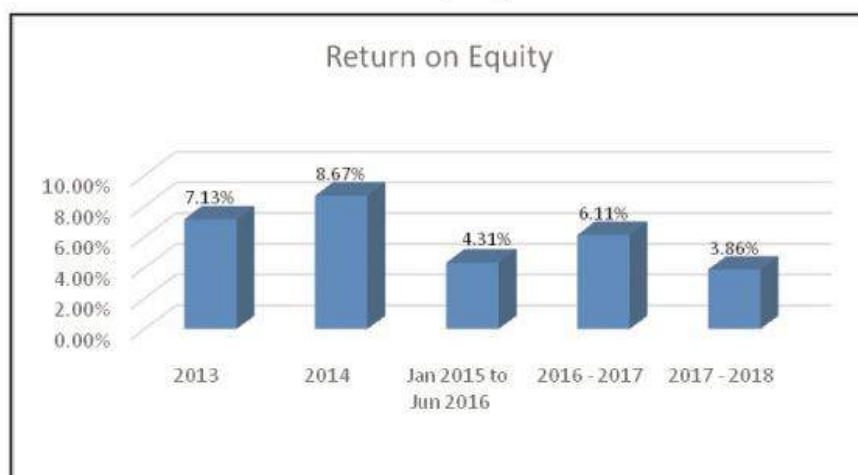


### Net Asset Value (NAV) per Shares

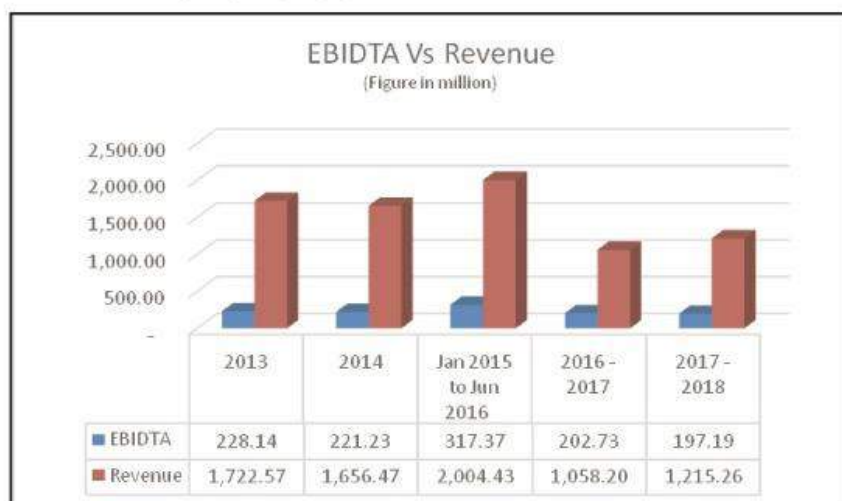




## Return on Shareholders' Equity



## EBIDTA vs Revenue



## Shareholders' Equity





## MESSAGE FROM THE HONORABLE CHAIRMAN

Bismillahir Rahmanir Rahim

Respected Members, Shareholders and Other Stakeholders,

Assalamualaikum

It is a great pleasure for me to be here with you at the 23<sup>rd</sup> Annual General Meeting of Regent Textile Mills Limited. On behalf of the Board of Directors and myself, I express my heartfelt thanks and profound gratitude to you for your support and confidence. It is also my privilege to present to you Company's Annual Report for the year ended June 30, 2018 along with our business performance.

Regent Textile Mills Limited, performing better and gradually increasing its performance in terms of export, turnover, profit etc during the year 2017-2018 than that of previous year. AS you know, the BMRE related activities are running at a time simultaneously with maintaining present production and operations and finally we are at the finishing stage of BMRE project that turned into a complete factory. Furthermore, your board is wholeheartedly negotiating with some of RMG factory owners. We believe that our best efforts and your support & cooperation in this regard will unfold a new horizon with more opportunities. Besides we believe that our endeavors and teamwork have enabled the Company to maintain its profitability under competitive industry scenario and to maximize the wealth of the shareholders. Our relentless endeavor is to create value for investment of the shareholders who have pledged their trust on us over the year.

In 2018, your company has maintained it's a bit higher profit from operation than the corresponding year that we expect to rise in a great extend and expected that positive trend will continue in the coming years. Based on performance and business results and considering company's huge investment over recent periods the Board has recommended 5% Stock Dividend considering company's huge investment over recent periods.

Regent Textile Mills Limited recognizes that its human resources are its most valuable asset. Accordingly, Company continued its programs for development of its human resources being the key contributor to Company's success. We value the contributions of our employees to the organization and adopted policy to reward them accordingly. At RTML, we are working for a better future for our shareholders, stakeholders, buyers, employees and society as well.

At this occasion, I would like to thank the employees, without whose efforts and commitments we would not be able to earn such a strong position in the industry and export markets. I would like to extend my gratitude to the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), Registrar of Joint Stock Companies and Firms (RJSCF), Central Depository Bangladesh Limited (CDBL), National Board of Revenue (NBR) and honorable shareholders for their valuable guidance, support and cooperation at all the times. Our commitment is to attain our cherished mission through execution of prudent business strategies while ensuring that we contribute positively towards the furtherance of our national economy.

I, on behalf of the board of the directors, take the opportunity to inform you that we welcome any suggestions and opinion to improve our company performance and financial stability.

Yours sincerely,



**Md. Yakub Ali**  
Chairman

## MESSAGE FROM THE MANAGING DIRECTOR

Bismillahir Rahmanir Rahim

It is a great pleasure and privilege for me to attend this 23rd Annual General Meeting (AGM) of Regent Textile Mills Limited along with our distinguished shareholders. I, firmly announce that the year 2017-2018 is just the starting of a years towards the upcoming successful year for the Company.

The economic scenario of Bangladesh has been good. In last fiscal year Bangladesh enjoyed 7.86% economic growth. Per capita income has been increased to USD 1,751 in 2017-18, which was USD 1,610 in FY 2016-17. We are going to be middle income country by 2027. Export is experiencing mild growth and Forex Reserve around USD 32 billion plus. The world economy has been recovering from economic meltdown of 2008. Global growth for 2018-19 is projected to remain steady at its 2017 level. Global growth is projected at 3.7 percent for 2018-19.

The textile sector is passing through hard time in recent era internationally. Yet the efficient and prudent management of process control has enabled the company to avoid financial adversity and has earned profit. In spite of many difficulties, during this year the Company has also maintained its volume of revenue and profitability under highly competitive market and industrial scenario by means of improvement in the quality of products and customer satisfaction. We believe this trend will continue in the upcoming years too. You know, we are at the final shape of BMRE project by which your company will become a largest textile industry and exporter in the region. It is not just a BMRE of existing project rather it turned into a complete another factory with most modern and valued added machineries. At the same time we have emphasized more to ensure perfection in terms of quality, pricing and just in time of our product so research and development as before and we are striving to stay likewise in the years ahead.

We are trying with our best efforts and hopeful that in the coming financial year 2018-2019 we will be able to encash the bigger results after utilizing IPO proceeds completely. Besides, from company's own equity and financial support from bank and non bank financial institutions, we have invested a lot to make realize our dream true.

We believe that dedication and commitment of all our employees towards our company have been the main driving force in our successful performance. Accordingly, I also put on record my deep appreciation for the services and loyalty of the executives, officers and employees of the company at all levels, for their excellent, sincere, dedicated efforts in achieving company's target during the year without which we could not have achieved this result.

I would thank our devoted workforce and would expect their similar dedication in future. At the same time, I would also like to thank the members of the Board of Directors for their continued support to the Management of the Company. I also acknowledge with gratitude the relentless backing and cooperation of our numerous stakeholders and earnestly thank them for their continued trust and confidence on us.

We believe, together we shall achieve our Target.

Thanking You



**Salman Habib**  
Managing Director



## CORPORATE INFORMATION

Company Name	Regent Textile Mills Limited	
Company Registration No.	CHC-1780	
Status of the Company	Public Limited Company	
Offices	Registered Office	Share Office& Corporate Office
	1182 Jubilee Road (Nur Ahmed Road)	1182 Jubilee Road (Nur Ahmed Road)
	Chittagong 4000	Chittagong 4000
Phone	88-031-2868841-3	88-031-2868841-3
	Corporate Office	Factory
	1182 Jubilee Road (Nur Ahmed Road)	East Kalurghat, Charkhidirpur
	Chittagong 4000	Bander, Chittagong.
	Tel.:- 88-031-2868841-3	031-671170, 671439
Fax	88-031-2868207	
E-mail	cs@regenttex.com	
Website	www.regenttex.com	
Banks/NBFIs	Standard Chartered Bank	National Bank Limited
	Mercantile Bank Limited	Eastern Bank Limited
	Shahjalal Islami Bank Limited	Langkabangla Finance Limited
	Dutch Bangla Bank Limited	IDLC Finance Limited
Insurers	Green Delta Insurance Company Limited	Eastland Insurance Company Limited
	Continental Insurance Limited	
Statutory Auditor	Hoda Vasi Chowdhury & Co	Delwar Bhaban (4 <sup>th</sup> Floor)
	Chartered Accountants	104, Agrabad C/A, Chittagong.
Corporate Governance Compliance Auditor	M/S. Khan Wahab Shafique Rahman & Co.	Sabbir Tower (3 <sup>rd</sup> Floor)
	Chartered Accountants	60, Agrabad C/A, Chattogram 4100
Chairman	Mr. Md. Yakub Ali	
Managing Director	Mr. Salman Habib	
Company Secretary	Mr. M. R. H. Sikder FCS	
Authorized Capital	BDT 1,500,000,000.00	
Paid up Capital	BDT 1,155,000,000.00	
Credit Rating Agency	Credit Rating Information and Services Ltd. (CRISL)	
Listing with	Dhaka Stock Exchange Limited	
	Chittagong Stock Exchange Limited	

## BOARD OF DIRECTORS'



**Md. Yakub Ali**  
Chairman



**Md. Yasin Ali**  
Director



**Mashruf Habib**  
Director



**Salman Habib**  
Managing Director



**Tanvir Habib**  
Director



**Eng. Md. Abul Quasem**  
Independent Director



**Md. Javed Iqbal**  
Independent Director

## MANAGEMENT TEAM

### Board of Directors'

Mr. Md. Yakub Ali	Chairman
Mr. Md. Yasin Ali	Director
Mr. Mashruf Habib	Director
Mr. Salman Habib	Managing Director
Mr. Tanvir Habib	Director
Eng. Md. Abul Quasem	Independent Director
Mr. Md. Javed Iqbal	Independent Director

### Audit Committee

Mr. Md. Javed Iqbal	Chairman
Mr. Md. Yasin Ali	Member
Mr. Mashruf Habib	Member
Mr. M. R. H. Sikder FCS	Member Secretary

### Senior Executives

Mr. Salman Habib	Managing Director
Mr. Mohammed Abdur Rashid	Director, Finance and Operations
Mr. Mohammad Masud Hossain	Director, Marketing
Mr. A. K. Bhattacharyya	Chief Financial Officer
Mr. Sk. Md. Jan-E-Alam	Head of Internal Audit
Mr. M. R. H. Sikder FCS	Company Secretary
Mr. Md. Saiful Islam	G.M., Marketing (RMG)
Mr. Md. Anwar Sadat Siddiqi	G.M., Admin, HR & Compliance
Mr. Amalendu Pandey	G.M., Head of Processing
Mr. Joydip Das Gupta	G.M., Marketing (Home Textile)
Mr. Zahid Uddin Ahmad Chowdhury	Head of SCM



## PROFILE OF DIRECTORS'

**Mr. Md. Yakub Ali**, honorable Chairman of Regent Textile Mills Limited completed his graduation from University of Chittagong. He is a well-known person in the business community having investment in various businesses. He is a visionary entrepreneur and widely experienced in Textile, Apparel, Steel, Bank, Paper, Power and Cement sector. He started his business career in 1973 and established Habib Group where around 20,000 people are being employed. Under his strong leadership and guidance, all the business units of Habib Group accomplished the leading position in the industrial sector of the country.

**Mr. Md. Yasin Ali**, a post graduate in Marketing from the Chittagong University, is the Director of Regent Textile Mills Limited. He is a dynamic business professional. In the year 1983, he started his business career and progressively became an icon in the business arena and corporate community.

He has been recognized as one of the pre-eminent and distinguished personality in Textile, aviation, Apparel, Steel, bank, Power, cement etc. sector. He aims with a vision to make valuable contribution in the economy of Bangladesh and so provides employment as part of Corporate Social Responsibility. His passion for excellence and cultivating innovations has roped in professionals from different fields to join in the organizations running under his control and explore their hidden talents.

**Mr. Salman Habib**, is the Managing Director of Regent Textile Mills Ltd. Prior to his present position he was serving as Deputy Managing Director of RTML. He graduated in Business Management B.Sc. (Hons) from Queen Mary University, UK. He is the son of Mr. Md. Yasin Ali and Mrs. Salma Yasin. As a Managing Director, he is successfully looking after all the functions and responsibility given on him by the Board of the Company.

**Mr. Mashruf Habib**, a Director of Regent Textile Mills Limited, obtained graduation degree in Business Administration from California State University, USA. He is the only son of Mr. Md. Yakub Ali and Mrs. Anjumanara Begum, is the Managing Director of H G Aviation (Regent Airways). By this time he proved himself to be a dynamic business personality in the business community both nationally and internationally. He started his business career in 2008. He is successfully leading the Regent Airways, the brand name of H G Aviation with his excellent leadership capability. He joined as Director in the Board of Regent Textile Mills Ltd on 14 October 2010. He is the member of Bhatiary Golf & Country Club and Seniors' Club, Chattogram.

**Mr. Tanvir Habib**, is the Director of Regent Textile Mills Ltd. He is a Bachelor of Business Administration from University of Westminster, UK. He is the son of legendary business idol and personality Late Mr. Md. Mahabub Ali, Ex Director of Regent Textile Mills Limited and Mrs. Amina Mahabub. He has a business career of 6 years.

**Eng. Md. Abul Quasem** an Independent Director of Regent Textile Mills Ltd., is a renowned corporate professional and a worthy person in the field of engineering. He obtained graduation degree from CUET and did his MSc. Engineering from Loughborough University. He served as Chief Engineer and different other capacities for Chattogram WASA for long time. He also portrays his excellence by serving and sharing experience in the capacity of Executive Director in Acorn Infrastructure Services Limited, a concern of Banglacet, a leading and exclusive dealer of CAT® branded products in Bangladesh which is one of the largest providers of independent power generation solutions in Bangladesh and are also one of the largest Gas Engine dealers globally.

Mr. Quasem is known and popular face in the civil society of Chattogram. He has membership in different social clubs. He visited many countries for professional and personal purposes.

**Mr. Md. Jabed Iqbal** an Independent Director of Regent Textile Mills Ltd., is the son of Mr. Iqbal Meah and Rehana Iqbal who came from a reputed muslim family.

Mr. Iqbal graduated in Business Administration (BBA). After graduation he focused on business to become a successful businessman and entrepreneur. For the last 14 years of vigorous diving Mr. Iqbal has gained expertise in the fields of trading and logistics management. By this time he has established himself as a promising businessperson in the business community and has proper blending of manufacturing, marketing and finance function to run an organization as an effective profit center.



## DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Honourable shareholders

On behalf of the Board of Directors of your company, I would like to welcome you all to the 23<sup>rd</sup> Annual General Meeting of the company and take the opportunity to present the report of the Board of Directors for the year ended on 30<sup>th</sup> June 2018 before all of you.

### OUR BUSINESS

Regent Textile Mills Ltd is an export oriented textile mill for woven fabrics. As a vertically integrated company, Regent Textile Mills is involved in every stage of the production process – from yarn selection to final packed goods. Our company offers a complete process line from weaving to finishing of fabrics and world class home furnishing items.

Regent Textile Mills Limited is a woven composite textile having weaving, dyeing, printing, sewing, finishing and packing procedures. It offers a complete process line from weaving to finishing of RMG fabrics and home furnishing items. Constant quality control keeps it in touch with each specific process of production and its fully equipped laboratory and quality control monitor output on a full time basis. The company is running with 12.00 million meters weaving and 14.00 million meter dyeing and printing capacity per year. The Textile mill holds a capacity to produce approximately 40,000-50,000 meters fabrics per day. The company exports its products to number of world renowned buyers, such as Wall Mart (worldwide) Heimtex AB (Sweden), Red Cats Asia Limited, Princess Groppen AS (Norway), New wave Group SA (Switzerland), BonPrix (Germany), Silex Vyvoz A Dovož SRO (Czech Republic), Lidl (France) and Siplec. Regent Textile Mills Limited is a 100% export oriented textile mill for high quality woven fabrics and home furnishing items. The Company's products variety ranges from 50 gsm to 450 gsm. Finished home textile products are exported to international market especially to EU market.

### PRINCIPAL PRODUCTS AND SERVICES

#### Home Textile:

Kitchen Attire	Pillowcase
Quilt cover Set	Cushion/Covers
Napkin	Table Clothes
Bed Sheets and Bed Clothes	Cretonne
Hospital Sheet	Fitted Sheet
Curtains	Other home textile products
Sheet Set	Flat Sheet
Aprons	Etc.

#### Dyed & Printed Fabrics:

Cotton Sheeting	Cotton Rib Stop
Cotton Twill	Cotton Bedford Cord
Cotton Canvas	Cotton Herringbone Twill
Cotton Panama Canvas	Cotton Doby Horizontal
Cotton Ottoman	Cotton Baby Canvas
Cotton Fine Twill	Cotton Calico Canvas
Cotton Flannel	Cotton Seersucker
Cotton Spandex Twill, Sateen	Poplin, Etc.

Regent textiles Mills Limited's market for principal products are Sweden, Denmark, Norway, Austria, Germany, USA, Canada, France, Russia and Japan.

## OVERVIEW 2017-2018

Now we would like to present before you a short review on the total operational and financial performance of your company from 1st July 2017 to 30 June 2018 among others the major areas affecting our business in last year were :

- MEETING GLOBAL COMPLIANCE BY ACCORD
- ORDER FLOW
- COST AND PRICE IMPACT
- OPERATIONAL CHALLENGES

## ECONOMIC OUTLOOK

RMG sector is the driver for growth of Bangladesh's economy. It contributes 13% to National GDP (as per various industry related analysis). To achieve \$50 billion export target Bangladesh will have to earn \$20 billion in the next four years as speculated by the industry insiders. Still Bangladesh remains the world's second largest garment exporter. We are investing huge to ensure our position to be continued long term and profitable growth.

## COMPANY'S OPERATIONS

A comparative statement of production position is given below:

Sl.	Particulars	2017 - 2018	2016 - 2017	Jan 2015 to Jun 2016	2014	2013
01.	<b>Production Capacity (Million Mtr.)</b>					
	a) Weaving	12.00	12.00	18.00	12.00	12.00
	b) Dyeing & Printing	14.00	14.00	21.00	14.00	14.00
02.	<b>Actual Production (Million Mtr.)</b>					
	a) Weaving	7.68	8.45	13.13	9.34	9.41
	b) Dyeing & Printing	10.28	9.77	15.84	11.77	13.40
03.	<b>Capacity Utilization (%)</b>					
	a) Weaving	64.03%	70.45%	72.96%	77.85%	78.41%
	b) Dyeing & Printing	73.40%	69.75%	75.44%	84.13%	95.68%

## Cost of Production:

The level of costs & their incidences are given below:

Cost of Major Items	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
Raw Materials Consumed	694,015,224	473,848,934	987,779,941	856,115,234	1,122,656,390
Stores & Spares	13,202,724	18,462,793	24,012,796	27,036,315	32,396,276
Indirect Raw Materials	1,591,357	1,662,752	10,416,945	12,144,980	30,382,582
Gas Charges	77,584,582	60,594,329	73,477,801	42,478,874	41,169,578
Fuel & Lubricants	3,091,154	3,548,989	4,860,898	4,441,181	4,134,287
Other Overhead	324,630,574	286,115,771	416,850,867	270,496,358	262,401,301
<b>Total</b>	<b>1,114,115,615</b>	<b>844,233,568</b>	<b>1,517,399,248</b>	<b>1,212,712,942</b>	<b>1,493,140,414</b>

## FIVE YEAR'S FINANCIAL RESULTS

Financial Results of last 5 Years are shown in the below table:

Cost of Major Items	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
Sales	1,215,257,968	1,058,204,192	2,004,431,936	1,656,465,005	1,722,567,233
Cost of Goods Sold	973,930,016	840,578,244	1,535,535,039	1,283,749,853	1,332,765,258
<b>Gross Profit</b>	<b>241,327,952</b>	<b>217,625,948</b>	<b>468,896,897</b>	<b>372,715,152</b>	<b>389,801,975</b>
Profit before Non-Operating Income, Taxes, WPP & WF	45,341,922	70,028,090	193,524,113	182,902,865	201,673,495
Other Non-Operating Income	103,281,670	99,924,103	69,195,254	3,484,287	4,330,024
<b>Net Profit after Tax</b>	<b>129,702,126</b>	<b>137,000,682</b>	<b>212,460,870</b>	<b>148,885,948</b>	<b>174,906,173</b>
Earnings Per Share	1.12	1.21	1.88	2.48	2.92
Shareholder's Equity	3,545,810,677	3,478,466,042	3,450,719,738	2,016,938,048	1,870,354,068
Current Liabilities	2,197,037,768	1,099,734,601	1,031,074,937	1,055,944,034	1,310,678,826
Non- Current Liabilities	895,297,473	855,634,904	173,337,637	119,378,756	194,384,489
Addition to Fixed Assets	101,746,725	135,943,435	151,317,798	142,050,433	185,783,741
NAV Per Share	30.70	30.12	31.37	33.62	31.17
Net Operating Cash Flow Per Share	2.52	(2.08)	2.84	5.14	0.58

## TURNOVER

The overall sales performance in 2017-18 is showing a increasing trend. During the reporting period sales was increased by 14.84% comparing to 2016-17. Due to price hike of materials, gas charge etc, tough competitions while having buyer's orders reduced profit level lower, ACCORD and Alliance compliance issue we have failed to obtain huge orders thus we have not been able to reach at our desired turnover. Now, you will be pleased to know that we are under process for having the compliance certification soon Hence and after successful completion of BMRE, turnover of the company will certainly and substantially increase in the coming years.

Now, emphasis given to improve the relationship with valued customers and to search new market to ensure sustainable future market growth and expressing our customers regarding BMRE and new RMG project with sophisticated modern machineries in Textile World. So, we are confident that the company will be able to maintain significant growth.

Revenue from operations is given below:

Sales Revenue	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
RMG (Woven Fabrics)	411,748,661	349,759,198	760,769,853	600,331,700	528,209,530
Hometex (Home Furnishings)	681,359,251	435,749,055	813,275,603	770,741,800	1,075,140,253
Sale of RMG	Mtr 5,552,243	Mtr 4,335,732	Mtr. 7,458,528	Mtr 5,469,727	Mtr 5,284,455
Sale of Hometex	Mtr 5,015,834	Mtr 5,325,830	Mtr. 8,420,745	Mtr 6,308,942	Mtr 8,110,912

During 2017-18 the Company has exported 5.55 million meters RMG Fabrics to different buyers' and 5.02 million meters home-textile products.



**CAPITAL INVESTMENTS:**

In order to continuously upgrading the products of Regent Textile Mills Ltd., the Company has made additional net capital expenditures of Tk. 101.75 million during the financial year 2017-18 as follows:

Particulars	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
Land and Civil Works	14,375,854	111,387,173	72,938,491	70,756,877	77,540,400
Plant & Machinery	55,689,084	6,722,021	66,180,388	33,774,998	63,892,614
Other Fixed Assets	31,681,787	17,834,241	12,198,919	37,518,558	44,350,727

The investments in BMRE and acquiring a RMG factory will facilitate RTML to increase its production efficiency and quality products as per present and future global demand of fashion and style and to maximize profit. The company has investing in land, land development and civil works Tk. 14,375,854/- as of 30<sup>th</sup> June, 2018 which we have met from own cash flow and assistance from financial institutions.

**CONTRIBUTIONS TO NATIONAL EXCHEQUER:**

The company contributed an amount of Tk. 32,144,862/- to the National Exchequer as follows:

Particulars	2017 - 2018 (Tk.)	2016 - 2017 (Tk.)	Jan 2015 to Jun 2016 (Tk.)	2014 (Tk.)	2013 (Tk.)
Corporate Income tax and other taxes	32,144,862	22,262,939	19,534,885	13,783,589	10,760,418
<b>Total</b>	<b>32,144,862</b>	<b>22,262,939</b>	<b>19,534,885</b>	<b>13,783,589</b>	<b>10,760,418</b>

**DISCUSSION ON CONTINUITY OF EXTRA-ORDINARY GAIN OR LOSS**

There is no significant extra-ordinary gain or loss during the financial year.

**RELATED PARTY TRANSACTIONS**

The company carried out number of transactions with related parties in the normal course of business which are under the same management and has been disclosed in related party transaction in note no. 33 of the notes to the financial statements. Annexure- D, Page-58.

**Significant variance between quarterly report and audited financial statement**

That the company prepared and submitted quarterly report as per applicable rules and regulations and there were no significant differences between quarterly report and annual audited financial statements

**DIRECTOR'S REMUNERATION**

Honorable Directors except Managing Director of the company do not receive any remuneration except meetings attendance fees.

**Statement that minority shareholders have been protected from abusive action by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress:**

As a public limited Company, it has to comply with the corporate governance code guidelines issued by Bangladesh Securities and Exchange Commission. In this respect, our aim to meet best practices and the highest standards of corporate governance; The Board is committed to complying with these code and applicable provisions of the laws.

We are fully committed to the fair and equal treatment to all kind of shareholders, we deal with it is because we see diversity as an asset that helps deliver our vision of a service that meets the needs of all our customers and stakeholders. Throughout our visionary and missionary processes, we make every effort to ensure that minority shareholders are fairly treated focusing their influence and interest for the company. We are always active to create a culture so that the minority shareholders shall have the rights to propose items in the agenda of the general meetings, provided that the items in the agenda are for genuine purposes. The minority shareholders have access to any and all information relating to matters for which the management is accountable for and should disclose to the shareholders. All these activities are taken for ensuring the lawful interest of minority shareholders along with ensuring their compensation as per the requirement.

## GOING CONCERN POLICY

While approving the financial statements, the directors have made appropriate inquiries and analyzed the significant financial, operating as well as other indicators for enabling them to understand the ability of the company to continue its operation for a foreseeable period. Directors are convinced and have a reasonable expectation that the company has adequate resources to continue its operation consistently for the foreseeable future. Therefore the company adopted the going concern basis in preparing the financial statements.

## DIVIDEND

The Board of Directors of the Company is pleased to recommend dividend 5 % Bonus Shares for the year 2017-2018. History of dividend payment for the last five years is as follows:

Years	Dividend
2017-2018	5% Bonus (Proposed)
2016-2017	10% Cash (Except Sponsors)
2015-2016	5% Bonus & 10% Cash
2014	-
2013	-

## BOARD SIZE AND ATTENDANCE

There are 7 Directors including 2 independent Directors on the Board. During the reporting period the Board met 6 times. The attendance record of the Directors is as follows:

Name	Position	Attendance
Mr. Md. Yakub Ali	Chairman	6
Mr. Md. Yasin Ali	Director	6
Mr. Mashruf Habib	Director	1
Mr. Salman Habib	Managing Director	6
Mr. Tanvir Habib	Director	5
Eng. Md. Abul Quasem	Independent Director	2
Mr. Md. Javed Iqbal	Independent Director	5

## DIRECTOR'S INVOLVEMENT IN OTHER BUSINESS

(Refer to Annexure -B, Page-54)

## DIRECTORS' APPOINTMENT & RE-APPOINTMENT

The following Directors of Board will retire at this annual General Meeting. They, however, as per Clause 126 of the articles of Association of the company, eligible for re-appointment:

1. Mr. Md. Yasin Ali
2. Mr. Mashruf Habib

## APPOINTMENT OF INDEPENDENT DIRECTOR

As per provision of Corporate Governance Guidelines Notification issued by Bangladesh Securities and Exchange Commission (BSEC), Eng. Md. Abul Quasem and Mr. Md. Javed Iqbal were appointed as Independent Director of the Company for a period of 3 (three) years in the 22<sup>nd</sup> Annual General Meeting (AGM) of the company held on 21<sup>st</sup> December 2017.

## SHAREHOLDING PATTERN

(Refer to Annexure-C, Page-56)



## MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors Converse on the increase/decrease of revenue, cost of goods sold, gross and net profit margin. The Board also takes instant actions on the inquiry as required. A detailed report on discussion in the regard is comprised in Page: 38-39.

## CREDIT RATING

Credit Rating Information and Services Limited (CRISL) rated your company as below:

Long Term	Short Term
A+	ST-3

## SUBSEQUENT EVENTS

There is no subsequent event after the date of balance sheet and till the date of this report which could affect the ability of the users of the financial statements to make an appropriate evaluation.

## AUDIT COMMITTEE

The Board has constituted the Audit Committee as follows:

Name	Position
Mr. Md. Javed Iqbal	Chairman & Independent Director
Mr. Md. Yasin Ali	Member & Director
Mr. Mashruf Habib	Member & Director
Mr. M. R. H. Sikder FCS	Member Secretary

During the reporting period under review, the Committee held four meetings. A detailed of the roles and activities of the Audit Committee has been provided in "The Report of the Audit Committee"-page-40.

## NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board of the Company earlier formed a sub committee namely 'Compensation Committee' (CC). Now, the said committee will be reconstituted and renamed as Nomination & Remuneration Committee (NRC) as per provision of Corporate Governance Code, Notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued by Bangladesh Securities and Exchange Commission (BSEC) by 31 December 2018.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Over the years, your Company's commitment to Corporate Social Responsibility (CSR) activities is part and parcel of the Company's Business model. Your Company has been contributing to the welfare of the community, research and development and protection.

## AWARDS & RECOGNITION

Your Company recently received the following award and recognition, among others:

ICSB Corporate Governance Excellence National Award 2017.

## INFORMATION TECHNOLOGY

We, at Regent Textile Mills Limited always strive for the innovation in business by adopting something different, smarter or better for bringing positive impact in terms of value, quality or productivity. We believe that now accurate Business planning, effective Marketing, global sales, systematic Management, real time monitoring, instant customer support and long-term business growth cannot be achieved at the optimum level without IT and we plan ahead of others to enable our operations process through IT.

## WEBSITE

Company maintains a website namely [www.regenttex.com](http://www.regenttex.com) which is linked with the website of the stock exchanges and it is functional from the date of listing and all disclosures and financial statements are available in the website.

## HUMAN RESOURCES

Human resources are a fundamental asset of Regent Textile Mills Limited. The development of the Company builds its competitive advantage on the skills and commitments of its employees, promoting and awarding pro-activity, goal orientation and teamwork. The HR of your Company operates with specific policy, manual and plan designed by the top management of the Company. We provide here on-the-job training, staffs professional knowledge in corporate operations, occupational and management skills are enhanced.

Regent Textile Mills Limited is an equal opportunity employer and does not discriminate on the basis of personal characteristic. The Company has employee handbook outlining terms and conditions of employment, expectations for employees' conduct and behavior, employee's rights and benefits. We establish and implement policies that promote a harmony and respectful workplace.

## SUBSIDIARY COMPANY

The company has no subsidiary company.

## CODE OF CONDUCT

The underlying philosophy of Regent Textile Mills Limited's Code is to conduct the business in an ethical manner as well as create a work environment that is conducive for members and associates alike, based on the Company's values and beliefs.

## APPOINTMENT OF AUDITORS & PROFESSIONAL

### A. Appointment of Statutory Auditors:

M/S. Hoda Vasi Chowdhury and Co., Chartered Accountants having its office at Delowar Bhaban (4<sup>th</sup> Floor), 104, Agrabad Commercial Area, Chattogram 4100 will retire in the 23<sup>rd</sup> Annual General Meeting and according to Corporate Governance Code, they are not eligible for further appointment.

M/S. Shafiq Basak Co., Chartered Accountants having its office at National House (1<sup>st</sup> Floor), 109, Agrabad C/A, Chattogram 4100 offered them for appointment as statutory auditors and being eligible the board in their meeting held on 3<sup>rd</sup> November 2018, recommended appointment of M/S. Shafiq Basak Co., Chartered Accountants for the year 2018-2019 subject to approval by the Shareholders in the 23<sup>rd</sup> Annual General Meeting.

### B. Appointment of Professional for Corporate Governance Compliance Certificate:

On the willingness to be appointed as professional to certify on the compliance of corporate governance as issued by the Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors in its meeting held on 3<sup>rd</sup> November 2018, recommended the appointment of M/s. Khan Wahab Shafique Rahman, Chartered Accountants, having its office at Sabbir Chamber (3<sup>rd</sup> Floor), 60, Agrabad C/A, Chattogram 4100 for the year 2018-2019 subject to approval by the shareholders in the 23<sup>rd</sup> Annual General Meeting.

## COMPLIANCE OF CORPORATE GOVERNANCE CODE

Pursuant to Notification No.- BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued by Bangladesh Securities and Exchange Commission (BSEC), the Corporate Governance Report and the Corporate Governance Compliance Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report and attached in Page: 46-52, Certificate in page- 45.

## UTILIZATION OF IPO PROCEEDS

IPO proceeds through 50,000,000 shares @ of Tk.10 each at an offer price Tk.25 each including premium of Tk. 15 per share is total Tk. 1,250,000,000. Utilization of IPO Proceeds is shown in page: 61-63.



## DIRECTORS' RESPONSIBILITIES STATEMENT

Pursuant to Notification No.- BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, issued by the Bangladesh Securities and Exchange Commission (BSEC) the Directors confirm that:-

- i) The financial statements prepared by the management of Regent Textile Mills Limited fairly present its state of affairs, the results of its operations, cash flows and changes in equity.
- ii) Proper books of accounts of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement;
- iv) International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no doubts upon the Company's ability to continue as a going concern and the accounts have been prepared on going concern basis.
- vii) The significant deviations from previous period in the operating results of the company have been highlighted in the report and the reasons thereof have been explained.
- viii) The key operating and financial data of last five years is disclosed in page: 08, 19-21 & 27-29.
- ix) The number of Board meeting held during the reporting period and the attendance by each director is disclosed in this report in Page- 22 & 31.
- x) The pattern of shareholding is disclosed in Annexure- C, Page- 56.
- xi) A compliance status report with requirements of corporate governance as required by Bangladesh Securities and Exchange Commission (BSEC) is disclosed in Corporate Governance Report and is disclosed in Page- 42.
- xii) Directors' profile is attached in Page: 16-17 and their directorship and business interest in other organizations have been disclosed in Board of Directors segment and in Annexure- B, Page-54.

## APPRECIATION

We thank our customers, vendors, investors, business associates, bank and non bank financial institutions for their continued support and cooperation. We would also like to extend our heartiest appreciation for the contribution made by our workers and employees at all levels.

We also thank the Government of the Peoples Republic of Bangladesh and different Government agencies and regulatory bodies such as BSEC, DSE, CSE, CDBL, RJSC, NBR, BIDA and other related parties for their support and cooperation and at the same time look forward to their continued support in the coming days too.

Allah Hafez  
On behalf of the Board



**Md. Yakub Ali**  
Chairman  
27 October 2018

## পরিচালক মণ্ডলীর প্রতিবেদন

বিসমিল্লাহির রহমানির রহিম,

সম্মানিত শেয়ার হোল্ডারবৃন্দ,

পরিচালনা পর্ষদের পক্ষ হতে আমি আপনাদের সকলকে কোম্পানির ২৩ তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং ৩০ জুন ২০১৮ তারিখে সমাপ্ত আর্থিক বছরের ওপর পরিচালনা পর্ষদের প্রতিবেদন আপনাদের সামনে উপস্থাপন করছি।

### আমাদের ব্যবসা

রিজেন্ট টেক্সটাইল মিলস লিমিটেড একটি শতভাগ রপ্তানিমুখী সমন্বিত বস্ত্র শিল্প প্রতিষ্ঠান। একটি আধুনিক বস্ত্র শিল্প হিসেবে অত্র প্রতিষ্ঠান উৎপাদনের সকল পর্যায়ে তথা সুতা হতে রপ্তানির জন্য পন্য মোড়কজাতকরণ পর্যন্ত সরাসরি যুক্ত। আমাদের কোম্পানি গুণগত মানসম্পন্ন আরএমজি ফেব্রিক্স এবং বিশ্বমানের হোম ও গৃহসজ্জা আইটেম উৎপাদন করে তা সরবরাহের জন্য সदा প্রস্তুত রয়েছে। এখানে সার্বক্ষণিক মান নিয়ন্ত্রণ প্রক্রিয়ার মাধ্যমে উৎপাদনের প্রতিটি স্তরে সমন্বিত প্রক্রিয়ায় উৎপাদন তদারকি করা হয়। অত্র প্রতিষ্ঠান ১২.০০ মিলিয়ন মিটার গ্রে ফেব্রিক্স এবং ১৪.০০ মিলিয়ন মিটার ডাইং, প্রিন্টিং ও ফিনিশিং সক্ষমতায় বর্তমানে পরিচালিত হচ্ছে। বর্তমানে অত্র প্রতিষ্ঠানে প্রতিদিন প্রায় ৪০,০০০-৫০,০০০ মিটার কাপড় উৎপাদন করার সক্ষমতা রয়েছে। বিএমআরই বাস্তবায়ন হওয়ার পর উৎপাদন সক্ষমতা গড়ে প্রতিদিন ১,০০,০০০ মিটার এ উন্নীত হবে বলে আমরা আশা করি। যা বর্তমান সক্ষমতার দ্বিগুনেরও বেশি। পণ্য ও সেবা সমূহের বিস্তারিত পৃষ্ঠা নং ১৮-এ দেখানো আছে।

### ফিরে দেখাঃ ২০১৭-২০১৮

বিগত বছরের ১ জুলাই ২০১৭ থেকে ৩০ জুন ২০১৮ পর্যন্ত আমাদের কোম্পানির মোট পরিচালনা ও আর্থিক কর্মকান্ড সম্পর্কে আপনাদের কাছে উপস্থাপন করার আগে আমরা গত বছরে আমাদের ব্যবসাকে প্রভাবিত করে এমন কিছু প্রধান বিষয়ে এখানে উপস্থাপন করছি। অন্যান্য অনেক বিষয় গুলোর মধ্যে যে সমস্ত দিক গুলো আমাদের ব্যবসা পরিচালনায় ব্যাপক প্রভাব ফেলেছে সে দিকগুলো হলো:

### অ্যাকর্ড এর আন্তর্জাতিক নিরাপত্তা মান অর্জন

আপনারা সকলে অবগত আছেন যে আমাদের দেশের সকল তৈরি পোশাক কারখানা বৈশ্বিক কমপ্লায়েন্স অনুসারে নিরাপত্তা ব্যবস্থার মান অর্জনের জন্য একটি সংকটময় সময় পার করছে। নিরলস এবং কার্যকর উৎপাদন কার্যক্রম চালিয়ে নিতে আমাদেরকে বিগত কয়েক বৎসর একটি কঠিন সময়ের মধ্য দিয়ে যেতে হয়েছে এবং পরিশেষে আপনাদের কোম্পানি সব ধরনের নিরাপত্তা সূচক যথা- অগ্নি, পরিবেশ এবং অবকাঠামোগত নিরাপত্তার মান (Standard) অনুসারে কাজ করে একটি কমপ্লায়েন্স কারখানার মর্যাদা অর্জন করার জন্য আমরা শেষ পর্যায়ে রয়েছি।

অ্যাকর্ড দ্বারা গ্লোবাল সম্মতি পূরণে বিশ্বব্যাপী প্রয়োজনীয় শর্তগুলি পূরণ করার জন্য আপনারা সবাই জানেন যে আমাদের দেশে গার্মেন্টস, টেক্সটাইল ইত্যাদি শিল্প হুমকির সম্মুখীন হয়েছে। আমাদের কোম্পানির চলমান ও অনুমিত উৎপাদন কার্যক্রম চালিয়ে যাওয়ার জন্য গত কয়েক বছর ধরে নিরবিচ্ছিন্ন ভাবে বিভিন্ন শর্ত পরিপালন ও বাস্তবায়ন করতে হয়েছে এবং সমস্ত সম্মতির প্রয়োজনীয়তাগুলি পূরণ করার জন্য অগ্নি নিরাপত্তা, কাঠামোগত নিরাপত্তা এবং পরিবেশগত সুরক্ষা এবং বিশ্বব্যাপী স্ট্যান্ডার্ড টেক্সটাইল শিল্পের মধ্যে অন্যতম একটি প্রতিষ্ঠানে রূপান্তরের জন্য অপেক্ষা করতে হয়েছে। বাস্তবিক অর্থে কার্যাদেশ প্রাপ্তির ক্ষেত্রে বড় বড় কার্যাদেশগুলি অতীতের তুলনায় কিছুটা কমে গেছে। তাছাড়া বিএমআরই ও অ্যাকর্ড এর কাজের বাস্তবায়নের জন্য উৎপাদন কিছুটা কমিয়ে আনা হয়েছে। যদিও বিএমআরই বাস্তবায়ন কার্যক্রমের ফলে নিয়মিত উৎপাদন ব্যাহত হওয়া সত্ত্বেও আমরা উৎপাদন চালু রাখতে সবসময় চেষ্টা করেছি। এছাড়াও রিজেন্ট টেক্সটাইল মিলস লিমিটেড বিগত অর্থবছরে ১৪.৮৪% বিক্রয় বৃদ্ধি অর্জনে সর্মথ হয়েছে। কিন্তু দেশীয় ও আন্তর্জাতিক প্রতিযোগি প্রতিষ্ঠান সমূহের সাথে কঠিন প্রতিযোগিতার কারণে এবং বিদেশি খুচরা ক্রেতাদের দ্বারা আরএমজি পণ্য এর মূল্য হ্রাসের কারণে



মুনাফা কিছুটা কম হয়। অপারেটিং চ্যালেঞ্জ হিসাবে টেক্সটাইল শিল্পে সুতা, ডাইস ও কেমিক্যালসহ অন্যান্য আনুসঙ্গিক কাঁচামালের মূল্য বৃদ্ধির কারণে আমাদের রাজস্ব আয়ের ধারাবাহিকতায় প্রভাব বিস্তার করছে।

আরএমজি সেক্টর বাংলাদেশের অর্থনীতির প্রবৃদ্ধির প্রধান চালক। এটি ন্যাশনাল জিডিপি ১৩% অবদান রাখে (বিভিন্ন শিল্প সম্পর্কিত বিশ্লেষণ অনুসারে)। শিল্প উদ্যোক্তা ও এ খাতের বিশেষজ্ঞদের মতে ৫০ বিলিয়ন মার্কিন ডলার রপ্তানি লক্ষ্য অর্জনের জন্য বাংলাদেশকে পরবর্তী চার বছরে ২০ বিলিয়ন মার্কিন ডলার করে আয় করতে হবে। বাংলাদেশ এখনও পোশাক ও বস্ত্রশিল্প খাতের বিশ্বের দ্বিতীয় বৃহত্তম রপ্তানিকারক হিসাবে নিজের অবস্থান ধরে রেখেছে। এলক্ষে আমরা দীর্ঘমেয়াদী এবং লাভজনক বৃদ্ধি অব্যাহত রাখতে এবং আমাদের অবস্থান সুসংহত করতে বিনিয়োগ অব্যাহত রেখেছি যা আগামী দিনগুলোতেও অব্যাহত থাকবে।

### বৈশ্বিক বাজার চাহিদা

অতীতের যে কোনো সময়ের তুলনায় তৈরি পোশাক শিল্পের কার্যাদেশের পরিমাণ হ্রাস পেয়েছে এবং বিএমআরই, রেট্রোফিটিং ও অন্যান্য কমপ্লায়েন্স কাজের জন্য অনেকগুলো পোশাক কারখানা তাদের উৎপাদন ইতিমধ্যে বন্ধ রেখেছে এবং কিছু প্রতিষ্ঠান তাদের কার্যাদেশ হারিয়েছে ফলে উৎপাদন হ্রাস পেয়েছে। তারপরও আপনাদের প্রতিষ্ঠানের বিক্রয় বিগত বছরে বৃদ্ধি পেয়েছে এবং স্থিতিশীল ফলাফল বজায় রাখতে সক্ষম হয়েছে।

### ব্যয় এবং দাম পরিবর্তনের প্রভাব

বিগত বছরের তুলনায় পোশাক উৎপাদনকারী প্রতিষ্ঠান-সমূহের কাঁচামালের জোগান স্বল্পতা ও বিশেষত কেমিক্যাল এর মূল্য ক্ষেত্রবিশেষ প্রায় ২০% বৃদ্ধি পেয়েছে যা উৎপাদনে নীট আয়ে নেতিবাচক প্রভাব ফেলেছে। প্রতিযোগিতায় টিকে থাকা এবং তৈরি পোশাকের রপ্তানি মূল্য কমে যাওয়ার কারণে কাংখিত আয় ও লক্ষ্য অর্জন সম্ভব হয় নাই।

### কোম্পানির উৎপাদন ক্ষমতা ও ব্যবহারের চিত্র

বিগত বছরগুলোতে আমাদের আন্তর্জাতিক বাজারে কঠিন প্রতিযোগিতার সম্মুখীন হতে হয়েছে। পরিস্থিতি মোকাবেলায় আমরা বিকল্প উৎপাদন কৌশল হিসাবে অধিক মুনাফা সম্পন্ন একাধিক পণ্য মিশ্রণ কৌশল গ্রহণ করেছি। অন্যদিকে বিএমআরই বাস্তবায়ন কার্যক্রমের ফলে উৎপাদন কর্মকাণ্ডে কিছুটা বিঘ্ন ঘটেছে। তথাপি কোম্পানির উৎপাদন ক্ষমতা ও ব্যবহারের তুলনামূলক চিত্র নিম্নরূপঃ

### পণ্য ভিত্তিক বিক্রয়

নং	বিবরণ	২০১৭ - ২০১৮	২০১৬ - ২০১৭	জানু ২০১৫ হতে জুন ২০১৬	২০১৪	২০১৩
০১.	উৎপাদন ক্ষমতা (মিঃ মিটার) ক) উইভিং খ) ডাইং এন্ড প্রিন্টিং	১২.০০ ১৪.০০	১২.০০ ১৪.০০	১৮.০০ ২১.০০	১২.০০ ১৪.০০	১২.০০ ১৪.০০
০২.	বাস্তব উৎপাদন (মিঃ মিটার) ক) উইভিং খ) ডাইং এন্ড প্রিন্টিং	৭.৬৮ ১০.২৮	৮.৪৫ ৯.৭৭	১৩.১৩ ১৫.৮৪	৯.৩৪ ১১.৭৭	৯.৪১ ১৩.৪০
০৩.	ক্ষমতার বাস্তবায়ন (%) ক) উইভিং খ) ডাইং এন্ড প্রিন্টিং	৬৪.০৩% ৭৩.৪০%	৭০.৪৫% ৬৯.৭৫%	৭২.৯৬% ৭৫.৪৪%	৭৭.৮৫% ৮৪.১৩%	৭৮.৪১% ৯৫.৬৮%

## বিক্রিত পণ্যের উৎপাদন ব্যয়, মোট মুনাফা এবং নীট মুনাফার বিশ্লেষণ

বিক্রিত পণ্যের উৎপাদন ব্যয়, মোট মুনাফা এবং নীট মুনাফার বিশ্লেষণ নিম্নে উপস্থাপন করা হয়েছেঃ

বিবরণ	২০১৭ - ২০১৮ (টাকা)	২০১৬ - ২০১৭ (টাকা)	জানু ২০১৫ হতে জুন ২০১৬ (টাকা)	২০১৪ (টাকা)	২০১৩ (টাকা)
ব্যবহৃত কাঁচামাল	৬৯৪,০১৫,২২৪	৪৭৩,৮৪৮,৯৩৪	৯৮৭,৭৭৯,৯৪১	৮৫৬,১১৫,২৩৪	১,১২২,৬৫৬,৩৯০
স্টোরস্ এন্ড স্পেয়ার্স	১৩,২০২,৭২৪	১৮,৪৬২,৭৯৩	২৪,০১২,৭৯৬	২৭,০৩৬,৩১৫	৩২,৩৯৬,২৭৬
অন্যান্য কাঁচামাল	১,৫৯১,৩৫৭	১,৬৬২,৭৫২	১০,৪১৬,৯৪৫	১২,১৪৪,৯৮০	৩০,৩৮২,৫৮২
গ্যাস	৭৭,৫৮৪,৫৮২	৬০,৫৯৪,৩২৯	৭৩,৪৭৭,৮০১	৪২,৪৭৮,৮৭৪	৪১,১৬৯,৫৭৮
জ্বালানি	৩,০৯১,১৫৪	৩,৫৪৮,৯৮৯	৪,৮৬০,৮৯৮	৪,৪৪১,১৮১	৪,১৩৪,২৮৭
অন্যান্য ব্যয়	৩২৪,৬৩০,৫৭৪	২৮৬,১১৫,৭৭১	৪১৬,৮৫০,৮৬৭	২৭০,৪৯৬,৩৫৮	২৬২,৪০১,৩০১
মোট	১,১১৪,১১৫,৬১৫	৮৪৪,২৩৩,৫৬৮	১,৫১৭,৩৯৯,২৪৮	১,২১২,৭১২,৯৪২	১,৪৯৩,১৪০,৪১৪

## কোম্পানির বিগত ৫ বৎসরের আর্থিক ফলাফল

বিবরণ	২০১৭ - ২০১৮ (টাকা)	২০১৬ - ২০১৭ (টাকা)	জানু ২০১৫ হতে জুন ২০১৬ (টাকা)	২০১৪ (টাকা)	২০১৩ (টাকা)
বিক্রয়	১,২১৫,২৫৭,৯৬৮	১,০৫৮,২০৪,১৯২	২,০০৪,৪৩১,৯৩৬	১,৬৫৬,৪৬৫,০০৫	১,৭২২,৫৬৭,২৩৩
বিক্রীত পণ্যের ব্যয়	৯৭৩,৯৩০,০১৬	৮৪০,৫৭৮,২৪৪	১,৫৩৫,৫৩৫,০৩৯	১,২৮৩,৭৪৯,৮৫৩	১,৩৩২,৭৬৫,২৫৮
মোট লাভ	২৪১,৩২৭,৯৫২	২১৭,৬২৫,৯৪৮	৪৬৮,৮৯৬,৮৯৭	৩৭২,৭১৫,১৫২	৩৮৯,৮০১,৯৭৫
অ - পরিচালন মুনাফা, কর, এবং ডিভিডেন্ড	৪৫,৩৪১,৯২২	৭০,০২৮,০৯০	১৯৩,৫২৪,১১৩	১৮২,৯০২,৮৬৫	২০১,৬৭৩,৪৯৫
ডিভিডেন্ড এর পূর্বে লাভ	১০৩,২৮১,৬৭০	৯৯,৯২৪,১০৩	৬৯,১৯৫,২৫৪	৩,৮৮৪,২৮৭	৪,৩৩০,০২৪
অ - পরিচালন মুনাফা কর পরবর্তী নীট লাভ	১২৯,৭০২,১২৬	১৩৭,০০০,৬৮২	২১২,৪৬০,৮৭০	১৪৮,৮৮৫,৯৪৮	১৭৪,৯০৬,১৭৩
শেয়ার প্রাতি আয়	১.১২	১.২১	১.৮৮	২.৪৮	২.৯২
শেয়ারহোল্ডারদের ইকুইটি/সম্পদ	৩,৫৪৫,৮১০,৬৭৭	৩,৪৭৮,৪৬৬,০৪২	৩,৪৫০,৭১৯,৭৩৮	২,০১৬,৯৩৮,০৪৮	১,৮৭০,৩৫৪,০৬৮
চলতি দায়	২,১৯৭,০৩৭,৭৬৮	১,০৯৯,৭৩৪,৬০১	১,০৩১,০৭৪,৯৩৭	১,০৫৫,৯৪৪,০৩৪	১,৩১০,৬৭৮,৮২৬
অ - চলতি দায়	৮৯৫,২৯৭,৪৭৩	৮৫৫,৬৩৪,৯০৪	১৭৩,৩৩৭,৬৩৭	১১৯,৩৭৮,৭৫৬	১৯৪,৩৮৪,৪৮৯
স্থাবর সম্পদে সংযোজন	১০১,৭৪৬,৭২৫	১৩৫,৯৪৩,৪৩৫	১৫১,৩১৭,৭৯৮	১৪২,০৫০,৪৩৩	১৮৫,৭৮৩,৭৪১
শেয়ারের বিপরীতে নীট সম্পদ	৩০.৭০	৩০.১২	৩১.৩৭	৩৩.৬২	৩১.১৭
শেয়ারের বিপরীতে পরিচালনার নীট নগদ প্রবাহ	২.৫২	(২.০৮)	২.৮৪	৫.১৪	০.৫৮

## বিক্রয়

২০১৭-২০১৮ সালে সামগ্রিক বিক্রয়ে ক্রমবর্ধমান প্রবণতা দেখাচ্ছে। রিপোর্টিং সময়ে ২০১৬-২০১৭ এর তুলনায় ১৪.৮৪% বিক্রয় বেড়েছে। উপকরণের মূল্যবৃদ্ধি, গ্যাস চার্জ, প্রতিযোগিতা ইত্যাদির কারণে কার্যাদেশ বৃদ্ধি পেলেও নীট মুনাফা কিছুটা কমেছে। তাছাড়া, অ্যাকর্ড সার্টিফিকেশন না পাওয়ায় কম মূল্যে কার্যাদেশ পাচ্ছি ফলে আমাদের কাস্টমিকার বিক্রয় ও মুনাফার লক্ষ্যমাত্রায় পৌঁছানো সম্ভবপর হচ্ছে না। এখন, আপনারা জেনে খুশি হবেন যে আমরা শীঘ্রই অ্যাকর্ড সার্টিফিকেশন পাবো বলে আশা করছি এবং সেই প্রক্রিয়া বার বার বাধাগ্রস্ত হলেও এবার পাওয়ার পথে এবং প্রক্রিয়ার শেষ ধাপে। তাই বিএমআরই সফলভাবে সম্পন্ন হওয়ার পর, আগামী বছরের মধ্যে কোম্পানির বিক্রয় উল্লেখযোগ্যভাবে বৃদ্ধি পাবে। এখন



আমরা গ্রাহকদের সঙ্গে সম্পর্ক উন্নয়নে গুরুত্ব দিচ্ছি এবং পাশাপাশি নতুন বাজার অনুসন্ধান করতে টেকসই ভবিষ্যৎ বাজার বৃদ্ধি এবং টেক্সটাইল বিশ্বের অত্যাধুনিক মেশিনারিজ এর সমন্বয় ঘটিয়ে আপনাদেরও প্রতিষ্ঠানকে এক বিশ্বমানের প্রতিষ্ঠানে রূপান্তর করার প্রচেষ্টায় পরিচালনা পর্ষদ সদা সচেষ্ট আছে এবং থাকবে।

### অপারেশন হতে আয় নিম্নরূপঃ

বিবরণ	২০১৭ - ২০১৮ (টাকা)	২০১৬ - ২০১৭ (টাকা)	জানু ২০১৫ হতে জুন ২০১৬ (টাকা)	২০১৮ (টাকা)	২০১৩ (টাকা)
আরএমজি (ওভেন ফেব্রিক্স)	৪১১,৭৪৮,৬৬১	৩৪৯,৭৫৯,১৯৮	৭৬০,৭৬৯,৮৫৩	৬০০,৩৩১,৭০০	৫২৮,২০৯,৫৩০
হোমটেক্স (হোম ফার্নিশিং)	৬৮১,৩৫৯,২৫১	৪৩৫,৭৪৯,০৫৫	৮১৩,২৭৫,৬০৩	৭৭০,৭৪১,৮০০	১,০৭৫,১৪০,২৫৩
আরএমজি উৎপাদন (মিটার)	৫,৫৫২,২৪৩	৪,৩৩৫,৭৩২	৭,৪৫৮,৫২৮	৫,৪৬৯,৭২৭	৫,২৮৪,৪৫৫
হোমটেক্স উৎপাদন (মিটার)	৫,০১৫,৮৩৪	৫,৩২৫,৮৩০	৮,৪২০,৭৪৫	৬,৩০৮,৯৪২	৮,১১০,৯১২

২০১৭-২০১৮ আর্থিক বর্ষে কোম্পানি ৫.৫৫ মিলিয়ন মিটার আরএমজি ফেব্রিক্স বিভিন্ন ক্রেতাদের এবং ৫.০২ মিলিয়ন মিটার হোম টেক্সটাইল পণ্য রপ্তানি করেছে।

### মূলধনী ব্যয়

রিজেন্ট টেক্সটাইল মিলস লিমিটেড গুনগত ও মানসম্মত পণ্য উৎপাদনে ও যন্ত্রপাতির কার্যক্ষমতা বিদ্যমান রাখতে ধারাবাহিকভাবে মূলধনী ব্যয় অব্যাহত রেখেছে যা ২০১৭-২০১৮ অর্থবছরে নিম্নরূপঃ

বিবরণ	২০১৭ - ২০১৮ (টাকা)	২০১৬ - ২০১৭ (টাকা)	জানু ২০১৫ হতে জুন ২০১৬ (টাকা)	২০১৮ (টাকা)	২০১৩ (টাকা)
ভূমি ও পুরোকার্ম	১৪,৩৭৫,৮৫৪	১১১,৩৮৭,১৭৩	৭২,৯৩৮,৪৯১	৭০,৭৫৬,৮৭৭	৭৭,৫৪০,৪০০
কলকজা ও যন্ত্রপাতি	৫৫,৬৮৯,০৮৪	৬,৭২২,০২১	৬৬,১৮০,৩৮৮	৩৩,৭৭৪,৯৯৮	৬৩,৮৯২,৬১৪
অন্যান্য স্থাবর সম্পদ	৩১,৬৮১,৭৮৭	১৭,৮৩৪,২৪১	১২,১৯৮,৯১৯	৩৭,৫১৮,৫৫৮	৪৪,৩৫০,৭২৭

বিএমআরই তে বিনিয়োগ এবং আরএমজি কারখানার অধিগ্রহণ প্রক্রিয়ার ফলে উৎপাদন দক্ষতা এবং বিভিন্ন মানের পণ্য, ফ্যাশন এবং স্টাইলের বর্তমান এবং ভবিষ্যতের বিশ্বব্যাপী চাহিদা অনুসারে পণ্য সরবরাহ নিশ্চিত করা গেলে মুনাফা সর্বাধিক বৃদ্ধি করা সম্ভব হবে। এছাড়াও কোম্পানি ভূমি, ভূমি উন্নয়ন ও সিভিল কাজে কোম্পানি এ যাবৎ নগদ প্রবাহ এবং আর্থিক প্রতিষ্ঠানগুলির কাছ থেকে আর্থিক সহায়তার মাধ্যমে বিনিয়োগ করেছে।

### জাতীয় কোষাগারে অবদান

কোম্পানি ২০১৭-২০১৮ অর্থবছরে জাতীয় কোষাগারে প্রদান করেছে টাকা ৩২,১৪৪,৮৬২/-

বিবরণ	২০১৭ - ২০১৮ (টাকা)	২০১৬ - ২০১৭ (টাকা)	জানু ২০১৫ হতে জুন ২০১৬ (টাকা)	২০১৮ (টাকা)	২০১৩ (টাকা)
কর্পোরেট ও অন্যান্য কর	৩২,১৪৪,৮৬২	২২,২৬২,৯৩৯	১৯,৫৩৪,৮৮৫	১৩,৭৮৩,৫৮৯	১০,৭৬০,৪১৮
মোট	৩২,১৪৪,৮৬২	২২,২৬২,৯৩৯	১৯,৫৩৪,৮৮৫	১৩,৭৮৩,৫৮৯	১০,৭৬০,৪১৮

### অস্বাভাবিক লাভ বা ক্ষতি

উল্লেখিত সময়ে কোম্পানির কোনো ধরনের অস্বাভাবিক লাভ বা ক্ষতি হয়নি।

### স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের সাথে লেনদেন

এই বিষয়ের কোম্পানির নিরীক্ষিত আর্থিক প্রতিবেদনের নোট নম্বর ৩৩, পৃষ্ঠা- ৫৮, Annexure- D এ বাংলাদেশ হিসাব মান (বিএএস) অনুসারে বিস্তারিত বর্ণনা করা হয়েছে। উক্ত লেনদেন ব্যতীত আর্থিক বছরে কোম্পানির সাথে স্বার্থ সংশ্লিষ্ট অন্যান্য কোম্পানির উল্লেখযোগ্য কোন লেনদেন সংগঠিত হয়নি।

### ত্রৈমাসিক এবং বার্ষিক আর্থিক ফলাফলে উল্লেখযোগ্য ব্যবধান

উল্লেখিত সময়ে কোম্পানির ত্রৈমাসিক এবং বার্ষিক কার্যক্রমে উল্লেখযোগ্য কোন ব্যবধান নেই। ব্যবস্থাপনা পরিষদ এবং সংশ্লিষ্ট নির্বাহীদের ও পূর্বানুমান এবং সঠিক সিদ্ধান্ত গ্রহণের ফলে কোম্পানী বিগত বছরগুলোতে ভালো ফলাফল ধরে রাখতে সক্ষম হয়েছে।

### পরিচালক পর্ষদের ভাতা ও সম্মানি

কোম্পানির ব্যবস্থাপনা পরিচালক ব্যতিত পরিচালক পর্ষদের অন্য কোনো সদস্যকে কোনো ধরনের মাসিক বেতন, ভাতা এবং অন্যান্য সুবিধাদি কোম্পানি হতে প্রদান করা হয় না।

### সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ সংরক্ষণ

পরিচালক মন্ডলী কোম্পানিতে সংখ্যালঘু শেয়ারহোল্ডারদের স্বার্থ যথা ভোটিং অধিকার এবং তথ্যের প্রাপ্তি লভ্যাংশ ও কোম্পানিতে মৌলিক কোন পরিবর্তনে তাদের অংশগ্রহণ নিশ্চিত করণ ও এবং ভবিষ্যতে তাদের যে কোনো স্বার্থ সংরক্ষণে সচেষ্ট এবং প্রতিজ্ঞাবদ্ধ থাকবে।

### চলমান প্রক্রিয়ার নীতি

পরিচালনা পর্ষদের বিবেচনায় ভবিষ্যত কার্য পরিচালনার জন্য কোম্পানির সম্পদের পর্যাপ্ততা রয়েছে এবং সে ভিত্তিতে কোম্পানীর আর্থিক প্রতিবেদন তৈরি করা হয়েছে।

### লভ্যাংশ

কোম্পানির নিয়মিত লভ্যাংশ (কনসিসটেন্ট ডিভিডেন্ড) পলিসির আওতায় মুনাফার সাথে সামঞ্জস্য রেখে লভ্যাংশ ঘোষণা করা হয়। ৩ নভেম্বর ২০১৮ তারিখে অনুষ্ঠিত পরিচালনা পর্ষদের সভায় বিগত বৎসরের জন্য (৩০ জুন ২০১৮ তারিখের সমাপ্ত আর্থিক বৎসরের) কোম্পানির সকল শেয়ারহোল্ডারদের জন্য ৫% স্টক লভ্যাংশ বিতরণের সুপারিশ করা হয়েছে যাহা বার্ষিক সভায় অনুমোদন সাপেক্ষে রেকর্ড ডেট ২ ডিসেম্বর ২০১৮ তারিখের শেয়ারধারীদের মধ্যে বিতরণ করা হবে।

পরিচালক মন্ডলী নিশ্চিত করেছেন যে বিগত বছরে কোন প্রকার অন্তর্বর্তীকালীন স্টক ডিভিডেন্ড ঘোষণা এবং প্রদান করেননি এবং ভবিষ্যতে কোন অন্তর্বর্তীকালীন স্টক ডিভিডেন্ড প্রদান করা হবে না।

### পরিচালক মন্ডলী

পরিচালনা পরিষদের গঠন ও আকার

৩০ শে জুন ২০১৮ তারিখে কোম্পানির পরিচালনা পরিষদের মোট ৭ জন সদস্য ছিলেন। এদের মধ্যে ১ জন পর্ষদের সভাপতি, ১ জন ব্যবস্থাপনা পরিচালক, ৩ জন সাধারণ পরিচালক এবং ২ জন স্বতন্ত্র পরিচালক মর্যাদায় অধিষ্ঠিত ছিলেন।

### পরিচালনা পর্ষদের অন্যান্য স্বার্থ সংশ্লিষ্ট প্রতিষ্ঠান বিবরণ

পরিচালনা পর্ষদের স্বার্থ সংশ্লিষ্ট অন্যান্য প্রতিষ্ঠানের বিবরণ এবং উক্ত প্রতিষ্ঠান তাদের স্ব-স্ব অবস্থানে একটি প্রতিবেদন Annexure-B, Page-54 এ বর্ণনা করা হয়েছে।

### পরিচালকবৃন্দের অবসর গ্রহণ এবং নিয়োগ

কোম্পানির পরিমেল নিয়মাবলী সংশ্লিষ্ট ধারা অনুযায়ী এক-তৃতীয়াংশ পরিচালক বার্ষিক সাধারণ সভায় অবসরগ্রহণ বাধ্যতামূলক। সেই অনুযায়ী কোম্পানির নিম্নবর্ণিত সম্মানিত দুজন পরিচালক অত্র সভায় অবসর গ্রহণ করবেন এবং পুনঃনিয়োগ যোগ্য বিদায় তারা আবার পরিচালক হিসাবে নিয়োগের আগ্রহ প্রকাশ করেছেন।

১. জনাব মোঃ ইয়াসিন আলী
২. জনাব মাহরুফ হাবিব

বিগত ৩ নভেম্বর ২০১৮ তারিখে অনুষ্ঠিত কোম্পানির পরিচালনা পরিষদের সভায় পুনঃনিয়োগ প্রস্তাব সর্বসম্মতিক্রমে গৃহীত হয়েছে। উক্ত পরিচালকদ্বয়ের জীবন বৃত্তান্ত পৃষ্ঠা- ১৬-১৭ এ উল্লেখ করা হয়েছে।

### পরিচালনা পর্ষদের সভা ও উপস্থিতি

উল্লেখিত সময়ে পরিচালনা পর্ষদের মোট ৬টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্ষদের সদস্যদের স্ব স্ব উপস্থিতি নিম্নে উল্লেখ করা হলোঃ

পরিচালকের নাম	পদবী	উপস্থিতির সংখ্যা
জনাব মোঃ ইয়াকুব আলী	চেয়ারম্যান	৬
জনাব মোঃ ইয়াসিন আলী	পরিচালক	৬
জনাব মশরুফ হাবিব	পরিচালক	১
জনাব সালমান হাবিব	ব্যবস্থাপনা পরিচালক	৬
জনাব তানভির হাবিব	পরিচালক	৫
ইঞ্জিঃ মোঃ আবুল কাশেম	স্বাধীন পরিচালক	২
জনাব মোঃ জাবেদ ইকবাল	স্বাধীন পরিচালক	৫

### স্বাধীন পরিচালক নিয়োগ

বাংলাদেশ সিকিউরিটি অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) নির্দেশিত কর্পোরেট গভার্নেন্স নির্দেশিকা অনুযায়ী কোম্পানি স্বতন্ত্র পরিচালক হিসেবে ইঞ্জিঃ মোঃ আবুল কাশেম ও জনাব মোঃ জাবেদ ইকবাল কে বিগত ২২তম বার্ষিক সাধারণ সভায় পরবর্তী তিন বৎসরের জন্য নিয়োগ প্রদান করা হয়েছে।

### শেয়ার হোল্ডিং

কোম্পানির শেয়ার হোল্ডিং Annexure-C, Page-56 এ বর্ণনা করা হয়েছে।

### ব্যবস্থাপনা সংক্রান্ত আলোচনা ও বিশ্লেষণ

পরিচালনা পর্ষদ সময়ে সময়ে কোম্পানির বিক্রয় ও বিক্রিত পণ্যের ব্যয় মোট মুনাফা এবং নীট মুনাফার হ্রাস ও বৃদ্ধিসহ অন্যান্য বিষয়ের উপর আলোচনা করে থাকেন এবং বাজার পর্যালোচনা করে ব্যবসায়িক প্রবৃদ্ধির জন্য প্রয়োজনীয় পদক্ষেপ গ্রহণ করে থাকেন। এ বিষয়ের উপর তাদের বিস্তারিত কার্যক্রমের বিশ্লেষণ এর উপর একটি প্রতিবেদন উপস্থাপন করা হয়েছে। Page: 38-39.

### ক্রেডিট রেটিং

ক্রেডিট রেটিং ইনফরমেশন অ্যান্ড সার্ভিসেস লিমিটেড (সিআরআইএসএল) এর বিশ্লেষণে আপনাদের কোম্পানির স্বর্ণমান নিম্নরূপ:-

দীর্ঘকালীন	স্বল্পকালীন
এ+	এসটি-৩

### আর্থিক বৎসর পরবর্তী অবস্থা এবং ঘটনা

কোম্পানি বাৎসরিক হিসাব সমাপ্তির তারিখ হতে পরিচালনা পর্ষদের প্রতিবেদন দাখিলের সময় এর মধ্যে কোন ধরনের উল্লেখযোগ্য লেনদেন সংঘটিত হয়নি যা কোম্পানির সংশ্লিষ্ট আর্থিক প্রতিবেদন ব্যবহারকারীর সিদ্ধান্ত গ্রহণে মূল্যায়নের প্রভাব ফেলতে পারে।



## নিরীক্ষা কমিটি

কোম্পানির পরিচালনা পর্ষদ এর সহযোগী হিসেবে নিম্নে উল্লেখিত সদস্যদের নিয়ে একটি নিরীক্ষা কমিটি গঠন করা হয়েছেঃ

সদস্যদের নাম	পদবী
জনাব মোঃ জাবেদ ইকবাল	চেয়ারম্যান ও স্বাধীন পরিচালক
জনাব মোঃ ইয়াসিন আলী	সদস্য ও পরিচালক
জনাব মাহরুফ হাবিব	সদস্য ও পরিচালক
জনাব এম আর এইচ সিকদার এফসিএস	সদস্য সচিব

বিগত আর্থিক বছরে উক্ত নিরীক্ষা কমিটির চারটি সভা অনুষ্ঠিত হয়। উক্ত কমিটির দায়দায়িত্ব এবং কার্যাবলী বিস্তারিতভাবে নিরীক্ষা কমিটির প্রতিবেদনে উল্লেখ করা হয়েছে। পৃষ্ঠা- ৪০

## মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং BSEDC/CMRRCD/2006-158/Admin/08 তারিখ ৩০ জুন ২০১৮ অনুযায়ী আগামী ৩১ ডিসেম্বর ২০১৮ তারিখের মধ্যে মনোনয়ন এবং বেতন নির্ধারণ কমিটি নামে একটি কমিটি গঠন করা হবে।

## ব্যবসায়িক সামাজিক দায়বদ্ধতা

প্রতিষ্ঠার শুরু থেকে আপনাদের কোম্পানি ব্যবসার পাশাপাশি সমাজ এবং এর সংশ্লিষ্ট কমিউনিটি উন্নয়নের সম্ভাব্য সকল ধরনের সহযোগিতা এবং অনুদান অব্যাহত রেখেছে।

## পুরস্কার এবং স্বীকৃতি

শুরু থেকে আপনাদের কোম্পানি বিভিন্ন ধরনের কার্যক্রম মূল্যায়নের স্বীকৃতি স্বরূপ বিভিন্ন অ্যাওয়ার্ড ও সার্টিফিকেট অর্জন করেছে এবং অতি সম্প্রতি কর্পোরেট সুশাসনের স্বীকৃতি স্বরূপ আইসিএসবি থেকে নিম্নে উল্লেখিত অ্যাওয়ার্ড অর্জন করেছেঃ

আইসিএসবি কর্পোরেট গভার্নেন্স এক্সিলেন্স ন্যাশনাল অ্যাওয়ার্ড ২০১৭

## তথ্য প্রযুক্তি

তথ্য প্রযুক্তির ব্যবহারে আমাদের কোম্পানির সব সময় এক ধাপ এগিয়ে। কারণ আমরা বিশ্বাস করি সাংগঠনিকভাবে সঠিক বাজার ও বিপণনব্যবস্থা, বিক্রয় ব্যবস্থাপনা সময়পোষাগীকরণ ও পর্যবেক্ষণ, যথাসময়ে পণ্য সরবরাহকরণ, যথাযথ গ্রাহক সেবা এবং দীর্ঘমেয়াদী ব্যবসায়িক প্রবৃদ্ধি ধরে রাখা এসব সকলক্ষেত্রেই তথ্যপ্রযুক্তির ব্যবহার করেই সর্বোচ্চ লক্ষ্য অর্জন সম্ভব হয়।

ইতিমধ্যে আমরা ফাইন্যান্সিয়াল রিপোর্টিং, মানব সম্পদ ব্যবস্থাপনা, পণ্য উৎপাদন, মজুদ ও যোগান ব্যবস্থাপনা, পণ্য বিক্রয় ও বিপণন এবং স্থায়ী সম্পদ ব্যবস্থাপনায় অটোমেশন পদ্ধতি চালু করেছি যার মাধ্যমে ব্যবস্থাপনা কর্তৃপক্ষ যেকোনো সময় যেকোনো স্থান হতে এ সংক্রান্ত তথ্য পেতে ও দ্রুত সিদ্ধান্ত গ্রহণ করতে পারছে।

## ওয়েবসাইট

কোম্পানির নামে একটি ওয়েবসাইট চালু আছে যা স্টক এক্সচেঞ্জের এর ওয়েবসাইট এর সাথে সংযুক্ত আছে। এতে কোম্পানি বিভিন্ন সময়ের যাবতীয় আর্থিক ও অন্যান্য বিষয়াদির হালনাগাদ তথ্য প্রকাশ করে থাকে। কোম্পানির ওয়েব সাইট এড্রেস হলো [www.regenttex.com](http://www.regenttex.com).

## মানব সম্পদ ব্যবস্থাপনা

ব্যবস্থাপনা কর্তৃপক্ষ ব্যবসার ব্যাপ্তিতে মানবসম্পদকে একটি মৌলিক ভিত্তি হিসেবে বিবেচনা করে। কোম্পানির দক্ষ মানব সম্পদের উপরই কোম্পানির প্রতিযোগিতায় টিকে থাকা নির্ভর করে। এক্ষেত্রে বিশ্বমানের পরামর্শকারী প্রতিষ্ঠান কর্তৃক আপনাদের কোম্পানির পরিচালনাগত অবকাঠামো এবং গঠনতন্ত্র গ্রহণ করা হয়েছে। যাহা প্রতিষ্ঠানে কর্মরত প্রত্যেকের দক্ষতা এবং সক্ষমতা বৃদ্ধিতে অবদান রাখছে। আমরা আমাদের প্রতিষ্ঠানে কর্মরত কর্মকর্তা ও কর্মচারীদের নিয়মিত প্রশিক্ষণের ব্যবস্থা করে থাকি এবং আমরা নিয়োগের ক্ষেত্রে ইকুয়াল অপরচুনিটির নীতি অনুসরণ করে থাকি।

## সহযোগী কোম্পানি ফলাফল

রিজেন্ট টেক্সটাইল মিলস্ লিমিটেড এর কোনো সহযোগী কোম্পানি বা প্রতিষ্ঠান নাই।

## আচরণবিধি

রিজেন্ট টেক্সটাইল মিলস্ লিমিটেড সরকারি নীতিমালার আওতায় সকল পরিপালনীয় নীতি ও নৈতিকতা বজায় রেখে ব্যবসা পরিচালনা করে। এই বিষয়ে আমাদের কোম্পানি পরিচালনা পর্ষদের জন্য একটি কোড অফ কন্ডাক্ট গ্রহণ করেছে এবং প্রত্যেক পরিচালক তা মেনে চলার অঙ্গীকারে আবদ্ধ হয়েছেন।

## নিরীক্ষক ও প্রফেশনাল নিয়োগ

### ক বহিঃ নিরীক্ষক

বহিঃ নিরীক্ষক হোদা ভাসি চৌধুরী এন্ড কোং চার্টার্ড অ্যাকাউন্ট, কোম্পানি ২২ তম বার্ষিক সাধারণ সভায় নিয়ম অনুযায়ী অবসর গ্রহণ করবেন এবং পুনঃনিয়োগ এর জন্য যোগ্য না হওয়ায় আগামী হিসাব বছরের নিরীক্ষা কার্যক্রম পরিচালনা পর্ষদ বিগত ৩ নভেম্বর ২০১৮ তারিখে অনুষ্ঠিত সভায় কোম্পানির আগামী হিসাব বছরের নিরীক্ষা পরিচালনার জন্য শফিক বসাক অ্যান্ড কোম্পানি, চার্টার্ড অ্যাকাউন্ট, ন্যাশনাল হাউস (দ্বিতীয় তলা) ১০৯, আশ্রাবাদ কমাশিয়াল এরিয়া চট্টগ্রাম ৪১০০ কে বহিঃ নিরীক্ষক হিসেবে নিয়োগের সুপারিশ করেছে। যা আগামী ২৩ তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত হবে।

### খ কর্পোরেট গভর্নেন্স সার্টিফিকেশন

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন দ্বারা ইস্যুকৃত কর্পোরেট গভর্নেন্স সার্টিফিকেশন এর জন্য প্রফেশনাল নিয়োগের পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ৩ নভেম্বর ২০১৮ তারিখে অনুষ্ঠিত সভায় খান ওয়াহাব শফিক রহমান এন্ড কোং, চার্টার্ড অ্যাকাউন্ট, সাকিবর চম্বার (৩য় তলা), ৬০, আশ্রাবাদ বা/এ, চট্টগ্রাম ৪১০০ কে আগামী হিসাব বছরের জন্য নিয়োগের সুপারিশ করেছেন যা আগামী ২৩ তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত হবে।

## ব্যবসায়িক সুশাসন এবং প্রতিপালনের প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন বিএসইসি কর্তৃক ইস্যুকৃত নোটিফিকেশন নং BSEC/CCMRCD/2006-158/207/Admin/80 তারিখ ৩ জুন ২০১৮ কর্পোরেট সুশাসন মেনে চলার নির্দেশিকার ওপর নিরীক্ষকদের সনদ এবং প্রতিবেদন এই রিপোর্টে বিস্তারিত দেওয়া হয়েছে এ-সংক্রান্ত প্রতিবেদন উল্লেখ করা হয়েছে। পৃষ্ঠা: ৪৬-৫২, সনদ- পৃষ্ঠা- ৪৫

## আইপিও প্রসিডিং ইউটাইলাইজেশন

কোম্পানি ৫০,০০০,০০০ শেয়ারের বিপরীতে প্রিমিয়ামসহ ক্যাপিটাল মার্কেট হতে ১২৫০,০০০,০০০ টাকা সংগ্রহ করে। যার মধ্যে বিএমআরই খাতে ৮২৪,৬৭৯,৫২০ টাকা, আরএমজি প্রকল্পের জন্য ৩৯৮,৫০৩,৯৬২ টাকা এবং আইপিও খরচ বাবদ ২৬,৮১৬,৫১৮ টাকা বরাদ্দ ছিল। এ বিষয়ে বিস্তারিতভাবে পৃষ্ঠা: ৬১-৬৩ এ উল্লেখ করা হয়েছে।

## পরিচালকদের দায়িত্বের বিবৃতি

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন বিএসইসি কর্তৃক ইস্যুকৃত নোটিফিকেশন নং- BSEC/CCMRCD/2006-158/207/Admin/80 তারিখ ০৩ জুন ২০১৮ অনুসারে পরিচালনা পর্ষদ এ বিষয়টি নিশ্চিত করেন যে:-

১. রিজেন্ট টেক্সটাইল মিলস্ লিমিটেড ব্যবস্থাপনা কর্তৃক তৈরিকৃত আর্থিক প্রতিবেদন কোম্পানির সার্বিক অবস্থা পরিচালনা ফলাফলসমূহ নগদ প্রবাহ এবং সম্পদের পরিবর্তন ইত্যাদি যথাযথভাবে উপস্থাপন করা হয়েছে।
২. যথাযথ হিসাব বই সংরক্ষণ করা হয়েছে।
৩. আর্থিক প্রতিবেদন তৈরিতে যথাযথ একাউন্টিং পলিসি নিরবিচ্ছিন্নভাবে প্রয়োগ করা হয়েছে এবং হিসাবের প্রাক্কলন গুলো যুক্তিসঙ্গত এবং যথা উপযুক্ত বিচার বিশ্লেষণ এর উপর ভিত্তি করে করা হয়েছে।
৪. আর্থিক প্রতিবেদন তৈরিতে ইন্টারন্যাশনাল অ্যাকাউন্ট স্ট্যান্ডার্ডস আই এ এস ইন্টারন্যাশনাল ফাইন্যান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস আই এফ আর এস যেভাবে বাংলাদেশ প্রযোজ্য সেভাবে অনুসরণ করা হয়েছে এবং যেকোন ধরনের পরিবর্তন পর্যাপ্তভাবে প্রকাশ করা হয়েছে।
৫. অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা যথাযথভাবে গ্রহণ এবং প্রয়োগ করা হয়েছে।
৬. একটি চলমান প্রতিষ্ঠান হিসেবে যাত্রা অব্যাহত রাখতে কোম্পানির সক্ষমতার উপর কোন সন্দেহ নাই এবং একটি চলমান প্রতিষ্ঠান নথির উপর ভিত্তি করে বার্ষিক হিসাব তৈরি করা হয়েছে।
৭. কোম্পানির পরিচালনা গত ফলাফলে বিগত বছর থেকে গুরুত্বপূর্ণ পরিবর্তন প্রতিবেদনের আলোকপাত করা হয়েছে এবং যদি থাকে তার কারণ ব্যাখ্যা করা হয়েছে।

৮. বিগত পাঁচ বছরের মূল পরিচালনাগত এবং আর্থিক ফলাফলসমূহ উল্লেখ করা হয়েছে। পৃষ্ঠা- ০৮, ১৯-২১ ও ২৭-২৯
৯. কোম্পানির পরিচালক পর্যদের সভার সংখ্যা এবং পরিচালকদের উপস্থিতি সংক্রান্ত তথ্য পৃষ্ঠা- ২২ ও ৩১ এ উল্লেখ করা হয়েছে।
১০. শেয়ার ধরনের পদ্ধতি Annexure-C, Page-56 এ উল্লেখ করা হয়েছে।
১১. বিএসইসি এর চাহিদা মতো এবং কর্পোরেট গভর্নেন্স নিয়ম অনুসারে কর্পোরেট গভর্নেন্স কমপ্লায়েন্স স্ট্যাটাস নামে একটি প্রতিবেদন এবং সনদ বর্ণনা করা হয়েছে। পৃষ্ঠা- ৪২
১২. পরিচালকদের প্রোফাইল পৃষ্ঠা- ১৬-১৭ এবং অন্যান্য সংস্থা তাদের অংশীদারিত্ব এবং অবস্থান, ব্যবসায়ী স্বার্থ এই রিপোর্টে বর্ণনা করা হয়েছে। Annexure-B, Page-54

### ধন্যবাদ জ্ঞাপন

আমরা আমাদের গ্রাহক সরবরাহকারী বিনিয়োগকারী ব্যবসায়িক সহযোগী এবং ব্যাংকারদের কে তাদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি এবং সেই সাথে কোম্পানির সকল কর্মকর্তা-কর্মচারীদের তাদের অবদানের জন্য ধন্যবাদ জানাচ্ছি।

পরিশেষে আমরা বিএসইসি, ডিএসই, সিএসই, সিডিবিএল, আরজেএসসিএফ, এনবিআর এবং সম্মানিত শেয়ারহোল্ডারদের তাদের বিগত দিনের সহযোগিতা এবং ভবিষ্যতে একই ধরনের সহযোগিতার প্রত্যাশায় ধন্যবাদ এবং কৃতজ্ঞতা জ্ঞাপন করছি।

আল্লাহ হাফেজ

পরিচালক মন্ডলীর পক্ষে



(মোঃ ইয়াকুব আলী)

চেয়ারম্যান

২৭ অক্টোবর ২০১৮



## RISKS AND CONCERNS

### RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS:

The factors described below may conceivably materially affect investors' decisions as investment in equity shares involved a high degree of risk. The company is operating in a globally competitive industry involving both external and internal factors having direct as well as indirect effects on the investments.

Investors should carefully consider the following matters before making any investment decision with respect to the Issuer or the Bonds. This section contains a list of risks usually associated with the Issuer and the Bonds that it is issuing. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or of the extent of their consequences. This list of risk factors is not meant to be a comprehensive description of all risks which may be relevant to a decision to invest in the Bonds. In particular it does not take into consideration an investor's specific knowledge and/or understanding about the risks typically associated with the Issuer and the purchase and ownership of the Bonds. Investors are advised to review the risks below, if necessary with the assistance of your own professional advisors, prior to making any investment decisions. If any of the risks described materialize, they could have a serious effect on the Issuer's financial results, and the ability of the Issuer to fulfill its obligations under the Bonds to be issued.

Furthermore, the risks set out may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein:

#### Industry Risk and Business/Market Risk: Management Perception

The company has successfully entered into the market by offering better quality products at competitive terms. The force, which is helping the company for its strong existences, is emergence of back-ward linkage industry. Back-ward linkage industry is supporting for minimizing the lead time and cost of production. Textile industry of Bangladesh is enjoying comparative advantage over other countries despite some threats from local & foreign economic conditions. The global recessions could not affect the company as the earnings were increased in that time and thus RTML is going ahead which proves a strong position of the company against such risk.

Today's ever changing fashion world, style and trends are rapidly moving and textile manufacturer have to cope with the change. Regent Textile Mills Limited is an efficient woven textile manufacturer who can produce both of Fashion Fabrics (Twill, Canvas, Sheeting) and Home textile products (Bed sheet, quilt cover, flat sheet, pillow case etc.). Now across the world, Home Textile became matter of attention for fashion concerned people. RTML firmly ensures quality in production and integration in supply chain with appropriate branding which increases index of its product demand in world market. Its principal buyers are from Europe and North America who are enjoying GSP facility. Demand of textile product is growing at a rapid pace and support from Government through declaring special financial packages as well as continuation of GSP facility (EU market) will enhance the industry growth.

Besides, in the field of textile, the management of RTML is aware of the changes which take place all most routinely at customer's choice. The factory of RTML is fully equipped to meet the wide-ranging demands of quality conscious customers worldwide. BMRE is a continuous job in RTML. After completion of BMRE Regent Textile will be one of the best Textile Companies in the region to challenge others with its enhanced finest quality products.

### **Interest rate risks: Management perception**

At present the Company has borrowed capital from bank with fixed interest rate, hence has little exposure to the short term volatility of money market interest rate. However, the Company has to re fix the interest rate if significant changes occur in money market interest rate according to bank policy. Thus the fluctuation in interest rate increases the earnings volatility of RTML. As a result, the company has been considering to borrow fund from capital market by issuing Bond at fixed interest rate to reduce interest rate and earnings volatility. Management strongly believes that fluctuation of interest rate would have a little impact upon the performance of the Company once the Bond is injected to its capital structure.

### **Operational Risk: Management Perception**

RTML trains its workers adequately and periodically. The entire production process is monitored strictly by well trained quality control officials. Besides, regular maintenance and repairing work of the machineries are conducted. The factory building is well constructed, spacious and contains adequate fire control systems.

### **Risk of volatility of raw materials costs:Management Perception:**

The management of RTML is aware of the continuing market situation of its raw materials. They believe that long term planning for raw material management, exploring number of global markets and truthful relations with the suppliers will mitigate the risk of rising of materials cost.

### **Labour Unrest Risk:Management Perception:**

Due to current labour crisis, there may be a possibility of temporary shutdown of operation, which can affect the shareholder's interest. Different types of employee benefits including Group insurance, medical benefit etc. reduce the risk of labour unrest within the company.

### **Market and technology-related risks:Management Perception:**

RTML has setup its project with modern brand new imported machineries. It has a plan for BMRE/expansion every 3 to 4 years if necessary. It will continuously upgrade its machines and technology. So, the risk of obsolete technology is mitigated. RTML will continuously incorporate marginal changes through BMRE/Expansion, if needed.

### **Management Risk: Management Perception**

RTML is keen to develop the human resources. To increase the efficiency of employees the management of the company has been introduced training and development program. RTML offers competitive packages as well as non-monetary motivation to all ranks. These facilities have enabled the company to achieve a very low employee turnover rate. Moreover, RTML promotes professionalism, team work and alternative leadership ethics in all areas of its activities. Therefore, the management of RTML feels that the company is well prepared to handle the risks in the future.

### **Technology Risk: Management Perception**

Regent Textile Mills Limited established with brand new, most modern and state-of-the art European machineries operating with most modern technological assistance. The management of the company is very much keen to adopt new technologies. The machineries are modern and procured from renowned and brand supplier like Stork from Netherlands, Goller and Bruckner & Kuster from Germany which would be lessen the technological risk to a great extent.

### **Interest Rate Risk Management Perception**

The interest rate of the banks and financial institutions are still quite high at present. The company management has been trying to use low cost funding to keep the financial service cost as low as possible. Dividend During the year under report, the company earned profit after tax of Tk. 36,286,448. Out of the above the Board recommended a cash dividend of Tk. 1.00 (i.e. 10%) per share of Tk. 10 against 10% cash dividend per share of Tk. 10 in the last year. The above



would require a cash outflow of Tk. 25.30 million. The balance amount of Tk. 10.99 million of un-appropriated profits will be used to meet the working capital requirement of the company as well to finance the developmental works.

### **Exchange Rate Risk: Management Perception**

Regent Textile Mills Limited earns foreign currency from export proceeds by Home Textile and Fashion Fabrics items and release back to back L/C on foreign currency. The proceeds of the export come after L/C maturity. RTML faces some fluctuation of foreign currency which extends from 1.5% to 2% in perspective of foreign currency reserve in Bangladesh Bank which is insignificant amount. It is expected that the value of taka against USD and EURO may remain stable in future due to increasing foreign reserve in BB. So in case of exchange rate increase the Company will be in a position to enhance its profitability.

### **Potential or Existing Government Regulations: Management Perception**

Textile sector is the largest contributor to GDP and provides mass employment to a certain extent than others. Government is well aware of these issues and functioning to emphasize the growth of Textile sector. RTML is looking forward to find easiest and investment friendly regulations to regularize activities of this backed process sector. However, the promoters' wills Andover to convince the policy makers for adopting favorable terms and conditions which will eventually help the yarn manufacturers of Bangladesh to compete with the firms in low cost locations in the global arena. it has the better resistance ability due to its cost efficient operation process.

### **Potential Changes in the Global or National Policies: Management Perception**

Textile sector is heavily dependent on potential changes in political situation, both nationally and globally. Local situation as political turmoil and annoyance and failure of state relations with buyer's country may affect this sector. Continuation of GSP facilities is also another concern factor. RTML is aware of these issues and maintain close relationship with various pressure groups to sustain its growth.

### **Political Risk: Management Perception**

The Directors of the company are not involved with any political activities. Therefore, the company in no way, has the chance to face problem for political reasons. However, the risk may arise from general political strikes, blockage of road for shipment, workers strike etc.

### **Going Concern Risk: Management Perception**

H.R. Textile Mills Ltd has been operating as a sustainable organization since 1984. The sponsors always decide on operational and financial issues from the perspective of going concern. Having its own land, building and infrastructure, the company has been operating in such an industry, which is a basic requirement of human being that the management does not see any risk of continuance of the company as a going concern.

### **Compliance Risk: Management Perception**

The compliance requirement is becoming more strict now a days and more compliance requirements are forthcoming. The management of the company has been constantly keeping eye to remain compliant always and taking required measures to comply with the buyer's requirements.



## MANAGEMENT DISCUSSIONS AND ANALYSIS

### OVERVIEW 2017-2018

Let us present before you a short review on the total operational and financial performance of your company from 1st July 2017 to 30th June 2018.

### ECONOMIC OUTLOOK

RMG sector is the driver for both of Bangladesh's economy. It contributes 13% to national GDP (as per various industry related analysis). To achieve the \$50 billion export target Bangladesh will have to earn \$20 billion in the next 4 years as speculated by the industry insiders.

Still Bangladesh remains the world's second largest garment exporter. As said earlier, we have invested huge to ensure that we are well positioned for continued long term and profitable growth.

### ACCOUNTING POLICIES AND CHANGES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1. "Presentation of Financial Statements", in preparation and presentation of Financial Statements have been consistently applied throughout the period and were also consistent with those used in earlier period. During the period the company has adopted BFRS- 9 "Financial Instruments" instead of BAS-39 "Financial Instrument: Recognition and Measurement " as per applicable guidelines. For a proper understanding, these accounting policies are set out in a detailed statement in Note-1-3, (Page: 70-75)

### FINANCIAL PERFORMANCE AND POSITION

The financial Statements of Regent Textile Mills Limited has been prepared in accordance with the Bangladesh Accounting Standards (BAS), The Companies Act 1994 as amended from time to time. Significant accounting policies adopted in the preparation of the financial statements are disclosed in the note: 1-3 to the financial statements.

The following table gives an overview of the financial results of the company:

Particulars	FY 2017-18 (Million)	% of Revenue	% of Growth	FY 2016-17 (Million)	% of Revenue
Revenue from Operations	1,215,257,968		14.84%	1,058,204,192	
Cost of Goods Sold	973,930,016	80.14%	15.86%	840,578,244	79.43%
Earnings before Interest, Tax, Depreciation, amortization (EBITDA) (Before the Income)	223,599,139	18.40%	9.38%	204,430,622	19.32%
Profit before Tax (PBT)	141,192,412	11.62%	(12.55)%	161,454,583	15.26%
Profit after Tax (PAT)	129,702,126	10.67%	(5.33)%	137,000,682	12.95%
Earnings Per Share (EPS)-BDT	1.12			1.21	
Net Assets Value (NAV)	30.70			30.12	
Net Operating Cash Flow Per Share (NOCFPS)	2.52			(2.08)	

### COST OF GOODS SOLD (COGS)

Cost of goods sold (COGS) is the expenses of a company incurred in order to manufacture, create or to sell a product. It includes the cost price of the raw materials as well as the expenses of turning it into a finished product. During this period under consideration Revenue of the company has been grown by 14.84% compared with previous period that is consistently followed by cost of goods sold. Due to increased volume of new buyers that company has already developing new design and pattern of product portfolio to grab more orders in future. However, overall consumption pattern was identical as previous periods.

## GROSS PROFIT MARGIN RATIO

Gross profit is the difference between sales and cost of goods sold.

Gross profit = (Sales-Cost of Goods Sold). The gross profit margin is one indicator to diagnose the financial health of a business. Largest gross profit margins are better for a business- The higher the %, the more the business retains its taka of each taka of sales for other expenses and net profit.

During the reporting period of 12 months from 1 July 2017 to 30 June 2018, gross profit margin was 19.86% against 20.57% from 1 July 2016 to 30 June 2017. Gross profit has decreased as the price of raw materials was higher and commodity price was lower in the period.

## NET PROFIT MARGIN RATIO

Net profit is calculated by subtracting expenses including tax and WPP and WF from the gross profit, showing what the business has earned (or lost) in a given period of time.

Net Profit = Gross Profit - Expenses with Tax and WPP and WF. The net profit margin ratio is 10.67% against 12.95% in the previous 12 months. The fall in net profit was mainly due to increase in financial cost after scarcity of available fund in financial market from later part of 2017, which continues till the end of the considered financial year. It is mentionable here that average cost of finance increased from 9.5% to 12.5% during this period.

## RISK AND CONCERN

The Board of the Company reviews the risk management practices and actions deployed by the Management with regard to identification, impact assessment, vigilance and monitoring, mitigation and reporting of key risks while trying to achieve objectives of business. Details in Page: 35-37.

## FORWARD LOOKING STATEMENTS

Board of Directors and the Management of the Company are looking forward to continue its progress in alignment with overall industry's growth and have made all preparations to this end. Overall industry is projected to grow in a steady way in next few years and your Company will be in forefront to be one of the key players in the future excileratinmg market in the coming years.

## Industry outlook and possible future developments in the industry

The company is 100% export oriented composite Textiles industry to carry out business of weaving, Dyeing, Printing and Finishing. Competitive wages rate together with easily trainable workforce, entrepreneurial skill, expanding supply line capacity, and government policy helped to transform the comparative advantages into competitive advantages of this industry.

Supported with strong backward and forward linkages industry and Generalized Systems of Preference (GSP) benefit, Bangladesh has showed remarkable development over time for a prosperous future in this sector.

The company has been operating in the market for a long time with reputation and commitment. Having long & vast experience in Home Textiles and Garments and after successful expansion under BMRE, we are more confident that we will be able to hold our reputation globally as a quality supplier in the coming days.

As you know that the Company is going for expansion and acquiring a new RMG factory. And surely, after successful implementation of BMRE and if approval given by the shareholders to acquire a running and compliant RMG factory, the production will be increased and as well as turnover will change drastically and the wealth of the shareholders will be maximized in return. Subsequently, the Regent Textile Mills Limited will be a model and pioneer in textile Industry. Hence, our bargaining capacity with potential buyers will increase and side by side we will be able to produce value added products with better quality.

## Market and Challenges

We are committed to meet our promises to our values customers' satisfaction that largely depends on quality products and quick/scheduled on time delivery. To minimize the concern we have introduces mechanized and digitalized system for efficient and quick delivery. Besides, vigorous searching of new market for our products is also a regular job.



## REPORT OF THE AUDIT COMMITTEE

The Board of Directors of Regent Textile Mills Limited has constituted an Audit committee in terms of the conditions of Bangladesh Securities and Exchange Commission (BSEC) Guidelines. All members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. The Committee assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system with accountability and transparency within the business.

### The Audit Committee Comprises as follows:

Mr. Md. Javed Iqbal	Independent Director & Chairman
Mr. Md. Yasin Ali	Director & Member
Mr. Mashruf Habib	Director & Member
Mr. M. R. H Sikder FCS	Member Secretary

### Activities of the Audit Committee

1. Overseeing and monitoring of financial reporting process adoption of reporting standards and control risk management process
2. Review of periodic Financial Statements
3. Review of Internal Control Assessment
4. Review of Internal Audit Report
5. Review of Related Party Transaction & investment activity
6. Any Other matters as may be directed by the Board

### Meeting and Attendance

During the reporting period under review, the Audit Committee held 4 (four) meetings. The attendance of the members is as follows:

Name of the Members	Attendance
Mr. Md. Javed Iqbal	4
Mr. Md. Yasin Ali	4
Mr. Mashruf Habib	2

### Reporting to the Board of Directors

The audit committee reports on its activities to the Board of Directors. The audit committee immediately reports to the Board of Directors on the following findings, if any:

- Report on conflicts of interests.
- Suspected or presumed fraud or irregularity or material defect in the internal control system.
- Suspected infringement of laws, including securities related laws, rules and regulations.
- Any other matter that it deems necessary.

In compliance of the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission, the managing Director and Chief Financial Officer respectively of Regent Textile Mills Limited, have certified before the Board that they have thoroughly reviewed the financial statements of the Company for the year ended 30th June 2018, and state that;

- These statements do not contain any materially untrue statement or omit any material facts or contains statements that might be misleading,
- These statements together present as a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws, and
- To the best of their knowledge and belief, the Company has not entered into any transaction during the year which are fraudulent, illegal or in violation of the Company's codes of conduct.

This certificate has been reviewed by the audit committee before submitting to the Board.



## Major activities of the Audit Committee

The Audit Committee assists the Board of Directors in fulfilling effectively its oversight responsibilities for the company's accounting and financial reporting process and internal control system of the company. During the period under review 4 meetings of the audit committee were held and the committee focused on the following activities:

- Reviewed quarterly, half-yearly and annual financial statements.
- Considered and made recommendation to the Board on the appointment and remuneration of statutory auditors, Hoda Vasi Chowdhury & Co., Chartered Accountants, for the year ended June 30, 2018.
- Approved the Internal audit plan, monitored progress.
- Reviewed the reliability and consistency of the financials statements of the company to ensure that the internal control and compliance procedures are adequate to present a true and fair view of the company's state of affairs.
- Ensured that proper disclosures required under accounting standards as adopted in Bangladesh have been made and also complied with the Companies Act and various rules and regulations applicable.
- Reviewed internal control systems, audit action plans and followed up on their findings. It examined all relevant issues relating to the financial and other connected affairs of the company.
- Reviewed management letter issued by the external auditors in their presence.
- Reviewed the utilization of IPO fund, the company has used up to September 30, 2018 the IPO fund as under:
  - i. Civil construction around Tk. 10 million (From company's own source & assistance from FIs)
  - ii. BMRE Project Tk. 100.83 million (From IPO Fund)
  - iii. New RMG Project Tk. 19.24 million (From IPO fund)
  - iv. IPO expenses Tk. 25.22 million (From IPO fund)

By the time the management opened Letter of credits for importing capital machineries amounting to around US\$ 7.104 million. The management also assured us that the rest of amount will be utilized in full within extended time i.e. June 2019.

Reviewed other matters and incidents of significance as per Terms of Reference (TOR) of Audit Committee

## Reporting of the Committee

On discharging the responsibilities of the Audit Committee, it has ensured the following measures and steps:


- Financial statements have been prepared and presented in compliance with all laws, regulations and standards as applicable.
- Adequate risk controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and that the financial position of the company is adequately managed.

Observations, findings and suggestions of the Audit Committee were communicated different times to the Board of Directors and the Board had taken appropriate measures on the report

The audit committee members expressed their sincere thanks to the members of the Board, Management of the Company and the auditors for their support and cooperation to carry out its duties and responsibilities effectively.

For and On behalf of the Audit Committee

  
**(Md. Javed Iqbal)**  
 Independent Director and  
 Chairman of the Audit Committee  
 30 October 2018

  
**(M. R. H. Sikder FCS)**  
 Member Secretary

## REPORT ON CORPORATE GOVERNANCE

Sound Corporate Governance is a fundamental part of the culture of the company and ensures long-term success. Corporate governance concerns the relationships among the management, Board of Directors, shareholders and other stakeholders. It refers to the structures and processes for the direction and control of companies and ensures long term success of the Company.

Good Corporate Governance contributes to sustainable economic development by enhancing the performance of companies. The Board of Regent Textile Mills Limited is firmly committed to upholding principles of good corporate governance in all aspects.

The main objective of the corporate governance is creating long lasting value for all stakeholders, accountability and transparency in the business dealings and transactions and disclosures of informations with sound ethical principles under code of conduct.

### Board Size & Meeting

There are 7 (seven) Directors including 2 (two) Independent Directors, Chairman and Managing Director on the Board in compliance with the Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission. Attendance Page- 22 & 31.

### Role of the Board

The Board of Directors holds regular meetings to set vision and strategic objectives, providing leadership, overall supervision and safeguarding the interest of the shareholders of the Company with ensuring good communication and discuss and decide other matters of importance. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the company's financial position and ensures that its activities, accounts and assets management are secured with proper monitoring and control. The Board also ensures that RTML policies and procedures and code of conduct are understood, implemented and maintained at all levels and the company adheres to generally accepted principles for good governance and effective control of company activities. The directors of the Board are appointed by the Shareholders in the Annual General Meeting and accountable to the Shareholders.

## Board sub-Committees:

### Audit Committee

Regent Textile Mills Limited has an Audit Committee as a sub-committee of the Board of the Company. It constituted with the Independent Director as Chairman and two other non-executive Directors. The company Secretary acts as Member Secretary to the Audit Committee. This committee assists the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company. Audit committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth in the Terms of Reference (TOR) approved by the Board. The role of the Audit Committee has been stated in the annual audit committee report. Page: 40-41.

### Compensation Committee

The Compensation Committee has been constituted as a subcommittee of the Board of Directors where Mr. Md. Yasin Ali, Director as the Chairman and two other Directors as member. The company Secretary acts as Member Secretary to the sub-Committee.



### Independent Directors

Two Independent Directors have been appointed and are included in the list of Board members. The qualifications of Independent Directors are shown below:

### Chairman & Managing Director/CEO

In Regent Textile Mills Limited, Chairman and Managing Director are two separate individuals selected from the Board of Directors of the Company. They are performing defined roles and responsibilities and focusing on strategic issues that add values to the Company. Managing Director is regularly overseeing and reviewing operation and guides the senior management of the company on different strategic issues.

### Directors' Report to the Shareholders of the Company

Board of Directors is reporting the performance, annual activities and achievements and status of the Company's affairs to the Shareholders of the Company. The guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) are strictly followed while preparing Directors' Report to the Shareholders.

### Company Secretary, Chief Financial Officer and Head of Internal Audit

Company Secretary : Mr. M. R. H. Sikder FCS  
 Chief Financial Officer : Mr. A. K. Bhattacharyya  
 Head of Internal Audit : Mr. Sk. Md. Jan - e - Alam

### Qualification of Company Secretary, Chief Financial Officer, Head of Internal Audit

The Company has appointed experienced Chief Financial Officer, qualified Chartered Secretary as Company Secretary. The CFO and Company Secretary regularly advise and assist the Board on financial strategy and compliance issues of the regulatory bodies. They are also attending Board Meeting as per corporate governance notification of the Bangladesh Securities and Exchange Commission (BSEC). Internal audit department of the Company headed by a Head of Internal Audit has professional expertise and experience in the field of Internal Audit.

Board of Directors clearly defined respective roles, responsibilities and duties of the Company Secretary Chief Financial Officer and Head of Internal Audit.

### Internal Audit and Control

Regent Textile Mills Limited has established an Internal Audit Department, consisting of experienced and knowledgeable professionals, who directly report to the Board of Directors through Audit Committee of the Board. The department regularly conducts its audit as per its audit plan and check, verify and reviews the compliance of internal control procedures and other regulatory body's requirements.

### Statutory/External Auditors

The BSEC guidelines are strictly followed in engaging statutory Auditors as follows:

- i. Appraisal or valuation services or fairness opinion
- ii. Financial information systems design and implementation
- iii. Book - keeping or other services related to the accounting records or financial statements
- iv. Broker - Dealer services
- v. Actuarial services
- vi. Internal audit services
- vii. Any other service that the Audit Committee determines



No partner or employees of the statutory/external audit firm possess any shares of the Company

### **Management Committee**

The Board of the Company also constituted a sub-committee of the Board namely Executive Committee with Mr. Md. Yakub Ali, Director as the Chairman and three other Directors including an Independent Director. The main objectives and activities of the committee are overseeing that strategic policies are implementing as per guidelines of the Board. They sit to discuss and review the major activities of the Company. The company Secretary acts as Member Secretary to the sub-Committee

### **Certificate on the Compliance of Corporate Governance Guidelines of BSEC**

A certificate regarding compliance of conditions of Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) is included in the Annual Report in Page- 45.

### **Management Discussion and Analysis**

Board of Directors periodically as and when required sits and discusses on the increase/decrease of sales, cost of goods sold, gross and net profit and takes necessary steps as required in this regard a detailed report on discussion is included in annexure-F.



**Partners:**  
S.M. Shafique FCA  
Md. Abu Sina FCA  
Md. Anisur Rahman FCA  
Faruk Ahmed ACA  
Sheikh Zahidul Islam FCA

**KHAN WAHAB SHAFIQUE RAHMAN & CO.**  
CHARTERED ACCOUNTANTS



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**Report to the Shareholders of Regent Textile Mills Limited**  
**On compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Regent Textile Mills Limited for the year ended on June 30, 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

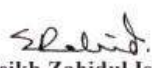
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except RTML has no Nomination and Remuneration Committee;
- (b) The Company has complied with provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

**Dhaka, Dated**  
**December 02, 2018**

  
**Sheikh Zahidul Islam FCA, MBA**  
ICAB Enrollment No. 1394  
**Partner**  
**Khan Wahab Shafique Rahman & Co.**  
**Chartered Accountants**

**Branch Office:**  
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60, Agrabad C/A, Chittagong.  
Telephone: 2520056,  
E-mail: kwsrctg@gmail.com

**In Practice since 1968**

## Compliance Status of BSEC Guidelines for Corporate Governance

Status of Compliance by RTML with the Corporate Governance (CG) Guidelines issued by BSEC through notification No.SEC/CMRRCD/2006-158/207/Admin/80,dated 30 June 2018:

(Report under Condition No. 9)

Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	<b>Board of Directors:</b>			
1.1	Board's Size: The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty).	✓		The RTML Board is comprised of 7 (seven) Directors
1.2	<b>Independent Directors:</b> All companies shall encourage effective representation of independent directors on their Board of Directors so that the Board, as a group, includes core competencies considered relevant in the context of each company; For this purpose, the companies shall comply with the following:-			
1.2(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		There are 2 (two) Independent Directors in the RTML Board.
1.2(b)	<b>For the purpose of this clause "independent director" means a director -</b>			
1.2(b)i	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		The Independent Directors have declared their compliances.
1.2(b)ii	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
1.2(b)iii	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1.2(b)iv	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1.2(b)v	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
1.2(b)vi	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		Do
1.2(b)vii	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		Do
1.2(b)viii	who is not independent director in more than 5 (five) listed companies;	✓		Do
1.2(b)ix	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		Do
1.2(b)x	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years];	✓		
1.3	<b>Qualification of Independent Director.</b>			
1.3(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business;	✓		The qualifications and background of IDs justify their abilities as such.
1.3(b)	<b>Independent director shall have following qualifications:</b>			
1.3(b)i	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association ;or	✓		Do
1.3(b)ii	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company ; or	N/A		
1.3(b)iii	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	N/A		
1.3(b)iv	University Teacher who has educational background in Economics or Commerce or Business Studies or Law ; or	N/A		



1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	N/A		
1.3(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	N/A		
1.3(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A		
1.4	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-</b>			
1.4(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1.4(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1.4(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1.4(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1.4(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	N/A		
1.5	<b>Directors' Report to Shareholders:</b> The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
1.5(i)	Industry outlook and possible future developments in the industry;	✓		The Directors' report complies with the guideline.
1.5(ii)	The segment-wise or product-wise performance;	✓		Do
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Do
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Do
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss;	✓		Do
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		A statement of all related party transaction are disclosed in Notes to the Financial Statements.
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments;	✓		
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc;			N/A
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report;			No Significant variance occurred during the period.
1.5(x)	Remuneration to directors including independent directors;	✓		The Directors' report complies with the guideline.
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		The Directors' report complies with the guideline.
1.5(xii)	Proper books of account of the issuer company have been maintained;	✓		Do
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		Do
1.5(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed;	✓		Do
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	✓		Do
1.5(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;			N/A
1.5(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	✓		Do
1.5(xviii)	Significant deviations from the last period's operating results of the issuer company shall be highlighted and the reasons thereof should be explained;			Significant deviations was not occurred.
1.5(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		The Directors' report complies with the guideline.
1.5(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			Dividend declared
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	N/A		

1.5(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1.5(xxiii)	<b>The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-</b>			
1.5(xxiii)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);			N/A
1.5(xxiii)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
1.5(xxiii)c)	Executives; <b>Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.</b>	✓		
1.5(xxiii)d)	Shareholders holding ten percent (10%) or more votes interest in the company (name wise details);	✓		
1.5(xxiv)	<b>In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-</b>			
1.5(xxiv)a)	a brief resume of the director;	✓		
1.5(xxiv)b)	nature of his/her expertise in specific functional areas; and	✓		
1.5(xxiv)c)	names of companies in which the person also holds the directorship and the membership of committees of the board;	✓		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓		
1.5(xxv)a)	accounting policies and estimation for preparation of financial statements;	✓		
1.5(xxv)b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1.5(xxv)c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1.5(xxv)d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5(xxv)e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5(xxv)f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1.5(xxv)g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1.6	<b>Meetings of the Board of Directors</b> The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1.7(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.7(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2	<b>Governance of Board of Directors of Subsidiary Company:-</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
3	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-</b>			



3.1	<b>Appointment:</b> The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	✓		
3.2	<b>Requirement to Attend Board Meetings:</b> The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓		
3.3	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3.3(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;	✓		
3.3(a)i	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3.3(a)ii	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	<b>Board of Directors' Committee.</b> For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.		✓	To be complied within 31st December
5	<b>AUDIT COMMITTEE:</b>			
5(1)	<b>Responsibility to the Board of Directors.</b>			
5(1)a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors;	✓		
5(1)b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		In Practice. The duties are clearly written in the TOR of the Audit Committee
5(1)c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		Do
5(2)	<b>Constitution of the Audit Committee:</b>			
5(2)a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		The Audit Committee has been comprised of 3 (three) members
5(2)b)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director;	✓		
5(2)c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience. <b>Explanation:</b> The term "financially literate" means the ability to read and understand the financial statements like Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if (s)he possesses professional qualification or Accounting/Finance graduate with at least 12 (twelve) years of corporate management/professional experiences.	✓		
5(2)d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		The board have appointed members in due time and no vacancy occurred.
5(2)e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	<b>Chairperson of the Audit Committee</b>			
5(3)a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director;	✓		
5(3)b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		



REGENT TEXTILE ANNUAL REPORT

5(3)c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM); Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5(4)	<b>Meeting of the Audit Committee</b>			
5(4)a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5(4)b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	<b>Role of Audit Committee:</b> The audit committee shall:-			
5(5)a)	Oversee the financial reporting process;	✓		
5(5)b)	Monitor choice of accounting policies and principles;	✓		
5(5)c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)d)	oversee hiring and performance of external auditors;	✓		
5(5)e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)h)	review the adequacy of internal audit function;	✓		
5(5)i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)j)	review statement of all related party transactions submitted by the management;	✓		
5(5)k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee	✓		
5(6)	<b>Reporting of the Audit Committee:</b>			
5(6)a)	<b>Reporting to the Board of Directors:</b>			
5(6)a)i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
5(6)a)ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5(6)a)ii)a)	report on conflicts of interests;	✓		There was no reportable case of conflict of interest for the period from 1st July, 2017 to 30th June, 2018.
5(6)a)ii)b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		There was no such case in the period.
5(6)a)ii)c)	suspected infringement of laws, including securities related laws, rules and regulations; and	✓		DO
5(6)a)ii)d)	any other matter which shall be disclosed to the Board of Directors immediately.	✓		DO
5(6)b)	<b>Reporting to the Authorities:</b> If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			N/A
5(7)	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5(6)a)ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		The Audit Committee Report is disclosed in the annual report and signed by the Chairman of the AC.

<b>6</b>	<b>Nomination and Remuneration Committee (NRC).</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		To be complied within 31st December
6(1)b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		DO
6(1)c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		DO
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)a)	The Committee shall comprise of at least three members including an independent director;	✓		DO
6(2)b)	All members of the Committee shall be non-executive directors;	✓		DO
6(2)c)	Members of the Committee shall be nominated and appointed by the Board;	✓		DO
6(2)d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		DO
6(2)e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			DO
6(2)f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member. If the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		DO
6(2)g)	The company secretary shall act as the secretary of the Committee;	✓		DO
6(2)h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		DO
6(2)i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		DO
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		DO
6(3)b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		DO
6(3)c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM	✓		DO
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)a)	The NRC shall conduct at least one meeting in a financial year;	✓		DO
6(4)b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		DO
6(4)c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		DO
6(4)d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		DO
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		DO
6(5)b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		DO
6(5)b)i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		DO
6(5)b)ii)a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		DO
6(5)b)ii)b)	he relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		DO
6(5)b)ii)c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		DO
6(5)b)iii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		DO



## REGENT TEXTILE ANNUAL REPORT

6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;		✓	DO
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;		✓	DO
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and		✓	DO
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;		✓	DO
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report		✓	DO
<b>7</b>	<b>External or Statutory Auditors.</b>			
<b>7(1)</b>	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest.	✓		
<b>7(2)</b>	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company; Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
<b>7(3)</b>	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company.</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance.</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		



**ANNEXURE- A**

[As per condition No.-01(5) (XXVi)]

**Regent Textile Mills Limited  
Declaration by CEO and CFO**

30 October 2018

The Board of Directors  
Regent Textile Mills Limited (RTML)  
HG Tower, 1182, Jubilee Road  
Chattogram-4000

**Subject- Declaration on Financial Statements for the year ended on 30th June, 2018**

**Dear Sir,**

Pursuant to the condition No 1(5) (XXVi) imposed vide the commissions notification no-BSEC/CMRRC-D/2006-158/2007/Admin/80 Dated 03 June 2018 under the section 2CC of the securities and exchange ordinance 1969,

**We do hereby declare that**

- (1) The financial statement of Regent Textile Mills Limited for the year ended on 30th June 2018 have been prepared in compliance with International Accounting Standard (IAS) or International Financial Reporting Standards (IFRS) as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimated and judgment related to the financial statements were made on prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the company's state and affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the company has taken proper and adequate care installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide a reasonable assurance that the established policies and procedures of the company were consistently followed; and
- (6) The management's used of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

In this regard we also certify that:

- (i) We have reviewed the financial statements for the year ended on 30th June 2018 and that to the best of our knowledge and belief;
  - (a) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  - (b) These statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's board of directors or its members.

**Sincerely yours,**



**(Salman Habib)**  
Chief Executive Officer



**(Anjan Kumar Bhattacharyya)**  
Chief Financial Officer

## DIRECTORSHIP IN OTHER COMPANIES

Name	Position in RTML	Entities where they have Interest	Position in the Entities
Md. Yakub Ali	Chairman	Ali Fashion Limited	Chairman
		Anowara Apparels Limited	Chairman
		Anowara Fashion Limited	Chairman
		Anowara Paper Mills Limited	Chairman
		Bangladesh Fertilizer & Agro Chemicals Limited	Chairman
		Diamond Cement Limited	Chairman
		Habib Printers and Publisher Limited	Chairman
		Habib Shares & Securities Limited	Chairman and Managing Director
		Habib Sons	Managing Partner
		Habib Steels Limited	Chairman
		HG Aviation Limited	Director
		Legacy Fashion Limited	Chairman
		Maam Textile Mills Limited	Chairman
		MTS Re-Rolling Mills Limited	Chairman
		Mudys Navigation Limited	Chairman
		National Credit & Commerce Bank Limited	Director
		Noor Garments Limited	Chairman
		Regent Energy and Power Limited	Chairman
		Regent Fabrics Limited	Chairman
		Regent Power Limited	Chairman
		Regent Spinning Mills Limited	Chairman
		Regent Weaving Limited	Chairman
		Siam's Superior Limited	Chairman
		Valiant Fashion Wear Limited	Chairman
		Valiant Garments Limited	Chairman
Md. Yasin Ali	Director	Anowara Apparels Limited	Managing Director
		Anowara Fashion Limited	Managing Director
		Anowara Paper Mills Limited	Managing Director
		Bangladesh Fertilizer & Agro Chemicals Limited	Managing Director
		Diamond Cement Limited	Managing Director
		ANZ Properties Ltd.	Chairman
		Continental Insurance Limited	Director
		Diamond Pack Limited	Managing Director
		Habib Shares & Securities Limited	Director
		Habib Printers & Publishers Limited	Managing Director
		Habib Steels Limited	Managing Director

		HG Aviation Limited	Chairman
		Legacy Fashion Limited	Managing Director
		Maam Textile Mills Limited	Managing Director
		Meghna Bank Limited	Director
		MTS Re-Rolling Mills Limited	Managing Director
		Mudys Navigation Limited	Managing Director
		Noor Garments Limited	Managing Director
		Regent Energy and Power Limited	Managing Director
		Regent Fabrics Limited	Managing Director
		Regent Power Limited	Managing Director
		Regent Spinning Mills Limited	Managing Director
		Regent Weaving Limited	Managing Director
		Siam's Superior Limited	Managing Director
		Ali Fashion Limited	Managing Director
		Southern Medical College & Hospital	Chairman
		Valiant Fashion Wear Limited	Managing Director
		Union Cement Mills Limited	Managing Director
		Union Fertilizer Complex Limited	Managing Director
		Valiant Garments Limited	Managing Director
Salman Habib	Managing Director	H G Aviation Limited	Director
		Valiant Fashion Wear Limited	Director
		Continental Insurance Limited	Director
		Valiant Garments Limited	Director
		Regent Spinning Mills Limited	Director
		Hela Clothing Bangladesh Limited	Director
Mashruf Habib	Director	Hela Clothing Bangladesh Limited	Chairman
		H G Aviation Limited	Managing Director
		Valiant Fashion Wear Limited	Director
		Valiant Garments Limited	Director
Tanvir Habib	Director	Hela Clothing Bangladesh Limited	Managing Director
		H G Aviation Limited	Director
		Valiant Fashion Wear Limited	Director
		Valiant Garments Limited	Director
		Regent Spinning Mills Limited	Director
		Siam's Superior Limited	Director
Eng. Md. Abul Quasem	Independent Director	-	-
Md. Javed Iqbal	Independent Director	M/S. Shah Amanath Enterprise	Proprietor



ANNEXURE- C

# SHAREHOLDING STRUCTURE AS ON 30 JUNE 2018

## SHAREHOLDING OUTLINE

A ) Parent/Subsidiary/Associated companies and other related parties

Regent Textile Mills Limited has no parent, subsidiary and / or associated Company

B) Directors/CEO/CS/CFO/ Head of internal Audit and Their Spouses and minor children

Sl.	Name of Shareholder	Position	Number of Shares	Percentage
1	Mr. Md. Yakub Ali	Chairman Father of Mashruf Habib & elder brother of Md. Yasin Ali	13,926,313	12.06%
2	Mr. Md. Yasin Ali	Director Father of Salman Habib & younger brother of Md. Yakub Ali	140,000,49	12.12%
3	Mr. Mashruf Habib	Director Son of Mr. Md. Yakub Ali & nephew of Mr. Md. Yasin Ali	3,339,000	2.89%
4	Mr. Salman Habib	Managing Director Son of Mr. Md. Yasin Ali & nephew of Mr. Md. Yakub Ali	3,339,000	2.89%
5	Mr. Tanvir Habib	Director Son of Mr. Late Md. Mahabub Ali (Ex. Director of RTML & nephew of Mr. Md. Yakub Ali & Mr. Md. Yasin Ali	6,125,023	5.30%
6	Eng. Md. Abul Quasem	Independent Director	Nil	0%
7	Mr. Md. Javed Iqbal	Independent Director	Nil	0%
8	Mr. M. R. H. Sikder	Company Secretary	Nil	0%
9	Mr. A. K. Bhattacharyya	Chief Financial Officer	Nil	0%
10	Mr. Sk. Md. Jan - e - Alam	Head of Internal Audit	210	0%

## Shareholders, who hold 10% or more

Sl.	Name of Shareholder	Position	Number of Shares	Percentage
1	Mr. Md. Yakub Ali	Chairman Father of Mashruf Habib & Elder brother of Md. Yasin Ali	13,926,313	12.06%
2	Mr. Md. Yasin Ali	Director Father of Salman Habib & younger brother of Md. Yakub Ali	140,000,49	12.12%

## Shareholding status of top 5 salaried employees other than CFO, CS, & HIA

Sl.	Name of Shareholder	Position	Number of Shares	Percentage
1	Mr. Mohammed Abdur Rashid	Director Finance & Operations	Nil	0%
2	Mr. Mohammad Masud Hossain	Director, Marketing	Nil	0%
3	Mr. A. K. Bhattacharyya	Chief Financial Officer	Nil	0%
4	Mr. Amalendu Pandey	Head of Processing	Nil	0%
5	Mr. Md. Anwar Sadat Siddiqi	GM, Admin, HR & Compliance	Nil	0%

## Risk and Concerns:

Board of Directors review the risk management practice and actions deployed by the management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives. A detailed report on risk and concerns are given in Annexure-J, page-84.

**Forward Looking Statements:**

Board of Directors and management of the company are looking forward to keep its progress in alignment with industry's growth and have made all preparation to this end. Overall industry is projected to grow in a steady way in next couple of years and your company will be in forefront to be one of the major players in the future booming market.

**Industry outlook and possible future developments in the industry:**

The company is 100% export oriented composite Textiles industry to carry out business of weaving, Dyeing, Printing and Finishing. Competitive wages rate together with easily trainable workforce, entrepreneurial skill, expanding supply line capacity, and government policy helped to transform the comparative advantages into competitive advantages of this industry.

Supported with strong backward and forward linkages industry and Generalized Systems of Preference (GSP) benefit, Bangladesh has showed remarkable alertness over time for a prosperous future in this sector.

The company has been operating in the market for a long time with reputation and commitment. Having long experience in Home Textiles and Garments and after successful expansion under BMRE, we are more confident that we will be able to hold our reputation globally as a quality supplier in the coming days.

As you know that the Company is going for expansion and establishing a new RMG project. And surely, after successful implementation of BMRE and if approval given by the shareholders to acquire a running and compliant RMG factory, the production will be increased and as well as turnover will change drastically and the wealth of the shareholders will maximize in return. Subsequently, the Regent Textile Mills Limited will be a model and pioneer in textile Industry. Hence, our bargaining capacity with potential buyers will increase and side by side we will be able to produce value added products with better quality.

**Market and Challenges:**

We are committed to meet our promises to our values customers' satisfaction that largely depends on quality products and quick/scheduled on time delivery. To minimize the concern we have introduces mechanized and digitalized system for efficient and quick delivery. Besides, vigorous searching of new market for our products is also a regular job.

**Discussion on continuity of extra-ordinary gain or loss**

There is no significant extra-ordinary gain or loss during the financial year.

**Significant variance of financial statements**

During the reporting period the turnover decreased significantly because of following reasons:

- a. Pricing of products reduction in international market
- b. ACCORD compliance issue
- c. Strong competitions in getting buyer's order etc.

ANNEXURE- D

# RELATED PARTY TRANSACTIONS

The company carried out number of transactions with related parties in the normal course of business on an arm' length basis which are under the same management and has been disclosed in related party transaction in note no. 33 of the notes to the financial statements. The details of related party transactions are presented in the below table:

							Amount in Taka	
SL No.	Name of the Related Parties	Name of the Person Involved	Relationship	Nature of Transactions	Transaction during the year		Balance as at 30-June-2018	Balance as at 30-June-2017
1	Regent Spinning Mills Limited	Mr. Md. Yakub Ali	Common Director	Supply of Yarn	Dr.	(78,421,200)	14,154,571	16,561,501
		Mr. Md. Yasin Ali						
		Mr. Mashruf Habib			Cr.	76,014,270		
		Mr. Salman Habib						
2	Regent Fabrics Limited	Mr. Md. Yakub Ali	Do	Servicing of Fabric	Dr.	171,963,901	358,050,576	245,799,593
					Cr.	(34,138,666)		
		Mr. Md. Yasin Ali		Due To/From	Dr.	567,680,352		
					Cr.	(499,987,453)		
3	Regent Weaving Limited	Mr. Md. Yakub Ali	Do	Servicing of Fabric	Dr.	172,126,923	158,781,177	69,814,533
					Cr.	(51,807,990)		
		Mr. Md. Yasin Ali		Due To/From	Dr.	264,890,723		
					Cr.	(241,591,093)		
4	Anowara Fashions Limited (C&F)	Mr. Md. Yakub Ali	Do	Clearing & Forwarding Agent	Dr.	84,679,538		
		Mr. Md. Yasin Ali			Cr.	(84,679,538)		
5	Legacy Fashion Limited	Mr. Md. Yakub Ali	Do	Readymade Garments	Dr.	44,168,725	11,364,763	12,505,600
		Mr. Md. Yasin Ali			Cr.	(45,309,562)		
6	Siam's Superiors Limited	Mr. Md. Yakub Ali	Do	Readymade Garments	Dr.	11,025,124	10,003,201	34,710,900
		Mr. Md. Yasin Ali						



		Mr. Tanvir Habib			Cr.	(35,732,823)		
7	Diamond Cement Limited	Mr. Md. Yakub Ali	Do	Supply of Cement	Dr.	-	-	-
		Mr. Md. Yasin Ali			Cr.	-		
8	Habib Sons	Mr. Md. Yakub Ali	Do	Supply of Chemical	Dr.	599,150	1,000,000	816,400
					Cr.	(415,550)		
9	Directors	Mr. Md. Yakub Ali	Key Management Personnel	Remuneration, Board Meeting Fees and Office Rent	Dr.	2,605,000	2,605,000	2,855,000
		Mr. Md. Yasin Ali						
		Mr. Mashruf Habib						
		Mr. Salman Habib			Cr.	-		
		Mr. Tanvir Habib						
		Engr. Md. Abul Quashem						
		Mr. Md. Jabed Iqbal						
10	Directors/ Sponsors	Mr. Md. Yakub Ali	Directors/ Sponsors	Short Term Loan	Dr.	51,405,915	-	(51,405,915)
		Mr. Md. Yasin Ali						
		Mr. Mashruf Habib						
		Mr. Salman Habib			Cr.	-		
		Mr. Tanvir Habib						
		Mrs. Anjumanara Begum						
		Mrs. Amina Mahabub						
		Mrs. Salma Yasin						
		Mrs. Tanima Mahabub						



## PRESENT STATUS OF BMRE AND NEW RMG PROJECT

### Expansion under BMRE of Textile:

The Company raised BDT 125 Crore from capital market through IPO of 5 Crore Ordinary shares to implement BMRE with a view to make the present textile project a model one in the region with sophisticated most modern and state-of-the-art machineries. Moreover to establish a new RMG project aiming to boost up the capacity of forward linkage process of the company. We regret to say that due to several unavoidable difficulties and hurdles we could not be able to maintain our commitments and complete both projects within the stipulated timeline. The costs estimated for BMRE were fixed at Tk. 824.70 million and the cost was Tk. 398.50 million for establishing a new RMG project. Remaining amount will be adjusted with the IPO process expenditure. The prime objective of BMRE was to increase present production capacity and development of product quality to meet present global fashion and style.

We are pleased to inform you that we are sincerely trying to complete the BMRE by maintaining existing production capacity. We have completed BMRE related land development and structural & civil works. By this time we have installed imported machineries for BMRE in the project site. Though very late, we have been approved for gas connection from Karnaphully Gas Distribution Company Limited in October 2018. After having gas connection we have started erection and commissioning of machineries and hopeful to complete and start the commercial operation within soonest possible timeframe. In this regard we are very much grateful to our honorable shareholders for their support and cooperation at all the times.

Now the BMRE has made Regent Textile Mills Limited a complete dyeing, printing and finishing project. Almost machineries arrived at our project site. Erection and commissioning work is running in full swing. We were supposed to start commercial operation of new machineries by October 2018. But delay to get Gas line connection made us delayed to erect and install the machineries as well as start commercial operation. Finally we got the approval from authority in the month of October 2018. It was occurred due to not completing LNG supply line installation. And we could not able to commission newly imported BMRE machineries timely. As a result, the project implementation required more time of 8 months i.e. upto June 2019.

Implementation of BMRE Regent Textile Mills Limited will get ready as a modern textile mill to meet the present style and fashion demand of global people. It is mentionable here over the last couple of years the technological turn and changes of design, style, variations and trends of end users are remarkably changing and increasing. In fact, today's innovations are becoming obsolete tomorrow. Keeping in mind the situation we had to change machineries selection so that we can meet up the fashion design and style of future demand for a longtime. To cope up the above situation we have been looking for best performance machineries to manufacture quality fabrics with optimum productivity. Previously our selection was to procure and import capital machineries from China, Korea etc. with medium pricing level. But later on management decided to procure state-of-the-art machineries equipped with more value added and multi-dimensional modules from Italy, Netherlands, Germany, France, Austria and China which involved higher landed cost. Pursuant to that requirements and balancing theme keeping in mind, we have made some of changes in previously given machineries list.

### The list of machineries imported so far for BMRE project are as follows:

1. Singeing & Desizing Machine -	Tk. 43,480,299/-
2. Continuous Dyeing Machine with Beninger Padder -	Tk. 125,178,330/-
3. Laser Exoser Smart Ex 7048-	Tk. 15,154,774/-
4. Continous & Scouring Bleaching Range Machine-	Tk. 272,616,962/-
5. Goller Pad Steam Range-	Tk. 124,363,715/-



6. Stentering Machine-	Tk. 42,048,860/-
7. Brush Sueding Machine-	Tk. 16,673,101/-
8. Sunforizing Machine-	Tk. 26,385,897/-
9. Mercerizing Machine-	Tk. 88,265,089/-
10. Busbar Turnking System-	Tk. 14,459,142/-
The cost of above machineries is	<u>Tk. 768,625,393/-</u>

RTML produces RMG fabrics and home furnishing items through various processes as described below:

1. Warping, Sizing & Weaving (Yarn Warping and Sizing and then grey fabrics production by weaving looms)
2. Dyeing and Printing (RMG fabrics production by Dyeing Machine and fabrics of Home furnishing production by printing through multi process of grey fabrics)
3. Cutting, Sewing, Finishing and Quality (Later get RMG fabrics and home furnishing items/fabrics ready for export through Cutting, Sewing, Finishing and Quality process)

Though, the management attitude in this regard was sincere and unquestionable. Hence, we will require more time to commenced commercial operation of BMRE project. Therefore, we need more 8 Months i.e. up to June 2019 to start commercial operation of BMRE of Textile.

## ACQUIRING A RMG FACTORY

You are well aware in the last Extra Ordinary General Meeting (EGM) held on 21<sup>st</sup> December 2017, you the honorable shareholders have passed the agenda in this regard vesting all the power to the Board to search and buy/acquire a compliant RMG factory located in any industrial zone.

Your board accordingly initiated their role devotedly and trying to find out a RMG factory as per your suggestions for the better interest of the company. More factors have to consider and different conditions and pricing given by the potentials sellers/owners of RMG factory not were in our favor. So, the process is taking time.

It is pertinent to mention that, when we did estimate for a new RMG project it was around Tk. 900 million but now the amount for this purpose will require Tk. 1,500 million. In this situation, we may think about acquiring any fully compliant RMG factory running with good track of profitability. It will secure the investment of the shareholders as well as maximize the wealth of the shareholders. Once acquired, there will be no delay of commenced operation also.

In this respect, the board of directors of the company honestly urges the honorable shareholders to extend their support and cooperation. Henceforward, we will require more 6 month time i.e. up to June 2019 to complete the acquiring process. We assure you that as a representative of you we will be working hard to enrich the wealth of Shareholders. Therefore, your Board wholeheartedly solicit your consent and approval in this regard. We shall let you know and update news in this regard time to time.

Considering the above situation, the management of the Company wishes to buy a running and fully compliant RMG factory with much reputation and located in Export Processing Zone (EPZ) and/or any Industrial area.

Revised Status of IPO proceeds of Regent Textile Mills Limited as on 30<sup>th</sup> November 2018 is described hereunder:

Amount Subscribed	Particulars	Project Costs	Finance from IPO	Utilized from IPO Proceeds	Utilized (%)	Utilized from other source for Land Dev. & Civil Works	Completion time Revised in 22 <sup>nd</sup> AGM	Revised Completion time
<b>Balancing, Modernization, Rehabilitation and Expansion (BMRE)</b>	Machineries (Weaving, Dyeing and Printing)	824,679,520	824,679,520	353,280,488	42.84		October 2018	June 2019
	Auxiliary Machineries	-						
	Civil Works and others	62,500,000						
Sub Total		<b>887,179,520</b>						
<b>New RMG Project</b>	Land, Land Development, Building and Civil Work	330,949,638	<b>398,503,962</b>	19,236,382	4.83	98,156,457	December 2018	June 2019
	Machineries (Sewing, Finishing, Cutting,)	506,160,386						
	Boiler, Generator and Compressor	17,677,875						
	Vehicles & Others	47,500,000						
	Sub Total	<b>902,287,899</b>						
Total Project Cost		<b>1,789,467,419</b>						
IPO Expenses			26,816,518	25,217,966	94.04		Rest Tk. 852,265,164 will be utilized for procurement of capital machineries import	
Total						<b>98,156,457</b>		
Total IPO Proceeds			<b>1,250,000,000</b>				Within June 2019	

## VALUE ADDED STATEMENTS

### A. Value Added:

	2017-18	%	2016-17	%
	Amount in Tk.		Amount in Tk.	
Revenue and Other Income (Received)	1,254,241,599		1,163,341,820	
Less: Paid to Suppliers for Materials & Other Services	714,047,586	57	644,517,855	55

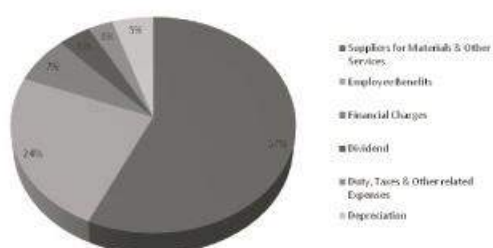
### B. Distribution as follows:

	2017-18	%	2016-17	%
Employee Benefits (Salary & WPPF) Paid	295,242,553	24	241,243,892	21
Financial Charges	88,117,406	7	68,675,093	6
Duty, Taxes & Other related Expenses	30,290,008	3	29,829,347	3
Dividend	48,207,353	4	107,150,141	9

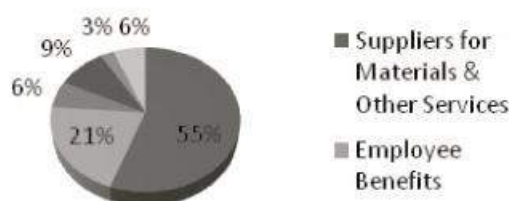
### Retained for Re-Investment & Future Growth:

	2017-18	%	2016-17	%
Depreciation	67,487,007	5	65,727,439	6
Retained Earnings	683,418,910		612,341,920	

Distribution of Earned Revenue: 2017-18



Distribution of Earned Revenue: 2016-17





## AUDITORS' REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### Hoda Vasi Chowdhury & Co Chartered Accountants

#### AUDITORS' REPORT TO THE SHAREHOLDERS OF REGENT TEXTILE MILLS LIMITED

We have audited the accompanying financial statements of **REGENT TEXTILE MILLS LIMITED**, which comprises the Statement of Financial Position as at 30 June 2018 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### 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 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 auditor's 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, the auditor considers internal control relevant to the entity'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 entity'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.

#### Opinion:

In our opinion, the Financial Statements prepared in accordance with Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June 2018 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Further to our opinion in the above paragraph, we state that:

- (i) 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;
- (ii) in our opinion, proper books of account as required by law have been kept by **REGENT TEXTILE MILLS LIMITED** so far as it appeared from our examination of those books;
- (iii) the Company's Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditure incurred was for the purpose of the Company's business.

Chattogram, 11 NOV 2018

*Hoda Vasi Chowdhury*  
Chartered Accountants  
*Hoda*

National Office : BTMC Bhaban (7<sup>th</sup> & 8<sup>th</sup> Floor), 7-9 Karwan Bazar Commercial Area, Dhaka- 1215, Bangladesh  
Motijheel Office : Isaphani Building (3rd Floor), 14-15 Motijheel Commercial Area, Dhaka-1000, Bangladesh  
Chittagong Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh

**REGENT TEXTILE MILLS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Note(s)	30-Jun-2018 Taka	30-Jun-2017 Taka
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	4	3,146,034,181	2,222,538,689
Capital Work In Progress	5	1,988,871,774	1,954,612,056
		1,157,162,407	267,926,633
<b>CURRENT ASSETS</b>			
Investment	6	3,492,111,737	3,211,296,858
Inventories	7	1,424,040,136	1,427,298,081
Accounts & Other Receivable	8	639,945,426	399,684,058
Interest Receivables	9	599,713,184	600,712,291
Advances, Deposits and Prepayments	10	32,102,696	3,296,553
Due from Affiliated Companies	11	471,103,773	607,329,420
Cash and Cash Equivalents	12	317,687,585	167,695,056
		7,518,937	5,281,399
<b>TOTAL ASSETS</b>		<b>6,638,145,918</b>	<b>5,433,835,547</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital	13	3,545,810,677	3,478,466,042
Revaluation Surplus	14	1,155,000,000	1,155,000,000
Share Premium Account	15	982,609,733	986,342,088
Retained Earnings	16	724,782,034	724,782,034
		683,418,910	612,341,920
<b>NON CURRENT LIABILITIES</b>			
Non-current Portion of Long Term Loan	17.1	895,297,473	855,634,904
Deferred Tax Liabilities	22.2	841,541,876	785,745,277
		53,755,597	69,889,627
<b>CURRENT LIABILITIES</b>			
Current Portion of Long Term Loan	17.1	2,197,037,768	1,099,734,601
Accounts Payable	18	60,891,457	14,254,723
Other Payables	19	445,815,172	252,225,046
Short Term Loan	20	720,057,068	61,525,568
Directors'/Sponsors' Current Account	21	942,161,925	687,690,657
Provision for Current Tax	22.1	-	51,405,915
		28,112,146	32,632,692
<b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>		<b>6,638,145,918</b>	<b>5,433,835,547</b>
<b>NAV Per Share</b>	30.2	<b>30.70</b>	<b>30.12</b>
<b>Contingent Liabilities and Commitments</b>	31	-	-

These financial statements should be read in conjunction with the annexed notes  
and were approved by the Board of Directors on 03 November 2018  
and were signed on its behalf by:

  
**COMPANY SECRETARY**

  
**DIRECTOR**

  
**MANAGING DIRECTOR**

Signed in terms of our separate report of even date annexed

Chattogram, 11 November, 2018

CHARTERED ACCOUNTANTS

**REGENT TEXTILE MILLS LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note(s)	1-Jul-2017 to 30-Jun-2018 Taka	1-Jul-2016 to 30-Jun-2017 Taka
Revenue	23	1,215,257,968	1,058,204,192
Cost of Goods Sold	24	(973,930,016)	(840,578,244)
<b>Gross Profit</b>		<b>241,327,952</b>	<b>217,625,948</b>
Operating Expenses:			
Administrative Expenses	25	(56,622,989)	(46,601,911)
Selling and Distribution Expenses	26	(28,592,831)	(32,320,854)
		(85,215,820)	(78,922,765)
<b>Operating Profit</b>		<b>156,112,132</b>	<b>138,703,183</b>
Financial Expenses	27	(110,770,210)	(68,675,093)
<b>Profit before Other Non-operating Income</b>		<b>45,341,922</b>	<b>70,028,090</b>
Other Non-operating Income	28	103,281,670	99,924,103
<b>Profit before Distribution of WPP &amp; WF</b>		<b>148,623,592</b>	<b>169,952,193</b>
Contribution to WPP & WF	19.2	(7,431,180)	(8,497,610)
<b>Profit before Income Tax</b>		<b>141,192,412</b>	<b>161,454,583</b>
Income Tax Expenses:			
Current	22.1.1	(27,624,316)	(13,359,965)
Deferred	22.2	16,134,030	(11,093,936)
		(11,490,286)	(24,453,901)
<b>Profit after Income Tax</b>		<b>129,702,126</b>	<b>137,000,682</b>
<b>Other Comprehensive Income/(Loss)</b>			
Net Gain/(Loss) on Available-for-sale Financial Assets	6.2.2	(6,862,702)	745,622
Unrealized Gain/(Loss) on Foreign Currency Fluctuation	8.1 & 18.1	(2,994,785)	-
		(9,857,487)	745,622
<b>Total Comprehensive Income/(Loss)</b>		<b>119,844,639</b>	<b>137,746,304</b>
<b>Earnings Per Share (Basic)</b>	30.1.1	<b>1.12</b>	<b>1.21</b>

These financial statements should be read in conjunction with the annexed notes  
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and were signed on its behalf by:

  
COMPANY SECRETARY

  
DIRECTOR

  
MANAGING DIRECTOR

Signed in terms of our separate report of even date annexed

Chattogram, 11 November, 2018

CHARTERED ACCOUNTANTS



**REGENT TEXTILE MILLS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note(s)	1-Jul-2017 to 30-Jun-2018 Taka	1-Jul-2016 to 30-Jun-2017 Taka
<b>Cash flows from operating activities</b>			
Cash received from customers	29.1	1,179,766,072	1,058,761,629
Cash paid to suppliers	29.2	(714,047,586)	(644,517,855)
Cash paid to employees	29.3	(281,429,336)	(241,243,892)
Cash paid for operating expenses	29.4	150,809,805	(378,185,762)
Payment of income tax	29.6	(30,290,008)	(29,829,347)
Payment for WPP & WF	19.2	(13,813,217)	-
<b>Net cash inflow/(outflow) from operating activities (A)</b>		<b>290,995,730</b>	<b>(235,015,227)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	4	(71,829,060)	(135,943,435)
Capital Work In Progress	5	(179,435,429)	(267,926,633)
Investment in fixed deposit receipt	6.1	(4,173,105)	(78,662,039)
Changes in financial instruments available for sale	6.2.2 & 28	-	(3,745,843)
Interest/Dividend received	29.7	74,475,527	104,580,191
<b>Net cash inflow/(outflow) from investing activities (B)</b>		<b>(180,962,067)</b>	<b>(381,697,759)</b>
<b>Cash flows from financing activities</b>			
Proceeds from long term loan	17	-	656,698,251
Proceeds from short term loan	20	231,818,464	87,683,932
Cash paid to affiliated companies	29.5	(149,992,529)	(14,001,760)
Cash received/(Payment) from directors/sponsors	21	(51,405,915)	51,405,915
Dividend paid		(48,207,353)	(107,150,141)
Cash payment for financial expenses	29.8	(88,117,406)	(68,675,093)
<b>Net cash inflow/(outflow) from financing activities (C)</b>		<b>(105,904,739)</b>	<b>605,961,104</b>
<b>Net increase of cash and cash equivalents for the year (A+B+C)</b>		<b>4,128,924</b>	<b>(10,751,882)</b>
Cash and cash equivalents at the beginning of the year	12	5,281,399	16,033,281
Unrealized foreign currency fluctuation gain/(loss)		(1,891,386)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>12</b>	<b>7,518,937</b>	<b>5,281,399</b>
<b>Net Operating Cash Flow Per Share (Basic)</b>	<b>30.3.1</b>	<b>2.52</b>	<b>(2.08)</b>

These financial statements should be read in conjunction with the annexed notes  
and were approved by the Board of Directors on 03 November 2018  
and were signed on its behalf by:



COMPANY SECRETARY



DIRECTOR



MANAGING DIRECTOR

REGENT TEXTILE MILLS LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
<b>Balance as at 01 July 2017</b>	1,155,000,000	724,782,034	986,342,088	612,341,920	3,478,466,042
Dividend for the period from 01 July 2016 to 30 June 2017	-	-	-	(52,500,004)	(52,500,004)
Profit after Income Tax	-	-	-	129,702,126	129,702,126
Revaluation Surplus Realized	-	-	(3,732,355)	3,732,355	-
Other Comprehensive Income/(Loss)	-	-	-	(9,857,487)	(9,857,487)
<b>Balance as at 30 June 2018</b>	<b>1,155,000,000</b>	<b>724,782,034</b>	<b>982,609,733</b>	<b>683,418,910</b>	<b>3,545,810,677</b>
<b>Balance as on 01 July 2016</b>	1,100,000,000	724,782,034	990,266,215	635,671,489	3,450,719,738
Dividend for the period from 01 January 2015 to 30 June 2016	55,000,000	-	-	(165,000,000)	(110,000,000)
Profit after Income Tax	-	-	-	137,000,682	137,000,682
Revaluation Surplus Realized	-	-	(3,924,127)	3,924,127	-
Unrealized Gain/(Loss) on Available-for-sale Financial Assets	-	-	-	745,622	745,622
<b>Balance as at 30 June 2017</b>	<b>1,155,000,000</b>	<b>724,782,034</b>	<b>986,342,088</b>	<b>612,341,920</b>	<b>3,478,466,042</b>

These financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 03 November 2018 and were signed on its behalf by:



COMPANY SECRETARY



DIRECTOR



MANAGING DIRECTOR

## REGENT TEXTILE MILLS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 1 BACKGROUND AND INFORMATION

#### 1.1 Formation and Legal Status

Regent Textile Mills Limited (hereinafter referred to as "the Company") was incorporated as public company limited by shares on 30 November 1994, vide registration no. CH-C-1780 under the Companies Act, 1994. The Company started its commercial operation on 01 April 1999. The Company is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a Public quoted Company. Trading of the share of the company started in two stock exchanges from 14 December 2015.

The registered office of the company is located at 1182 Jubilee Road, Chittagong, Bangladesh and the factory is located at Kalurghat, Charkhidirpur, Bandar, Chittagong.

#### 1.2 Nature of Business

Regent Textile Mills Limited is a 100% export oriented textile mill for high quality woven fabrics and home furnishing items. The Company's product variety ranges from 50 gsm to 450 gsm. Finished home textile products are exported to international market especially to EU market.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

The financial statements of the company under reporting have been prepared in accordance with BAS 1 "Presentation of Financial Statements" under historical cost convention (except for investment in quoted securities which is measured at fair value) in a going concern concept and on accrual basis. The preparation and disclosures have been made to the Financial Statements in accordance with Generally Accepted Accounting Principles and Practice in Bangladesh in compliance with The Companies Act 1994, The Securities and Exchange Rules 1987, The Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

In addition, the Company complies with the Income Tax Ordinance 1984, the Income Tax Rules 1984, the Value Added Tax Act 1991 and the Value Added Tax Rules 1991.

#### 2.2 Accounting convention and assumption

The financial statements are prepared under the historical cost convention method (except for investment in quoted securities which is measured at fair value).

#### 2.3 Functional and Presentation Currency

The financial statements are expressed in Bangladesh Taka which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.

#### 2.4 Use of Estimates and Judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are revised and in any future periods it affect.

#### 2.5 Reporting Period

These financial statements cover one financial year from 01 July 2017 to 30 June 2018 for all reported periods.



## 2.6 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of Regent Textile Mills Limited is responsible for the preparation and presentation of financial statements of the Company.

## 2.7 Comparative Information

In accordance with the provisions of BAS-1: Presentation of Financial Statements, Comparative information for the year ended 30 June 2017 has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current years financial statements.

### 2.7.1 Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

#### 2.7.1.1 Figures Rearranged:

##### Accounts Payable and Other Payable

Payable against capital expenditure reported in Other payable in Note: 18 and Annexure C (a) to Stork Prints BV Tk. 241,277/= and Takir Sazib Enterprise Tk. 159,650/= had been reported Accounts payable. Which is rearranged in comparative figure resultantly Accounts Payable decreased and Other Payable increased by the same amount.

## 2.8 Going Concern

The company has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

## 3 SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in compliance with requirement of BFRSs (Bangladesh Financial Reporting Standards) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following BFRSs are applicable for the financial statements for the period under audit:

BAS-1	Presentation of Financial Statements
BAS-2	Inventories
BAS-7	Statement of Cash Flows
BAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS-10	Events after the Reporting Period
BAS-12	Income Taxes
BAS-16	Property, Plant and Equipment
BAS- 18	Revenue
BAS -19	Employee benefits
BAS-21	The effects of Changes in Foreign Exchange Rates
BAS-23	Borrowing Costs
BAS-24	Related Party Disclosures
BAS-26	Accounting and Reporting by Retirement Benefit Plans
BAS-33	Earnings per share
BAS-36	Impairment of Assets
BAS-37	Provisions, Contingent Liabilities and Contingent Assets
BAS-38	Intangible Assets
BFRS-7	Financial Instrument: Disclosure
BFRS-9	Financial Instruments

### 3.1 Property, Plant and Equipment (PPE)

#### i) Recognition of Property, Plant & Equipment

These are capitalized at cost or fair value and subsequently stated net of accumulated depreciation in compliance with the BAS 16 "Property, plant and equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost inclusive of inward freight, duties and non-refundable taxes for bringing the asset to its operating condition for its intended use.

Expenditure on repairs and maintenance of Property, Plant and Equipment is treated as expense when incurred. Subsequent expenditure on Property, Plant and Equipment is only recognized when the expenditure improves the condition of the asset beyond its originally assessed standard of performance.

#### ii) Depreciation

Depreciation is charged on property, plant and equipment on reducing balance method at the annual rate(s) shown below.

Name of Assets	Rates
Building & Other Construction	5%
Plant & Machinery	10%
Office Equipment	10%
Electrical Installation	10%
Tools & Equipment	15%
Effluent Treatment Plant	10%
Water Pump & Tube Well	10%
Motor Vehicles	15%
Furniture & Fixtures	10%
Gas Line Installation	10%
Other Assets	10%

Depreciation is charged on the month (from date of capitalization) when the assets are available for use and ceased on (date of disposal / deletion) month of the assets. Allocation of total depreciation is as follows:

Factory Overhead	90%
Administrative Expenses	5%
Selling & Distribution Expenses	5%

#### iii) Revaluation of Property, Plant and Equipment

Since inception, the company revalued its Property, Plant and Equipment for the 1st time in the year 2010-2011. Reserve is created by the sum of revaluation surplus and depreciation is charged on the revalued assets except Land and Land Development as per the respective rate of depreciation and transferred the equal amount of depreciation to the equity as per the provision of BAS 16 "Property, plant and equipment".

#### iv) Retirement and Disposals

An asset is recognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the Statement of Profit or Loss & Other Comprehensive Income.

#### v) Impairment of Assets

The company reviews the recoverable amount of its assets at each reporting date. If there exist any indication that the carrying amount of assets exceeds the recoverable amount, the company recognizes such impairment loss in accordance with BAS-36 "Impairment of Assets".

### 3.2 Inventories & Consumables

Inventories comprise of raw materials, work-in-process, finished goods, spare parts & accessories which are valued in accordance with Para 21 & 25 of BAS-2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

i) Raw materials	at weighted average cost
ii) Finished goods	at cost or net realizable value whichever is lower
iii) Work-in-process	at material cost plus conversion cost
iv) Spare parts & accessories	at cost

### 3.3 Revenue Recognition

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and rebates, if any. In compliance with the requirements of BAS 18 "Revenue", revenue is recognized only when:

- The products are invoiced and dispatched to the customers i.e. Ex-factory.
- Interest income is accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

### 3.4 Available-for-Sale Financial Assets

An entity shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument.

As per BFRS-9 Investment is equity instruments of this entity are reclassified as a financial assets which measured at fair value through other comprehensive income (FVOCI). Changes in fair value are recognized in OCI and are never recycled to profit and loss, even if the assets is sold or impaired. However, dividends are recognized in profit & loss unless it clearly represent recovery of a part of the cost of the investment.

Unrealized gain or loss arising from change in the fair value on Available-for-Sale Financial Assets is recognized in Other Comprehensive Income.

### 3.5 Taxation

Income tax expenses comprise of current and deferred tax. Income tax expenses is recognized in Statement of Profit or Loss & Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

#### i) Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted at the reporting date.

In accordance with the section 53BB of the Income Tax Ordinance 1984, taxes were deducted from export proceeds at the realization stage by banks during the year at the rate of 0.70% . Taxes thus deducted are to be treated as the final discharge of the Company's tax liabilities u/s 82C of the Income Tax Ordinance 1984.

#### ii) Deferred Tax

Deferred tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted at the reporting date. Deferred tax asset or liability does not create a legal recovery/liability from or to the income tax authority.

### 3.6 Loans and Borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the end of the reporting period are classified as current liabilities whereas borrowings repayable after twelve months from the end of the reporting period are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

### 3.7 Foreign Currency Transaction / Translation

Transactions in foreign currencies are translated into Bangladeshi Taka at the Exchange rate prevailing on the date of transactions in accordance with BAS-21 "The Effects of Changes in Foreign Exchange Rate." Monetary assets and liabilities in foreign currencies at the end of the reporting period are translated into Bangladeshi Taka at the rate of exchange prevailing at the end of the reporting period. All exchange differences are recognized in the Statement of Profit or Loss & Other Comprehensive Income.



### 3.8 Provision

In accordance with the guidelines as prescribed by BAS 37, provisions are recognized when all of the following criteria are met:

- i) When the company has a present obligation as a result of past event;
- ii) When it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation;
- and
- iii) Reliable estimate can be made of the amount of the obligation.

Provisions are shown in the Statement of Financial Position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation at the end of the reporting period.

### 3.9 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS-37 "Provisions, Contingent Liabilities and Contingent Assets" are disclosed in note-32 of the financial statements.

### 3.10 Statement of Cash flows

Statement of Cash Flows is prepared principally in accordance with BAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by Securities and Exchange Rules, 1987.

### 3.11 Events after the Reporting Period

Events after the Reporting Period that provide additional information about the Company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the Reporting Period that are not adjusting events are disclosed in Note 33 when they are material.

### 3.12 Advertisement and Promotional Expenses

All cost associated with advertising and promotional activities are charged out in the year incurred.

### 3.13 Trade Receivable

#### i) Recognition and Measurement

Trade receivable consists of due proceeds against sales through L/C with a tenure of 60 days to 180 days and realizable at the maturity date.

#### ii) Bad and Doubtful Debts

The Company does not make any provision for bad and doubtful debts because its sales/export are based on 100% confirm letter of credit with fixed maturity date.

### 3.14 Creditors and Accruals

Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the supplier.

### 3.15 Cash and Cash Equivalents

According to BAS 7 "Statement of Cash Flows" cash comprises cash in hand and bank deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of BAS 7 and BAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

### 3.16 Components of the Financial Statements

According to the Bangladesh Accounting Standards BAS 1 'Presentation of Financial Statements' the complete set of Financial Statements includes the following components:

- i) Statement of Financial Position As At 30 June 2018.
- ii) Statement of Profit or Loss & Other Comprehensive Income For The Year Ended 30 June 2018.
- iii) Statement of Cash Flows For The Year Ended 30 June 2018.
- iv) Statement of Changes in Equity For The Year Ended 30 June 2018.
- v) Notes, comprising a summary of significant accounting policies and other explanatory notes.

### 3.17 Earnings Per Share

Earnings Per Share (EPS) is calculated in accordance with the Bangladesh Accounting Standards BAS 33 "Earnings Per Share".

#### i) Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

#### ii) Diluted Earnings Per Share

As per BAS 33, there is no prospective dilutive securities, so there was no scope for dilution during the period under audit.

### 3.18 Related Party Transactions

The objective of BAS 24 'Related Party Disclosures' is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [BAS 24] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

The Company transacts with related parties and recognize as per BAS 24 'Related Party Disclosures'. Related party transactions have been disclosed under Note - 34.

### 3.19 Financial Expenses

Financial expenses comprise the interest on external borrowings and bank charges and are recognized as they accrue.

### 3.20 Employee Benefits

#### i) Workers' Profit Participation & Welfare Fund

The company had created a provision for workers as "Workers' Profit Participation & Welfare Fund" by 5% of the net profit in accordance with the requirement of Chapter 15 Section 234 (Kha) of Labour Act 2006.

#### 4 PROPERTY, PLANT AND EQUIPMENT

Detailed breakup of Property, Plant & Equipment is shown in note 4.1 & 4.2

##### A. Cost

	30-Jun-2018 Taka	30-Jun-2017 Taka
Opening Balance	2,826,544,585	2,702,801,750
Add: Addition during the year - note 4.1	101,746,725	135,943,435
	<b>2,928,291,310</b>	<b>2,838,745,185</b>
Less: Deletion during the year - note 4.1	-	12,200,600
<b>Closing Balance</b>	<b>2,928,291,310</b>	<b>2,826,544,585</b>

##### B. Accumulated Depreciation

Opening Balance	871,932,529	815,206,201
Add: Charged during the year - note 4.1 & 4.2	67,487,007	65,727,439
	<b>939,419,536</b>	<b>880,933,640</b>
Less: Adjustments during the year - note 4.1	-	9,001,111
<b>Closing Balance</b>	<b>939,419,536</b>	<b>871,932,529</b>
<b>Written Down Value (WDV) [A-B]</b>	<b>1,988,871,774</b>	<b>1,954,612,056</b>



4.1 Property, Plant and Equipment - at Cost Less Accumulated Depreciation - note 4

(a) Cost:

Particulars	Cost (Amount in Taka)			Dep. Rate (%)	Acc. Depreciation (Amount in Taka)				Written Down Value as on 30-Jun-2018 (Taka)
	Opening Balance as on 01-Jul-2017	Addition During the year	Deletion During the year		Closing Balance as on 30-Jun-2018	Opening Balance as on 01-Jul-2017	Charged During the year	Adjusted During the year	
<b>Land and Land Development:</b>									
Free Hold Land (544 dec.)	261,764,825	7,071,922	-	-	268,836,747	-	-	-	268,836,747
Building & Other Construction	355,680,135	7,303,932	-	-	362,984,067	106,203,652	13,352,603	-	243,427,812
<b>Plant &amp; Machinery:</b>									
Plant & Machinery	922,840,985	55,689,084	-	-	978,530,069	601,152,558	32,723,655	-	344,653,856
Effluent Treatment Plant	53,686,471	-	-	-	53,686,471	28,148,242	2,439,964	-	23,098,265
	976,527,456	55,689,084	-	-	1,032,216,540	629,300,800	35,163,619	-	367,752,121
<b>Equipment &amp; Appliance:</b>									
Office Equipment	9,646,882	2,989,290	-	-	12,636,172	2,028,809	770,439	-	9,836,924
Electrical Installation	64,690,650	21,702,315	-	-	86,392,965	28,732,638	4,600,826	-	53,059,501
Tools & Equipment	26,651,497	2,242,852	-	-	28,894,349	23,039,856	616,068	-	5,238,425
Water Pump & Tube Well	11,592,000	-	-	-	11,592,000	4,664,478	709,394	-	6,218,128
Gas Line Installation	20,784,094	-	-	-	20,784,094	7,130,721	1,867,939	-	11,785,434
	133,365,123	26,934,457	-	-	160,299,580	65,596,502	8,564,666	-	86,138,412
<b>Motor Vehicles:</b>									
Motor Vehicles	69,363,305	-	-	-	69,363,305	35,139,273	5,592,325	-	28,631,707
<b>Furniture &amp; Fixtures:</b>									
Furniture & Fixtures	12,054,334	4,675,200	-	-	16,729,534	7,273,705	761,534	-	8,694,295
<b>Other Assets</b>	6,735,508	72,130	-	-	6,807,638	3,706,786	319,905	-	2,780,947
<b>As on 30-June-2018</b>	<b>1,815,490,686</b>	<b>101,746,725</b>	<b>-</b>	<b>-</b>	<b>1,917,237,411</b>	<b>847,220,718</b>	<b>63,754,652</b>	<b>-</b>	<b>1,006,262,041</b>
<b>As on 30-June-2017</b>	<b>1,691,747,851</b>	<b>135,943,435</b>	<b>12,200,600</b>	<b>-</b>	<b>1,815,490,686</b>	<b>794,418,517</b>	<b>61,803,312</b>	<b>9,001,111</b>	<b>968,269,968</b>

(b) Revaluation:

Particulars	Revaluation (Amount in Taka)			Dep. Rate (%)	Acc. Depreciation (Amount in Taka)				Written Down Value as on 30-Jun-2018 (Taka)
	Opening Balance as on 01-Jul-2017	Addition During the year	Deletion During the year		Closing Balance as on 30-Jun-2018	Opening Balance as on 01-Jul-2017	Charged During the year	Adjusted During the year	
<b>Land and Land Development:</b>									
Free Hold Land	909,968,841	-	-	-	-	-	-	-	909,968,841
<b>Building:</b>									
Building & Other Construction	101,085,058	-	-	5%	24,711,811	3,732,355	-	28,444,166	72,640,892
As on 30-June-2018	1,011,053,899	-	-		24,711,811	3,732,355	-	28,444,166	982,609,733
As on 30-June-2017	1,011,053,899	-	-		20,787,684	3,924,127	-	24,711,811	986,342,088

(c) Cost with Revaluation (a+b)

Particulars	Cost with Revaluation (Amount in Taka)				Dep. Rate (%)	Acc. Depreciation (Amount in Taka)				Written Down Value as on 30-Jun-2018 (Taka)
	Opening Balance as on 01-Jul-2017	Addition During the year	Deletion During the year	Closing Balance as on 30-Jun-2018		Opening Balance as on 01-Jul-2017	Charged During the year	Adjusted During the year	Closing Balance as on 30-Jun-2018	
<b>Land and Land Development:</b>										
Free Hold Land	1,171,733,666	7,071,922	-	1,178,805,588	-	-	-	-	-	1,178,805,588
<b>Building:</b>										
Building & Other Construction	456,765,193	7,303,932	-	464,069,125	5%	130,915,463	17,084,958	-	148,000,421	316,068,704
<b>Plant &amp; Machinery:</b>										
Plant & Machinery	922,840,985	55,689,084	-	978,530,069	10%	601,152,558	32,723,655	-	633,876,213	344,653,856
Effluent Treatment Plant	53,686,471	-	-	53,686,471	10%	28,148,242	2,439,964	-	30,588,206	23,098,265
	976,527,456	55,689,084	-	1,032,216,540		629,300,800	35,163,619	-	664,464,419	367,752,121
<b>Equipment &amp; Appliance:</b>										
Office Equipment	9,646,882	2,989,290	-	12,636,172	10%	2,028,809	770,439	-	2,799,248	9,836,924
Electrical Installation	64,690,650	21,702,315	-	86,392,965	10%	28,732,638	4,600,826	-	33,333,464	53,059,501
Tools & Equipment	26,651,497	2,242,852	-	28,894,349	15%	23,039,856	616,068	-	23,655,924	5,238,425
Water Pump & Tube Well	11,592,000	-	-	11,592,000	10%	4,664,478	709,394	-	5,373,872	6,218,128
Gas Line Installation	20,784,094	-	-	20,784,094	10%	7,130,721	1,867,939	-	8,998,660	11,785,434
	133,365,123	26,934,457	-	160,299,580		65,596,502	8,564,666	-	74,161,168	86,138,412
<b>Motor Vehicles:</b>										
Motor Vehicles	69,363,305	-	-	69,363,305	15%	35,139,273	5,592,325	-	40,731,598	28,631,707
<b>Furniture &amp; Fixtures:</b>										
Furniture & Fixtures	12,054,334	4,675,200	-	16,729,534	10%	7,273,705	761,534	-	8,035,239	8,694,295
<b>Other Assets</b>	6,735,508	72,130	-	6,807,638	10%	3,706,786	319,905	-	4,026,691	2,780,947
<b>As on 30-June-2018</b>	<b>2,826,544,585</b>	<b>101,746,725</b>	<b>-</b>	<b>2,928,291,310</b>		<b>871,932,529</b>	<b>67,487,007</b>	<b>-</b>	<b>939,419,536</b>	<b>1,988,871,774</b>
<b>As on 30-June-2017</b>	<b>2,702,801,750</b>	<b>135,943,435</b>	<b>12,200,600</b>	<b>2,836,544,585</b>		<b>815,206,201</b>	<b>65,727,439</b>	<b>9,001,111</b>	<b>871,932,529</b>	<b>1,954,612,056</b>

	1-Jul-2017 to 30-Jun-2018	1-Jul-2016 to 30-Jun-2017	Basis
	Taka	Taka	
	60,738,307	59,154,696	90%
	3,374,350	3,286,371	5%
	3,374,350	3,286,372	5%
	<b>67,487,007</b>	<b>65,727,439</b>	<b>100%</b>

4.2 Depreciation Allocated to:

Factory Overhead - note 24.2	
Administrative Expenses - note 25	
Selling and Distribution Expenses - note 26	

**5 CAPITAL WORK IN PROGRESS**

Opening Balance	267,926,633	-
Addition during the year	889,235,774	267,926,633
	1,157,162,407	267,926,633
Transfer to Non-Current Assets during the year	-	-
Closing Balance	1,157,162,407	267,926,633

**6 INVESTMENT**

Fixed Deposit Receipt - note 6.1	1,407,710,586	1,403,537,481
Available-for-sale Financial Assets - note 6.2	16,329,550	23,760,600
	1,424,040,136	1,427,298,081

**6.1 Fixed Deposit Receipt - note 6**

National Bank Ltd., Jubilee Road Branch - note 6.1.1	54,882,364	51,287,302
Mercantile Bank Ltd., Agrabad Branch - note 6.1.2	15,539,966	10,940,180
Shahjalal Islami Bank Ltd., Jubilee Road Branch - note 6.1.3	652,288,256	441,004,712
South Bangla Agriculture Bank Ltd. Agrabad Branch - note 6.1.4	685,000,000	-
Haji Finance Company Ltd. - note 6.1.5	-	215,821,326
Midas Financing Ltd. - note 6.1.6	-	245,622,077
The Premier Bank Ltd. - note 6.1.7	-	431,996,500
Reliance Finance Ltd. - note 6.1.8	-	6,865,384
	1,407,710,586	1,403,537,481

**6.1.1 National Bank Ltd. - note 6.1**

FDR 0016-55031974	2,584,945	2,454,918
FDR 0016-55032056	1,248,390	1,186,844
FDR 0016-55032072	733,966	696,846
FDR 0016-55032238	-	584,537
FDR 0016-55032345	-	3,342,408
FDR 0016-55032584	-	788,127
FDR 0016-55032741	-	298,431
FDR 0016-55032997	-	1,093,511
FDR 0016-55033599	-	903,275
FDR 0016-55033731	-	930,845
FDR 0016-55034309	-	720,327
FDR 0016-55034713	-	1,297,833
FDR 0016-55035439	-	1,212,422
FDR 0016-55036305	-	1,275,039
FDR 0016-55037088	-	1,593,547
FDR 0016-55037492	-	1,043,633
FDR 0016-55037749	-	1,473,433
FDR 0016-55038268	-	1,659,221
FDR 0016-55038615	-	1,812,527
FDR 0016-55038986	-	2,064,696
FDR 0016-55039349	-	1,691,692
FDR 0016-55039811	-	1,702,999
FDR 0016-55041172	-	1,598,660
FDR 0016-55041412	-	795,200
FDR 0016-55041701	-	1,258,038
FDR 0016-55042187	-	1,938,439
FDR 0016-55042195	-	793,606
FDR 0016-55042939	-	764,455
FDR 0016-55044051	-	1,431,607
FDR 0016-55044638	-	991,771
FDR 0016-55046064	-	1,367,990
FDR 0016-55046725	-	1,298,149
FDR 0016-55047252	-	1,276,771
FDR 0016-55049471	-	1,162,627
FDR 0016-55048556	-	2,093,374
FDR 0016-55050405	-	1,082,572
FDR 0016-55051361	-	861,961
FDR 1016001867894	-	1,359,894
FDR 001655052161	-	158,770
FDR 1016002029657	-	1,226,307
FDR 1016002495344	50,000,000	-
FDR 1016002577317	305,063	-
FDR 1016002686313	10,000	-
	54,882,364	51,287,302



**6.1.2 Mercantile Bank Ltd. - note 6.1**

MBL FDR 110441224674987	15,539,966	-
MBL FDR 0190835	-	601,457
MBL FDR 0191643	-	885,823
MBL FDR 41300238974	-	1,207,120
MBL FDR 41300239162	-	786,615
MBL FDR 41300239323	-	227,914
MBL FDR 0243332	-	114,527
MBL FDR 0243413	-	301,433
MBL FDR 0243232	-	1,066,498
MBL FDR 41300239559	-	241,277
MBL FDR 4111427788	-	663,483
MBL FDR 110441116035644	-	704,765
MBL FDR 110441116339937	-	137,573
MBL FDR 38050263645	-	261,498
MBL FDR 0263823	-	764,973
MBL FDR 110441118890673	-	1,334,771
MBL FDR 110441119654736	-	664,054
MBL FDR 110441120394942	-	381,453
MBL FDR 110441121056676	-	594,946
	<b>15,539,966</b>	<b>10,940,180</b>

**6.1.3 Shahjalal Islami Bank Ltd. - note 6.1**

FDR 001430	354,387,427	333,822,911
FDR 001431	113,767,040	107,181,801
FDR 1434/0347311	103,125,000	-
FDR 14616/0347404	31,008,789	-
FDR 1441/0347550	50,000,000	-
	<b>652,288,256</b>	<b>441,004,712</b>

**6.1.4 South Bangla Agriculture Bank Ltd. - note 6.1**

SBAC # 3652/0044568/36/18	255,000,000	-
SBAC # 3689/0044573/41/18	100,000,000	-
SBAC # 3698/0044579/47/18	50,000,000	-
SBAC # 3714/0044586/54/18	50,000,000	-
SBAC # 0321/0044625/93/18	50,000,000	-
SBAC # 3830/0044628/96/18	40,000,000	-
SBAC # 3849/0044631/99/18	50,000,000	-
SBAC # 3858/0044635/103/18	55,000,000	-
SBAC # 3867/0044637/105/18	25,000,000	-
SBAC # 3876/0044646/114/18	10,000,000	-
	<b>685,000,000</b>	<b>-</b>

**6.1.5 Hajj Finance Company Ltd. - note 6.1**

FDR 1432002946	-	112,118,997
FDR 1432003587	-	103,702,329
	<b>-</b>	<b>215,821,326</b>

**6.1.6 Midas Financing Ltd. - note 6.1**

FDR D06225	-	115,745,202
FDR D06939	-	103,907,500
FDR D06948	-	25,969,375
	<b>-</b>	<b>245,622,077</b>

**6.1.7 The Premier Bank Ltd. - note 6.1**

FDR 010224300051429	-	215,998,250
FDR 010224300051430	-	215,998,250
	<b>-</b>	<b>431,996,500</b>

**6.1.8 Reliance Finance Ltd. - note 6.1**

FDR 02/1632	-	6,865,384
	<b>-</b>	<b>6,865,384</b>

6.1.9 The maturity period of all FDRs is maximum one (1) year with term of auto renewal after maturity.

**6.2 Available-for-sale Financial Assets - note 6**

Dhaka Bank Ltd. - note 6.2.1	15,495,750	-
Summit Power Ltd. - note 6.2.1	833,800	-
IDLC Finance Ltd. - note 6.2.1	-	672,600
Shahajibazar Power Co. Ltd. - note 6.2.1	-	23,088,000
	<b>16,329,550</b>	<b>23,760,600</b>

6.2.1 The Details are stated below: - note 6.2

Particulars	No. of Shares	Face Value Per Share (Taka)	Average Cost (Taka)	Cost of Acquisition (Taka)	Quoted Rate Per Share as on (Taka)	Total Market Value of Share (Taka)	Unrealized Gain/(Loss) [Taka]
<b>30-Jun-2018</b>							
Dhaka Bank Ltd.	1,091,250	10	21.77	23,757,465	14.20	15,495,750	(8,261,715)
Summit Power Ltd.	22,000	10	42.13	926,772	37.90	833,800	(92,972)
						<b>16,329,550</b>	<b>(8,354,687)</b>
<b>30-Jun-2017</b>							
IDLC Finance Ltd.	9,500	10	69.61	661,278	70.80	672,600	11,322
Shahajibazar Power Co. Ltd.	160,000	10	139.71	22,353,699	144.30	23,088,000	734,300
						<b>23,760,600</b>	<b>745,622</b>

The above Investment in equity instruments are designated as financial instruments available-for-sale by the management. These are measured at fair value through OCI hence realized and unrealized gain or loss from the above investment are recognized as other comprehensive income as per BFRS 9.

6.2.2 Net gain/(loss) on available for sale Financial assets

Realized Gain/(Loss) During the year	1,491,985	-
Unrealized Gain/(Loss) During the year	(8,354,687)	745,622
	<b>(6,862,702)</b>	<b>745,622</b>

7 INVENTORIES

Raw Materials - note 24.1 & 35.1(a)	163,016,159	78,123,995
Work-in-Process - note 24 & 35.1(b)	366,274,650	217,865,820
Finished Goods - note 24 & 35.1(c)	30,947,091	39,170,322
Spare Parts & Accessories - note 24.2, 35.1(d)	79,707,526	64,523,921
	<b>639,945,426</b>	<b>399,684,058</b>

7.1 All carrying amount of inventories are pledged as security for different short term loan facilities with Shahjalal Islami Bank Limited and National Bank Limited.

Note: Quantity wise schedule of Inventories as required under Schedule XI, Part II of The Companies Act 1994 is shown in note 35.1

8 ACCOUNTS & OTHER RECEIVABLE

Accounts Receivable - note 8.1	596,053,586	560,561,691
Other Receivable - note 8.2	3,659,598	40,150,600
	<b>599,713,184</b>	<b>600,712,291</b>
<b>8.1 Accounts Receivable - note 8</b>		
For Sale of RMG - note 8.1.1, Annexure A(a)	175,130,485	145,297,968
For Sale of Hometex - note 8.1.2, Annexure A(b)	105,532,714	87,906,887
For Servicing Job - note 8.1.3	117,214,661	154,000,000
For Cash Incentive - note 8.1.4	188,527,929	161,817,653
Add: Foreign Currency fluctuation gain/(loss) due to translation of Trade Receivables during the year with reference to BAS 21.	9,647,797	11,539,183
	<b>596,053,586</b>	<b>560,561,691</b>
<b>8.1.1 For Sale of RMG - note 8.1</b>		
Opening Balance	145,297,968	269,282,858
Add: Sales during the year- note 23	411,748,661	349,759,198
	<b>557,046,629</b>	<b>619,042,056</b>
Less: Realized during the year	381,916,144	473,744,088
	<b>175,130,485</b>	<b>145,297,968</b>
<b>8.1.2 For Sale of Hometex - note 8.1</b>		
Opening Balance	87,906,887	109,426,965
Add: Sales during the year- note 23	681,359,251	435,749,055
	<b>769,266,138</b>	<b>545,176,020</b>
Less: Realized during the year	663,733,424	457,269,133
	<b>105,532,714</b>	<b>87,906,887</b>

**8.1.3 For Servicing Job - note 8.1**

Opening Balance	154,000,000	-
Add: Servicing during the year- note 23	83,891,280	245,203,151
	<b>237,891,280</b>	<b>245,203,151</b>
Less: Realized during the year	120,676,619	91,203,151
	<b>117,214,661</b>	<b>154,000,000</b>

**8.1.4 For Cash Incentive - note 8.1**

Opening Balance	161,817,653	170,870,122
Add: Provision made during the year - note 23	38,258,776	27,492,788
	<b>200,076,429</b>	<b>198,362,910</b>
Less: Realized during the year	11,548,500	36,545,257
	<b>188,527,929</b>	<b>161,817,653</b>

**8.1.5 Disclosure as per Schedule-XI, Part-I, of The Companies Act, 1994**

Debts exceeding 6 Months	-	-
Other debts less provision	-	-
Debts considered good & secured	397,877,860	387,204,855
Debts considered good without security	188,527,929	161,817,653
Debts considered doubtful or bad	-	-
Debts due by directors or other officers	-	-
Debts due from companies under same management	-	-
Maximum debt due by directors or officers at any time	-	-
	<b>586,405,789</b>	<b>549,022,508</b>

There is no related party transaction including in Accounts Receivable except the following:-

i) Anowara Fashions Limited	-	-
ii) Legacy Fashion Limited	11,364,763	12,505,600
iii) Siam's Superiors Limited	-	34,710,900
	<b>11,364,763</b>	<b>47,216,500</b>

**8.2 Other Receivable - note 8**

Opening Balance	40,150,600	-
Insurance Claim	-	40,150,600
Claim Received	(34,638,382)	-
Claim Written Off	(1,852,620)	-
Closing Balance	<b>3,659,598</b>	<b>40,150,600</b>

**Note:** There was an incident of fire in the factory area on 27 November 2016. The company management submitted a claim on the Insurance company concerning the total loss of Tk. 40,150,600 and the claim was accepted by the insurer subject to verification by their surveyor. Subsequently the claim was settled at Tk. 38,297,980/=.

**9 INTEREST RECEIVABLES**

Interest Receivable on FDR - note 9.1	32,102,696	3,296,553
	<b>32,102,696</b>	<b>3,296,553</b>

**9.1 Bank wise Interest Receivable on FDR - note 9**

Bank Name	FDR No.	Rate	Interest Received Up to	30-Jun-2018 Taka	30-Jun-2017 Taka
National Bank Limited	FDR 0016-55031974	5.50%	27-Mar-18	40,928	35,630
	FDR 1016002029657	5.50%	17-May-17	-	8,244
	FDR 0016-55032056	5.50%	10-Apr-18	16,853	14,687
	FDR 0016-55032072	5.50%	15-Apr-18	9,297	8,091
	FDR 0016-55032238	6.00%	9-May-17	-	5,066
	FDR 0016-55032345	6.25%	17-Jun-17	-	7,544
	FDR 0016-55032584	6.75%	19-Jul-16	-	51,130
	FDR 0016-55032741	5.25%	6-Aug-16	-	14,275
	FDR 0016-55032997	5.50%	31-Oct-16	-	40,430
	FDR 0016-55033599	6.00%	14-Feb-17	-	20,474
	FDR 0016-55033731	6.00%	28-Feb-17	-	18,927
	FDR 0016-55034309	6.00%	27-May-17	-	4,082
	FDR 0016-55034713	5.25%	7-Aug-16	-	61,890
	FDR 0016-55035439	6.75%	19-Jul-16	-	78,656
	FDR 0016-55036305	6.00%	2-Feb-17	-	31,451
	FDR 0016-55037088	6.00%	4-May-17	-	15,139
	FDR 0016-55037492	6.75%	21-Jul-16	-	67,314
	FDR 0016-55037749	5.50%	4-Oct-16	-	60,554
	FDR 0016-55038268	6.00%	20-Feb-17	-	35,950



National Bank Limited	FDR 0016-55038615	6.00%	3-Jun-17	-	8,156
	FDR 0016-55038986	5.25%	24-Aug-16	-	93,341
	FDR 0016-55039349	5.50%	14-Nov-16	-	58,927
	FDR 0016-55039811	6.00%	2-Feb-17	-	42,007
	FDR 0016-55041172	5.25%	10-Aug-16	-	75,537
	FDR 0016-55041412	5.50%	26-Sep-16	-	33,652
	FDR 0016-55041701	5.50%	27-Nov-16	-	41,323
	FDR 0016-55042187	5.75%	24-Jan-17	-	48,609
	FDR 0016-55042195	5.50%	24-Jan-17	-	19,036
	FDR 0016-55042939	6.00%	19-Apr-17	-	9,173
	FDR 0016-55044051	5.50%	3-Oct-16	-	59,054
	FDR 0016-55044638	5.75%	5-Jan-17	-	27,880
	FDR 0016-55046064	6.25%	10-Jun-17	-	4,750
	FDR 0016-55046725	5.25%	22-Aug-16	-	59,066
	FDR 0016-55047252	5.50%	11-Dec-16	-	39,208
	FDR 0016-55049471	5.50%	13-Oct-16	-	46,182
	FDR 0016-55048556	6.25%	22-Jun-17	-	2,907
	FDR 0016-55050405	6.00%	2-Mar-17	-	21,651
	FDR 0016-55051361	6.75%	13-Jul-16	-	56,889
	FDR 1016001867894	6.00%	29-May-17	-	7,253
	FDR 0016-55052161	5.50%	25-Oct-16	-	6,016
	FDR 1016002495344	9.00%	27-Dec-17	2,312,500	-
	FDR 1016002577317	7.50%	6-May-18	3,496	-
	FDR 1016002685604	9.00%	9-Apr-18	5,843	-
	FDR 1016002685609	9.00%	9-Apr-18	5,228	-
	FDR 1016002686282	9.00%	9-Apr-18	1,435	-
	FDR 1016002686287	9.00%	9-Apr-18	882	-
	FDR 1016002686302	9.00%	9-Apr-18	943	-
	FDR 1016002686318	9.00%	9-Apr-18	2,973	-
	FDR 1016002686313	9.00%	9-Apr-18	205	-
	FDR 1016002686294	9.00%	9-Apr-18	267	-
	FDR 1016002686323	9.00%	9-Apr-18	1,115	-
	FDR 1016002686326	9.00%	9-Apr-18	2,460	-
	FDR 1016002685613	9.00%	9-Apr-18	609	-
	FDR 1016002686242	9.00%	9-Apr-18	5,187	-
	FDR 1016002686255	9.00%	9-Apr-18	10,250	-
	FDR 1016002686268	9.00%	9-Apr-18	1,046	-
	FDR 1016002686276	9.00%	9-Apr-18	4,305	-
Mercantile Bank Limited	MBL FDR 110441224674987	9.00%	-	202,020	-
	MBL FDR 0190835	6.00%	30-May-17	-	3,108
	MBL FDR 0191643	5.00%	15-Sep-16	-	35,433
	MBL FDR 41300238974	5.00%	22-Dec-16	-	31,855
	MBL FDR 41300239162	6.50%	9-Mar-17	-	16,049
	MBL FDR 41300239323	6.50%	17-Apr-17	-	3,045
	MBL FDR 0243332	5.00%	6-May-17	-	875
	MBL FDR 0243413	5.00%	29-Jun-17	-	42
	MBL FDR 0243232	5.00%	1-Sep-16	-	44,734
	MBL FDR 41300239559	6.00%	19-Jun-17	-	442
	MBL FDR 41114277788	5.00%	1-Jun-17	-	2,672
	MBL FDR 110441116035644	5.00%	4-Apr-17	-	8,516
	MBL FDR 110441116339937	5.00%	8-May-17	-	1,013
	MBL FDR 38050263645	5.00%	1-Jun-17	-	1,053
	MBL FDR 0263823	5.00%	13-Apr-17	-	8,287
	MBL FDR 110441118890673	5.00%	4-May-17	-	10,567
	MBL FDR 110441119654736	5.00%	15-May-17	-	4,243
Shahjalal Islami Bank Limited	MBL FDR 110441120394942	0-Jan-00	2-May-17	-	3,126
	SJIBL # 1430/0311977	0-Jan-00	28-Jun-18	152,583	125,184
	SJIBL # 1431/0311978	7.75%	28-Jun-18	48,983	
	SJIBL # 1434/0347311	7.75%	1-Feb-18	3,307,878	
	SJIBL # 14616/0347404	9.00%	1-May-18	465,132	
South Bangla Agriculture Bank Ltd.	SJIBL # 1441/0347550	8.50%	1-Feb-18	1,759,028	40,193
	SBAC # 3652/0044568/36/18	9.00%	-	9,945,000	-
	SBAC # 3689/0044573/41/18	9.00%	-	3,825,000	-
	SBAC # 3698/0044579/47/18	9.00%	-	1,825,000	-
	SBAC # 3714/0044586/54/18	9.00%	-	1,775,000	-
	SBAC # 0321/0044625/93/18	9.00%	-	1,512,500	-
	SBAC # 3830/0044628/96/18	9.00%	-	1,140,000	-

South Bangla Agriculture Bank Ltd.	SBAC # 3849/0044631/99/18	9.00%	-	1,387,500	-
	SBAC # 3858/0044635/103/18	9.00%	-	1,471,250	-
	SBAC # 3867/0044637/105/18	9.00%	-	625,000	-
	SBAC # 3876/0044646/114/18	9.00%	-	235,000	-
Reliance Finance Limited	02/1632	9.25%	1-Mar-17	-	224,984
Hajj Finance Company Limited	1432003587	8.25%	27-Jun-17	-	47,530
	1432002946	8.25%	28-Jun-17	-	205,551
The Premier Bank Limited	010224300051429	4.00%	15-Jun-17	-	359,997
	010224300051430	4.00%	15-Jun-17	-	359,997
Midas Financing Limited	D06225	8.75%	23-Jun-17	-	196,928
	D06939	8.75%	22-Jun-17	-	202,042
	D06948	8.75%	22-Jun-17	-	18,936
				<b>32,102,696</b>	<b>3,296,553</b>

## 9.2 Disclosure as per Schedule-XI, Part-I, of The Companies Act, 1994

Interest receivable exceeding 6 Months	32,102,696	3,296,553
Other interest receivable less provision	-	-
Interest receivable considered good & secured	32,102,696	3,296,553
Interest receivable considered good without security	-	-
Interest receivable considered doubtful or bad	-	-
Interest receivable from directors or other officers	-	-
Interest receivable from companies under same management	-	-
Maximum interest receivable from directors or officers at any time	-	-
	<b>32,102,696</b>	<b>3,296,553</b>

## 10 ADVANCES, DEPOSITS AND PREPAYMENTS

Advances - note 10.1	369,935,603	556,785,012
Deposits - note 10.2	101,059,690	50,431,755
Prepayments - note 10.3	108,480	112,653
	<b>471,103,773</b>	<b>607,329,420</b>

### 10.1 Advances - note 10

L/C Margin	582,543	13,392,718
For Supply of Yarn - note 10.1.1	17,382,982	9,969,960
For Supply of Chemicals & Accessories - note 10.1.2	29,147,341	29,778,935
For Supply of Stores & Spares - note 10.1.3	1,975,000	1,723,003
For Capital Expenditure - note 10.1.4	31,487,361	316,498,770
For Revenue Expenditure - note 10.1.5	258,996,231	148,870,974
Advance to Employees	2,706,691	3,868,983
Advance Income Tax (Deducted at source) - note 22.1.2	15,219,507	17,074,360
Other Advances - note 10.1.6	12,437,947	15,607,309
	<b>369,935,603</b>	<b>556,785,012</b>

#### 10.1.1 For Supply of Yarn - note 10.1

Amber Rotor Mills Ltd.	-	1,741,350
Delsey Cotton Spinning Mills Ltd./Naheed Composite Textile Mills Ltd.	306,902	7,661,160
Zaber Zubair Spinning Mills Ltd.	567,450	567,450
Square Spinning Mills Ltd.	143,830	-
Unitex Composite Mills Ltd.	4,952,800	-
Loyal Textile Mills Ltd.	11,412,000	-
	<b>17,382,982</b>	<b>9,969,960</b>

#### 10.1.2 For Supply of Chemicals & Accessories - note 10.1

A N Accessories Industries Ltd.	-	1,166,844
Accent Labels HK Ltd.	-	73,998
Active Zipper Ltd.	-	241,383
Allplast Bangladesh Ltd.	315,200	-
Archroma Singapore PTE Ltd	1,248,724	2,075,073
AS Packaging	11,564	-
Bersa Tekstil Ve Kimya Sanayi	-	862,290
Bil Logistics	53,623	-
Changhou Daosheng & NBSP	-	1,506,870
Cromogenia Lints	7,342	750,526
Decagon Accessories Ltd.	-	234,213
Decyphe A. K. Co. Ltd.	1,366,400	-
Dystar Singapore Pte. Ltd	4,768,669	2,094,208

Electric Mart	41,300	-
Evergreen Packaging & Accessories Ltd.	28,632	-
Fabian Industries Ltd.	-	48,245
Fortune Packaging Ltd.	390,000	390,000
Garments Solutions Ltd.	-	312,897
Indofil Industries Ltd.	1,372,000	-
J.B. Enterprise	386,584	647,444
Jamuna Traders	-	457,470
Korino Kimya Tekst.	-	3,481,920
Laila Enterprise	-	582,660
Liberty Poly Zone	-	1,021,032
Long Lasting Coating	373,755	-
Madura Coats Pvt. Ltd.	-	518,700
Matex International Limited	-	800
N. R. Enterprise	1,600	-
New Carton Pack	-	1,302,602
New Look Chem Singapore Pte.	93,600	1,684,800
New Provati Material Store	-	222,300
Newage Accessories Ltd.	64,048	-
Padma Weaving Ltd.	307,596	-
PNR Industries Ltd.	-	623,112
Prakash Chemical Int. Limited	2,952,838	2,719,238
Prochem Tekstil Kimya San Tic AS	-	1,842,301
Rangunia Press	-	143,485
RR Imperial Electric Ltd.	22,071	-
Rudolf (Singapore) Pte. Ltd.	2,128,320	-
Rupali Textile Mills Ltd.	780,000	-
S.R. Accessories Ltd.	-	361,218
Samuda Chemical Complex Ltd	4,728,765	1,201,925
Saranya Spining Mills Ltd.	5,904,000	-
System Solution	4,850	-
Taijin Chengyuan Chemical Co. Ltd	-	901
Taiwan Persotex Corporation	-	973,440
Talha Fabrics Ltd.	4,820	-
Textilechemie DR. Pretty GMBH	-	922,896
Texus Engineering Works	527,000	-
United Express	5,000	-
United Trade Center	529,400	-
World Chem FZE	-	1,314,144
YKK Bangladesh Pte. Ltd.	729,640	-
	<b>29,147,341</b>	<b>29,778,935</b>
<b>10.1.3 For Supply of Stores &amp; Spares - note 10.1</b>		
Elisabeth Kauffmann	-	360,246
Atlas Corpco	1,975,000	30,946
Karl Mayer Textilmaschinen AG	-	1,331,811
	<b>1,975,000</b>	<b>1,723,003</b>
<b>10.1.4 For Capital Expenditure - note 10.1</b>		
Abdul Kader-Contractor	55,000	224,000
IT Configure Systems Limited	-	197,979
Mitali Engineers	50,000	50,000
Mr. Khokon (Furniture)	-	367,000
Mr. Rokon (Factory-Furniture)	-	1,150,000
Nasir Iron Mart	174,619	-
Nasir Brothers	-	132,687
R-Amin & Brothers	30,000,000	12,500,000
Other Advance	1,207,742	301,207,842
Star Partical Board Mills Ltd.	-	32,400
Titu Thai Aluminium	-	636,862
	<b>31,487,361</b>	<b>316,498,770</b>
<b>10.1.5 For Revenue Expenditure - note 10.1</b>		
Ideal Printing House	188,390	188,390
In-Between	-	206,700
Itama SPA Italy	155,529	-
Hebei Macrokun Trading Co. Ind.	119,417	-
Hongkong Trillion Rich	288,647	-
MJI, Bangladesh	100,080	-



	30-Jun-2018 Taka	30-Jun-2017 Taka
Advance against servicing charges for Dyeing & Printing	137,825,235	93,267,151
Advance against servicing charges for Weaving	120,318,933	54,651,919
Karnaphuli Washing Industries	-	175,000
Agrani Insurance Company Ltd.	-	48,624
Toyeb Shah Store	-	290,810
Yonusco T&A BD Ltd.	-	42,380
	<b>258,996,231</b>	<b>148,870,974</b>
<b>10.1.6 Other Advances - note 10.1</b>		
Habib Sons	1,000,000	1,000,000
Advance Design Concept	750,000	750,000
Alliance Tex Trade	42,500	-
Employees Welfare Fund	-	255,329
Check Point Systems Hongkong	-	199,625
Custom Duty	-	777,244
Kalurghat Cold Storage	9,600,000	10,800,000
Khawaja Ajmeer Engineering Works	20,000	-
C. Jahn AB	-	417,612
Laboni Enterprise	514,240	332,730
SGS Bangladesh Limited	113,500	113,500
Canteen Subsidy	-	46,000
Safety First Pvt. Ltd.	100,000	100,000
IT Configure Systems Ltd.	197,949	197,949
Armina Furniture	-	30,000
S.A. Logistic	44,758	36,320
Das Impex	-	496,000
1st Choice	55,000	55,000
	<b>12,437,947</b>	<b>15,607,309</b>
<b>10.2 Deposits - note 10</b>		
Commissioner of Customs	1,158,551	1,112,551
In Pay Order		1,112,551
In FDR	346,551	-
FDR 1016002686294	13,000	-
FDR 1016002686242	253,000	-
FDR 1016002686302	46,000	-
FDR 1016002686255	500,000	-
	812,000	-
BG Margin - Bangladesh General Insurance Company Ltd.	10,000	-
Central Depository of Bangladesh Limited	500,000	500,000
Bangladesh Telecommunications Company Ltd. (BTCL)	38,150	38,150
Karnaphuli Gas Distribution Company Ltd. (KGDCL)	7,537,424	6,498,118
In Pay Order	6,274,324	-
In FDR	1,263,100	-
FDR 1016002685604	285,000	-
FDR 1016002685609	255,000	-
FDR 1016002686282	70,000	-
FDR 1016002686287	43,000	-
FDR 1016002686318	145,000	-
FDR 1016002686323	54,400	-
FDR 1016002686326	120,000	-
FDR 1016002685613	29,700	-
FDR 1016002686268	51,000	-
FDR 1016002686276	210,000	-
Bangladesh Power Development Board (BPDB)	155,200	155,200
G4S Secure Solutions Bangladesh Ltd.	11,500	-
Foreign Bill Awaiting Remittance - note- 10.2.1	91,648,865	42,127,736
	<b>101,059,690</b>	<b>50,431,755</b>
<b>10.2.1 Foreign Bill Awaiting Remittance- note 10.2</b>		
Mercantile Bank Limited	32,688,114	34,303,195
National Bank Limited	7,252,330	-
Shahjalal Islami Bank Limited	51,708,421	6,064,800
Sonali Bank Limited	-	1,759,741
	<b>91,648,865</b>	<b>42,127,736</b>

	30-Jun-2018 Taka	30-Jun-2017 Taka
<b>10.3 Prepayments - note 10</b>		
Prepaid Insurance	108,480	112,653
	<b>108,480</b>	<b>112,653</b>
<b>10.4 Disclosure as per Schedule-XI, Part-I, of The Companies Act, 1994</b>		
Advances exceeding 6 Months	8,899,274	8,028,968
Other advances less provision	-	-
Advances and deposits considered good & secured	350,293,033	190,546,806
Advances and deposits considered good without security	-	-
Advances and deposits considered doubtful or bad	-	-
Advances and deposits due by directors or other officers	-	-
Advances and deposits due from companies under same management	-	-
Maximum advances and deposits due by directors or officers at any time	-	-
	<b>350,293,033</b>	<b>190,546,806</b>
There is no related party transaction including in Advance, Deposits & Prepayments except the following:		
i) Habib Sons	1,000,000	1,000,000
ii) Regent Fabrics Limited (Servicing Charge - Dyeing & Printing)	137,825,235	93,267,151
iii) Regent Weaving Limited (Servicing Charge - Weaving)	120,318,933	54,651,919
	<b>259,144,168</b>	<b>148,919,070</b>
Advance, Deposits & Prepayments which are considered doubtful or debt will be written off after 3 years maturity.		
<b>11 DUE FROM AFFILIATED COMPANIES</b>		
Regent Fabrics Limited - note 11.1	220,225,341	152,532,442
Regent Weaving Limited - note 11.2	38,462,244	15,162,614
HG Aviation Limited - note 11.3	59,000,000	-
	<b>317,687,585</b>	<b>167,695,056</b>
<b>11.1 Regent Fabrics Limited - note 11</b>		
Opening Balance	152,532,442	141,280,424
Fund extended during the year	567,680,352	450,094,920
	720,212,794	591,375,344
Repaid/ Adjusted during the year	(499,987,453)	(438,842,902)
Closing Balance	<b>220,225,341</b>	<b>152,532,442</b>
<b>11.2 Regent Weaving Limited - note 11</b>		
Opening Balance	15,162,614	12,412,872
Fund extended during the year	264,890,723	182,456,271
	280,053,337	194,869,143
Repaid/ Adjusted during the year	(241,591,093)	(179,706,529)
Closing Balance	<b>38,462,244</b>	<b>15,162,614</b>
<b>11.3 HG Aviation Limited - note 11</b>		
Opening Balance	-	-
Fund extended during the year	200,000,000	-
	200,000,000	-
Repaid/ Adjusted during the year	(141,000,000)	-
Closing Balance	<b>59,000,000</b>	<b>-</b>
<b>12 CASH AND CASH EQUIVALENTS</b>		
Cash in Hand - note 12.1	151,096	96,607
Cash at Bank and NBFI - note 12.2	7,367,841	5,184,792
	<b>7,518,937</b>	<b>5,281,399</b>
<b>12.1 Cash in Hand - note 12</b>		
Head Office	67,101	10,631
Dhaka Office	47,082	46,293
Factory Office	36,913	39,683
	<b>151,096</b>	<b>96,607</b>

30-Jun-2018 Taka	30-Jun-2017 Taka
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12.2 Cash at Bank and NBFI: Balances with Schedule Banks - note 12

Bank	Branch	A/c No.		
AB Bank Limited	Agrabad Branch	CD A/C - 410786889000	6,500	49,818
Al Arafah Islami Bank Ltd.	Agrabad Branch	CD A/C - 0051020018121	-	281
Brac Bank Limited	Agrabad Branch	CD A/C-1101202834712001	25,359	26,659
Brac Bank Limited	Agrabad Branch	FC (\$) -1101202834712002	145,357	145,357
Brac Bank Limited	Agrabad Branch	FC (€) -1101202834712004	4,786	4,786
Dutch Bangla Bank Limited	Agrabad Branch	CD A/C - 102-110-19532	4,607	14,653
Islami Bank (BD) Limited	Agrabad Branch	CD A/C - 4711	1,481	2,631
Lanka Bangla Securities	Motijheel Branch	BO ID-1201840015659944	29,777	-
Mercantile Bank Limited	Agrabad Branch	FDR	763,000	1,234,000
Mercantile Bank Limited	Agrabad Branch	CD A/C - 010411100011529	-	(26,645)
Mercantile Bank Limited	Agrabad Branch	FC/ERQ A/C	1,094,461	695,648
Mercantile Bank Limited	Agrabad Branch	CD A/C# 110411123263397	3,052	-
Mutual Trust Bank Ltd.	Jubilee Road Branch	CD A/C - 0018-0210008650	741	50,058
National Bank Limited	Jubilee Road Branch	CD A/C - 33332	10,881	490,969
National Bank Limited	Jubilee Road Branch	FC A/C (\$)	1,723,147	1,602,093
National Bank Limited	Jubilee Road Branch	FC A/C (€)	425,041	425,041
National Bank Limited	Jubilee Road Branch	FDR	546,186	313,668
NCC Bank Limited	Majhirghat Branch	CD A/C - 01012166	8,023	8,598
NRB Bank Limited	Chittagong Main Branch	CD A/C - 2012050019413	38,979	40,640
Shahjalal Islami Bank Ltd.	Jubilee Road Branch	CD A/C- 3003-1110002816	21,018	(30,136)
Shahjalal Islami Bank Ltd.	Jubilee Road Branch	FC A/C (\$) 3003-1810000001	2,480,364	-
Social Islami Bank Limited	Jubilee Road Branch	CD A/C - 0231330010611	4,520	5,095
Sonali Bank Limited	Agrabad Branch	FC A/C- 207031100	17,829	17,829
Sonali Bank Limited	Agrabad Branch	CD A/C- 33010123	6,972	-
Standard Chartered Bank Ltd.	Chittagong Main Branch	CD A/C - 01-2854139-01	5,760	113,749
			<b>7,367,841</b>	<b>5,184,792</b>



**13 SHARE CAPITAL**

**13.1 Authorized Capital**

150,000,000 Ordinary Shares of Tk 10 each

30-Jun-2018 Taka	30-Jun-2017 Taka
1,500,000,000	1,500,000,000
<b>1,500,000,000</b>	<b>1,500,000,000</b>

**13.2 Issued, subscribed and paid-up Capital**

115,500,000 Ordinary Shares of Tk 10 each

1,155,000,000	1,155,000,000
<b>1,155,000,000</b>	<b>1,155,000,000</b>

**13.3 A. Position of Shareholding as at 30 June 2018**

Name of the Shareholders	Nature of Shareholding	Nationality	30/Jun/2018		30-Jun-2017
			%	Taka	Taka
Mr. Md. Yakub Ali	Individual	Bangladeshi	12.06	139,263,130	139,263,130
Mr. Md. Yasin Ali	Individual	Bangladeshi	12.12	140,000,490	140,000,490
Mrs. Anjumanara Begum	Individual	Bangladeshi	3.23	37,346,900	37,346,900
Mrs. Amina Mahabub	Individual	Bangladeshi	7.58	87,499,180	87,499,180
Mrs. Salma Yasin	Individual	Bangladeshi	3.17	36,609,670	36,609,670
Mr. Mashruf Habib	Individual	Bangladeshi	2.89	33,390,000	33,390,000
Mr. Tanvir Habib	Individual	Bangladeshi	5.30	61,250,230	61,250,230
Mrs. Tanima Mahabub	Individual	Bangladeshi	2.65	30,625,180	30,625,180
Ms. Sarfinaz Mahabub	Individual	Bangladeshi	2.65	30,625,180	30,625,180
Mr. Salman Habib	Individual	Bangladeshi	2.89	33,390,000	33,390,000
General Shareholders	Individual	Bangladeshi	45.45	525,000,040	525,000,040
<b>Total</b>			<b>100</b>	<b>1,155,000,000</b>	<b>1,155,000,000</b>

**B. The details of the above shareholdings are as follows:**

Name of the shareholders	Nature of Shareholding	No. of Shares held		Amount in Taka	
		30-Jun-2018	30-Jun-2017	30-Jun-2018	30-Jun-2017
Mr. Md. Yakub Ali	Individual	13,926,313	13,926,313	139,263,130	139,263,130
Mr. Md. Yasin Ali	Individual	14,000,049	14,000,049	140,000,490	140,000,490
Mrs. Anjumanara Begum	Individual	3,734,690	3,734,690	37,346,900	37,346,900
Mrs. Amina Mahabub	Individual	8,749,918	8,749,918	87,499,180	87,499,180
Mrs. Salma Yasin	Individual	3,660,967	3,660,967	36,609,670	36,609,670
Mr. Mashruf Habib	Individual	3,339,000	3,339,000	33,390,000	33,390,000
Mr. Tanvir Habib	Individual	6,125,023	6,125,023	61,250,230	61,250,230
Mrs. Tanima Mahabub	Individual	3,062,518	3,062,518	30,625,180	30,625,180
Ms. Sarfinaz Mahabub	Individual	3,062,518	3,062,518	30,625,180	30,625,180
Mr. Salman Habib	Individual	3,339,000	3,339,000	33,390,000	33,390,000
General Shareholders	Individual	52,500,004	52,500,004	525,000,040	525,000,040
<b>Total</b>		<b>115,500,000</b>	<b>115,500,000</b>	<b>1,155,000,000</b>	<b>1,155,000,000</b>

**C. Distribution schedule of the shares as at 30 June 2018 is given below as required by listing regulations:**

Slabs by number of shares	Number of Shareholders	No. of Shares	Holding (%)
Less than 500	20,596	3,234,056	2.80
From 500 to 5,000	2,254	4,887,515	4.23
From 5,001 to 10,000	515	3,881,047	3.36
From 10,001 to 20,000	310	4,497,958	3.89
From 20,001 to 30,000	99	2,462,859	2.13
From 30,001 to 40,000	51	1,795,434	1.55
From 40,001 to 50,000	42	1,964,323	1.70
From 50,001 to 100,000	64	4,673,623	4.05
From 100,001 to 1,000,000	34	7,014,817	6.07
Above 1,000,000	16	81,088,368	70.21
<b>Total</b>	<b>23,981</b>	<b>115,500,000</b>	<b>100.00</b>

**14 REVALUATION SURPLUS**

Opening Balance

Less: Realized during the year- Note 4.1(b)

Closing Balance

30-Jun-2018 Taka	30-Jun-2017 Taka
986,342,088	990,266,215
(3,732,355)	(3,924,127)
<b>982,609,733</b>	<b>986,342,088</b>

**15 SHARE PREMIUM ACCOUNT**

Opening Balance

Add: Addition during the year

Less : Adjusted with deferred IPO expenses - note 6

Closing Balance

724,782,034	724,782,034
-	-
724,782,034	724,782,034
<b>724,782,034</b>	<b>724,782,034</b>

Deferred IPO expenses has been adjusted with share premium account as per Companies Act 1994 under section 57 (2)(b) during 2015-16.

	30-Jun-2018 Taka	30-Jun-2017 Taka
<b>16 RETAINED EARNINGS</b>		
Opening balance	612,341,920	635,671,489
Add: Profit after income tax	129,702,126	137,000,682
Add: Revaluation surplus realized - note 14	3,732,355	3,924,127
Less: Dividend for the period	(52,500,004)	(165,000,000)
Add: Other comprehensive income/(loss)	(9,857,487)	745,622
Closing Balance	<b>683,418,910</b>	<b>612,341,920</b>
<b>17 LONG TERM LOAN</b>		
Industrial Promotion & Development Company (IPDC) of BD Limited - note 17.2	-	-
Shahjalal Islami Bank Ltd., Jubilee Road Branch- note 17.3	902,433,333	800,000,000
	<b>902,433,333</b>	<b>800,000,000</b>
<b>17.1 Current Portion of Long Term Loan - note 17.3</b>	60,891,457	14,254,723
Non-current Portion of Long Term Loan - note 17.3	841,541,876	785,745,277
	<b>902,433,333</b>	<b>800,000,000</b>
<b>17.2 Industrial Promotion &amp; Development Company of Bangladesh Limited - note 17</b>		
IPDC Term Loan (Working Capital Loan) - note 17.2.1	-	-
	-	-
<b>17.2.1 IPDC Term Loan - note 17.1</b>		
Opening Balance	-	139,318,874
Add: Loan received during the year	-	-
Add: Interest charged during the year	-	13,010,965
	-	<b>152,329,839</b>
Less: Payment during the year	-	152,329,839
Closing Balance	-	-
Less: Current portion of long term loan	-	-
Non-current portion of long term loan	-	-
<b>Loan -01</b>		
Limit amount	: Tk 150,000,000	
Purpose	: To support business operation	
Sanction date	: 17-Dec-2015	
Interest rate	: 11%	
Security	: Hypothecation of all the Moveable Assets, Personal Guarantee of all the Directors, Corporate Guarantee of Habib Steels Ltd. and Regent Power Ltd.	
Installment size	: Tk 3,229,781 per month	
No. of Installments	: 60	
Tenure	: 5 years	
<b>17.3 Shahjalal Islami Bank Ltd. - note 17</b>		
<b>17.3.1 Hire Purchase under Shirkatul Mulk (HPSM) - (Industrial) - note 17.3</b>		
Opening Balance	800,000,000	-
Add: Loan received during the year	-	800,000,000
Add: Interest charged during the year	102,433,333	-
	<b>902,433,333</b>	<b>800,000,000</b>
Less: Payment during the year	-	-
Closing Balance	<b>902,433,333</b>	<b>800,000,000</b>
Less: Current portion of long term loan	(60,891,457)	(14,254,723)
Non-current portion of long term loan	<b>841,541,876</b>	<b>785,745,277</b>

30-Jun-2018  
Taka

30-Jun-2017  
Taka

**Hire Purchase under Shirkatul Mulk (HPSM) - Industrial**

Limit amount	: Tk. 800,000,000
Purpose	: Takeover outstanding liabilities of Lanka Bangla Finance Ltd., IPDC Bangladesh Ltd., MIDAS Financing Ltd., Union Capital Ltd. against BMRE purposes.
Sanction date	: 28-Mar-17
Grace Period	: 18 months
Interest rate	: 12.00%
Security	: Hypothecation of machineries & other fixed assets under bank's mortgage.
Installment size	: Tk. 1,531,444.8 on EMI Basis
No. of Installments	: 108 Nos
Tenure	: 10 Years and 6 months with 18 months moratorium

**18 ACCOUNTS PAYABLE**

Trade Payable - note 18.1	445,815,172	252,225,046
	<b>445,815,172</b>	<b>252,225,046</b>

**18.1 Trade Payable - note 18**

For Supply of Raw Materials - note 18.1.1	367,784,228	185,411,818
For Revenue Expenditure - Annexure B(b)	65,388,362	55,761,743
Add: Foreign currency fluctuation loss/(gain) due to translation of Trade Payable during the year with reference to BAS 21.	12,642,582	11,051,485
	<b>445,815,172</b>	<b>252,225,046</b>

**18.1.1 For Supply of Raw Materials - note 18.1**

Back to Back L/C - Mercantile Bank Ltd. - Annexure B(a)(i)	82,778,716	99,604,919
Back to Back L/C - National Bank Ltd. - Annexure B(a)(ii)	64,268,167	21,388,439
Back to Back L/C - Shahjalal Islami Bank Ltd. - Annexure B(a)(iii)	220,737,345	64,418,460
	<b>367,784,228</b>	<b>185,411,818</b>

**18.1.2 Trade Payable includes transactions with related parties (note - 33) which are stated below:**

Regent Spinning Mills Limited	14,101,771	16,561,501
Habib Sons	-	183,600
	<b>14,101,771</b>	<b>16,745,101</b>

**19 OTHER PAYABLES**

Liabilities for Expenses - note 19.1	43,389,567	35,217,985
Liabilities for Refund of IPO Application Money	170,333	170,333
Habib Sons	16,000,000	-
For Capital Expenditure - Annexure C	636,756,655	528,023
Workers' Profit Participation & Welfare Fund (WPP & WF) - note 19.2	16,598,003	22,759,368
Unclaimed Dividend	7,142,510	2,849,859
	<b>720,057,068</b>	<b>61,525,568</b>

**19.1 Liabilities for Expenses - note 19**

Wages & Salary	21,287,919	19,989,725
Overtime	3,183,480	1,439,807
Deduction of Tax at Sources	7,053,088	7,327,263
Karnaphuli Gas Distribution Company Limited	11,646,333	6,196,302
Audit fee	100,000	100,000
Electricity Bill	30,256	88,620
Telephone Bill	88,491	76,268
	<b>43,389,567</b>	<b>35,217,985</b>



	30-Jun-2018 Taka	30-Jun-2017 Taka
<b>19.2 Workers' Profit Participation &amp; Welfare Fund - note 3.20 &amp; 19</b>		
Opening Balance	22,759,368	13,454,489
Add: Addition during the year - note 19.2.1	7,431,180	8,497,610
Add: Interest incurred during the year - note 25	220,672	807,269
	30,411,220	22,759,368
Less: Paid during the year	(13,813,217)	-
Closing Balance	16,598,003	22,759,368
<b>19.2.1 Break up of WPP &amp; WF - Note 19.2</b>		
Profit Before WPP & WF	148,623,592	169,952,193
	148,623,592	169,952,193
Addition during the year	7,431,180	8,497,610
<b>19.3 Other Payable includes transactions with related parties (note - 33) which are stated below:</b>		
Diamond Cement Limited	-	-
<b>20 SHORT TERM LOAN</b>		
Loan against Trust Receipt (LTR) - note 20.1	9,778,826	474,008
Packing Credit Loan - note 20.2	64,930,369	41,640,416
Cash Credit (CC) Hypo - note 20.3	234,849,925	130,710,371
Lanka Bangla Finance Limited - note 20.4	329,452,804	414,865,862
IDLC Finance Ltd. - note 20.6	303,150,001	100,000,000
	942,161,925	687,690,657
<b>20.1 Loan against Trust Receipt - note 20</b>		
Mercantile Bank Ltd., Agrabad Branch	9,778,826	474,008
	9,778,826	474,008
<b>Mercantile Bank Ltd., Agrabad Branch</b>		
Limit amount	: Tk 20,000,000	
Purpose	: For retirement of shipping documents drawn under sight L/C	
Interest rate	: 10.00%	
Security	: Lien on Master Export L/C, Import Documents, Raw Materials, WIP, Finished Goods, Lien of FDR, Personal & Corporate Guarantee.	
Tenure	: 180 Days	
<b>20.2 Packing Credit Loan - note 20</b>		
Mercantile Bank Ltd., Agrabad Branch	11,758,041	12,495,993
National Bank Ltd., Jubilee Road Branch	19,649,354	4,035,142
Shahjalal Islami Bank Ltd. (Bai-Salam), Jubilee Road Branch	33,522,974	25,109,281
	64,930,369	41,640,416
<b>(a) Mercantile Bank Ltd, Agrabad Branch</b>		
Limit amount	: Tk 20,000,000	
Purpose	: For payment of factory wages, utility bills, freight charges and other factory expenses.	
Interest rate	: 7%	
Security	: Lien on Master Export L/C	
Tenure	: 120 Days	

30-Jun-2018  
Taka

30-Jun-2017  
Taka

**(b) National Bank Ltd, Jubilee Road Branch**

Limit amount	: Tk 20,000,000
Purpose	: For payment of pre-shipment expenses
Interest rate	: 7%
Security	: Lien on Master Export L/C, Import Documents, Raw Materials, WIP, Finished Goods, Lien of FDR, Personal & Corporate Guarantee.
Tenure	: 02 months from the date of submission of export documents (Maximum 120 days from the date of creation.)

**(c) Shahjalal Islami Bank Ltd., Jubilee Road Branch**

Limit amount	: Tk 80,000,000
Purpose	: For payment of pre-shipment expenses
Interest rate	: 7%
Security	: Lien on Master Export L/C, Trust Receipt, Hypothecation of all stock, Irrevocable power of Attorney.
Tenure	: 120 days

**20.3 Cash Credit (Hypo) - note 20**

Sonali Bank Ltd., Agrabad Branch, Account No. - 001137000054	-	23,061,209
National Bank Ltd., Jubilee Road Branch, Account No. - 001637002234	27,535,630	20,948,718
Mercantile Bank Ltd., Agrabad Branch, Account No. - 7200000618	16,489,952	(2,294,620)
Shahjalal Islami Bank Ltd. (Bai-Muajjal), Jubilee Road Branch	190,824,343	88,995,064
	<b>234,849,925</b>	<b>130,710,371</b>

**(a) Sonali Bank Ltd., Agrabad Branch**

Limit amount	: Tk 150,000,000
Purpose	: To meet working capital requirement
Interest rate	: 13.00%
Security	: Raw Materials, Work-in-Process, Finished Goods, Packing Materials, Store & Spares and Personal Guarantee of all Directors of the Company.
Tenure	: 1 year

**(b) National Bank Ltd., Jubilee Road Branch**

Limit amount	: Tk 30,000,000
Purpose	: To meet working capital requirement
Interest rate	: 10.00%
Security	: Lien on Master Export L/C, Import Documents, Raw Materials, WIP, Finished Goods, Lien of FDR, Personal & Corporate Guarantee.
Tenure	: 90 days to 1 year

**(c) Mercantile Bank Ltd., Agrabad Branch**

Limit amount	: Tk 20,000,000
Purpose	: To meet operating expenses
Interest rate	: 10.00%
Security	: Lien on Master Export L/C, Import Documents, Raw Materials, WIP, Finished Goods, Lien of FDR, Personal & Corporate Guarantee.
Tenure	: 1 year

**(d) Shahjalal Islami Bank Ltd., Jubilee Road Branch**

Limit amount	: Tk 200,000,000
Purpose	: To made local procurements
Interest rate	: 9.50%
Security	: Lien on Master Export L/C, Trust Receipt, Hypothecation of all stock, Irrevocable power of Attorney.
Tenure	: 180 days

	30-Jun-2018 Taka	30-Jun-2017 Taka
<b>20.4 Lanka Bangla Finance Limited - note 20</b>		
Opening Balance	414,865,862	785,358
Add: Loan received during the year	310,000,000	1,694,797,500
Add: Interest charged during the year	48,923,752	33,534,084
	<b>773,789,614</b>	<b>1,729,116,942</b>
Less: Payment during the year	(444,336,810)	(1,314,251,080)
Closing Balance	<b>329,452,804</b>	<b>414,865,862</b>
Limit amount	: Tk 400,000,000	
Purpose	: To meet working capital requirement	
Interest rate	: 12.50%	
Security	: Hypothecation of all the Moveable Assets, Personal Guarantee of all the Directors, Corporate Guarantee of Habib Steels Ltd.	
Tenure	: 180 days	
<b>20.5 Industrial Promotion &amp; Development Company (BD) Limited (IPDC) - note 20</b>		
Opening Balance	-	75,020,134
Add: Loan received during the year	-	-
Add: Interest charged during the year	-	1,876,532
	-	<b>76,896,666</b>
Less: Payment during the year	-	76,896,666
Closing Balance	-	-
Limit amount	: Tk 75,000,000	
Purpose	: To meet working capital requirement	
Interest rate	: 11.00%	
Security	: Hypothecation of all the Moveable Assets, Personal Guarantee of all the Directors, Corporate Guarantee of Habib Steels Ltd. and Regent Power Ltd.	
Tenure	: 365 days	
<b>20.6 IDLC Finance Ltd. - note 20</b>		
Opening Balance	100,000,000	200,000,000
Add: Loan received during the year	500,000,000	600,000,000
Add: Interest charged during the year	30,404,863	20,777,778
	<b>630,404,863</b>	<b>820,777,778</b>
Less: Payment during the year	(327,254,862)	(720,777,778)
Closing Balance	<b>303,150,001</b>	<b>100,000,000</b>
Limit amount	: Tk 300,000,000	
Purpose	: To meet working capital requirement	
Interest rate	: 13.50%	
Security	: Personal Guarantee of all the Directors	
Tenure	: 365 days	
<b>20.7 Midas Financing Ltd. - note 20</b>		
Opening Balance	-	200,000,000
Add: Loan received during the year	-	-
Add: Interest charged during the year	-	17,300,500
	-	<b>217,300,500</b>
Less: Payment during the year	-	217,300,500
Closing Balance	-	-
Limit amount	: Tk 200,000,000	
Purpose	: To meet working capital requirement	
Interest rate	: 10.50%	
Security	: Personal Guarantee of all the Directors, Corporate Guarantee of Habib Steels Ltd. Corporate Guarantee of Habib Steel Ltd.	
Tenure	: 365 days	



**21 DIRECTORS'/SPONSORS' CURRENT ACCOUNT**

	30-Jun-2018 Taka	30-Jun-2017 Taka
Mr. Md. Yakub Ali	-	12,000,000
Mr. Md. Yasin Ali	-	12,000,000
Mr. Mashruf Habib	-	2,850,000
Mr. Salman Habib	-	2,850,000
Mr. Tanvir Habib	-	5,247,992
Mrs. Anjumanara Begum	-	3,200,000
Mrs. Amina Mahabub	-	7,497,649
Mrs. Salma Yasin	-	3,137,000
Mrs. Tanimah Mahabub	-	2,623,274
	<b>-</b>	<b>51,405,915</b>

**22 PROVISION FOR INCOME TAX**

For Current Tax - note 22.1	28,112,146	32,632,692
For Deferred Tax - note 22.2	53,755,597	69,889,627
	<b>81,867,743</b>	<b>102,522,319</b>

**22.1 Provision for Current Tax - note 22**

Opening Balance	32,632,692	41,535,666
Add: Provision made during the year - note 22.1.1	27,624,316	13,359,965
	60,257,008	54,895,631
Less: Adjusted during the year - note 22.1.2	(32,144,862)	(22,262,939)
Closing Balance	<b>28,112,146</b>	<b>32,632,692</b>

**22.1.1 Provision made during the year - note 22.1**

Profit Before Tax	141,192,412	161,454,583
Less: Items for Separate Consideration:		
Other Non-Operating Income	103,281,670	99,924,103
	37,910,742	61,530,480
Add: Other Inadmissible Allowances:		
Accounting Depreciation	67,487,007	65,727,439
	105,397,749	127,257,919
Less: Tax Depreciation u/s 29 (1) (iiv) of ITO, 1984	86,300,019	76,246,810
<b>Taxable Income from Operation</b>	<b>19,097,730</b>	<b>51,011,109</b>

	Tax Rate		
Tax on Other Non-Operating Income	25%	25,820,418	24,981,026
Tax on Operational Income	12% / 15%	2,291,728	7,651,666
Tax on Total Taxable Income		28,112,146	32,632,692
(Over Provision)/Under Provision of Prior Year		(487,830)	(19,272,727)
		<b>27,624,316</b>	<b>13,359,965</b>

**22.1.2 Adjusted during the year - note 22.1**

Tax Paid in Cash	15,070,502	12,754,987
Adjusted with Advance Income Tax - note 10.1	17,074,360	9,507,952
	<b>32,144,862</b>	<b>22,262,939</b>

**22.2 Provision for Deferred Tax - note 22**

Opening Balance	69,889,627	58,795,691
Add: Provision made during the year	(16,134,030)	11,093,936
	53,755,597	69,889,627
Less: Provision realized during the year	-	-
Closing Balance	<b>53,755,597</b>	<b>69,889,627</b>

30-Jun-2018  
Taka

30-Jun-2017  
Taka

## 22.2.1 Calculation of Deferred Tax:

Carrying Amount (Taka)	Tax Base (Taka)	Taxable/ (Deductible) Temporary Difference [Taka]
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### As on 30 June 2018:

Property, Plant and Equipment (Except Land)	810,066,186	362,102,882	447,963,304
Applicable Tax Rate			12%
			<u>53,755,597</u>

### As on 30 June 2017:

Property, Plant and Equipment (Except Land)	782,878,390	316,947,545	465,930,845
Applicable Tax Rate			15%
Deferred Tax Liability			<u>69,889,627</u>

**23 REVENUE**

i) Sales Revenue:

RMG - note 35.1(c)

Home Tex - note 35.1(c)

ii) Service Revenue

iii) Cash Incentive

1-Jul-2017 to 30-Jun-2018	1-Jul-2016 to 30-Jun-2017
Taka	Taka
411,748,661	349,759,198
681,359,251	435,749,055
83,891,280	245,203,151
38,258,776	27,492,788
<b>1,215,257,968</b>	<b>1,058,204,192</b>

**24 COST OF GOODS SOLD**

Raw materials consumed - note 24.1

Factory overhead - note 24.2

**Cost of Production**

Opening work-in-process

Closing work-in-process - note 7, 35.1(b)

**Cost of goods manufactured**

Opening finished goods

**Cost of goods available for sale**

Closing finished goods - note 7, 35.1(c)

694,015,224	473,848,934
420,100,391	370,384,634
<b>1,114,115,615</b>	<b>844,233,568</b>
217,865,820	216,071,450
(366,274,650)	(217,865,820)
<b>965,706,785</b>	<b>842,439,198</b>
39,170,322	37,309,368
<b>1,004,877,107</b>	<b>879,748,566</b>
(30,947,091)	(39,170,322)
<b>973,930,016</b>	<b>840,578,244</b>

**24.1 Raw materials consumed - note 24**

Opening inventory

Add: Purchase during the year - note 24.1.1

Total materials available

Closing inventory - note 7, 35.1(a)

87,660,245	77,962,494
800,421,638	483,546,685
888,081,883	561,509,179
(194,066,659)	(87,660,245)
<b>694,015,224</b>	<b>473,848,934</b>

**24.1.1 Purchase during the year - note 24.1, 35.1**

Yarn

Grey Fabrics (P & S)

Dyes & Chemical

Accessories & Trims

541,939,883	329,606,750
63,661,129	37,971,649
130,497,121	87,419,376
64,323,505	28,548,910
<b>800,421,638</b>	<b>483,546,685</b>

**24.2 Factory overhead - note 24**

Salaries & Wages

Festival Bonus

Design Charges

Electricity Charges

Clearing Charges

Stores & Spares - note 36.1(d)

Fuel & Lubricants

Gas Charges

Indirect Raw Materials

Insurance Premium

Indirect Labor Charges

Medical Expenses

Repairs & Maintenance

Servicing Charges

Depreciation - note 4.2

231,157,239	205,369,604
16,249,223	10,269,778
3,833,980	912,672
283,051	313,411
1,768,234	876,602
13,202,724	18,462,793
3,091,154	3,548,989
77,584,582	60,594,329
1,591,357	1,662,752
1,841,089	1,584,898
1,275,980	1,018,594
260,332	572,077
2,318,541	1,935,795
4,904,598	4,107,644
60,738,307	59,154,696
<b>420,100,391</b>	<b>370,384,634</b>

**Note:** Details of quantity wise schedule of purchase and consumption are shown in note 35.1



## 25 ADMINISTRATIVE EXPENSES

	1-Jul-2017 to 30-Jun-2018 Taka	1-Jul-2016 to 30-Jun-2017 Taka
Salary & Allowances	26,150,116	19,850,386
Director Remuneration - note 35.3(b)	2,400,000	2,400,000
Board Meeting Allowance - note 35.3(a)	205,000	215,000
General Meeting Expenses	626,952	605,000
Annual Fee DSE, CSE, CDBL & Others	1,198,000	1,446,616
Audit Fee - note 35.4	100,000	100,000
Legal and Professional Fees	543,496	449,637
License & Renewal	2,002,914	450,977
Documentation Expenses	1,916,235	-
Dress and Uniform	68,121	68,405
Electricity Bill	1,041,076	1,188,650
Entertainment	1,312,284	1,334,046
Internet Charges	238,000	240,000
Fooding Expenses	793,456	880,828
Ifter Expenses	507,810	66,123
Office Maintenance	945,044	739,448
Rent & Rates	3,408,025	3,390,000
Paper and Periodicals	13,308	14,479
Postage & Courier Service	247,196	231,233
Printing & Stationery	1,411,382	776,939
Telephone Charges	1,124,552	1,089,935
Interest on WPP & WF - note 19.2	220,672	807,269
Travelling and Others	2,754,053	2,041,556
Training Expenses	27,000	189,618
Advertisement Expense	420,190	232,755
Vehicle Maintenance	1,721,137	1,307,151
Insurance Claim Written Off	1,852,620	-
Impairment of Property, Plant & Equipment	-	3,199,489
Depreciation - note 4.2	3,374,350	3,286,371
	<b>56,622,989</b>	<b>46,601,911</b>

## 26 SELLING AND DISTRIBUTION EXPENSES

Salary & Allowances	12,076,917	10,862,535
Business Promotion	-	6,072,823
Carriage Outward	1,898,500	1,750,321
Commission on Export	-	1,049,147
Forwarding Expenses	2,088,780	1,360,997
Freight Charges	2,041,321	2,479,692
L/C Charges -Export	1,609,081	1,633,308
Sample Clearing Expenses	2,682,503	1,525,193
Testing Expenses	1,280,698	770,712
Trade Fair Expenses	1,540,681	1,529,754
Depreciation - note 4.2	3,374,350	3,286,372
	<b>28,592,831</b>	<b>32,320,854</b>

## 27 FINANCIAL EXPENSES

Interest Expense - note 27.1  
Bank Charges & Commission

1-Jul-2017 to 30-Jun-2018	1-Jul-2016 to 30-Jun-2017
Taka	Taka

105,044,585	63,429,164
5,725,625	5,245,929
<b>110,770,210</b>	<b>68,675,093</b>

### 27.1 Interest Expense - note 27

Sonali Bank Limited - note 27.1.1  
National Bank Limited - note 27.1.2  
Mercantile Bank Limited - note 27.1.3  
Shahjalal Islami Bank Ltd. - note 27.1.4  
IPDC (BD) Limited - note 27.1.5  
Lanka Bangla Finance Limited - note 27.1.6  
IDLC Finance Ltd. - note 27.1.7  
Union Capital Ltd. - note 27.1.9

15,867	6,732,132
3,078,056	2,775,008
3,460,664	3,050,623
18,128,190	1,682,539
-	1,089,107
48,923,752	27,321,977
30,404,863	20,777,778
1,033,193	-
<b>105,044,585</b>	<b>63,429,164</b>

#### 27.1.1 Sonali Bank Limited - note 27.1

Interest on C.C Hypo  
Interest on P.C Loan

15,867	6,021,054
-	711,078
<b>15,867</b>	<b>6,732,132</b>

#### 27.1.2 National Bank Limited - note 27.1

Interest on C.C Hypo  
Interest on LTR  
Interest on P.C Loan

2,752,626	2,626,435
-	48,871
325,430	99,702
<b>3,078,056</b>	<b>2,775,008</b>

#### 27.1.3 Mercantile Bank Limited - note 27.1

Interest on LTR  
Interest on P.C Loan  
Interest on SOD

1,284,716	479,366
807,524	1,163,094
1,368,424	1,408,163
<b>3,460,664</b>	<b>3,050,623</b>

#### 27.1.4 Shahjalal Islami Bank Ltd. - note 27.1

Interest on Bai-Muajjal  
Interest on Bai-Salam

16,421,256	1,676,579
1,706,934	5,960
<b>18,128,190</b>	<b>1,682,539</b>

#### 27.1.5 IPDC (BD) Limited - note 27.1

Interest on Working Capital Loan  
Interest Capitalized

-	12,859,070
-	(11,769,963)
<b>-</b>	<b>1,089,107</b>

#### 27.1.6 Lanka Bangla Finance Limited - note 27.1

Interest on Working Capital Loan  
Interest Capitalized

48,923,752	33,534,084
-	(6,212,107)
<b>48,923,752</b>	<b>27,321,977</b>

#### 27.1.7 IDLC Finance Ltd. - note 27.1

Interest on Working Capital Loan

30,404,863	20,777,778
<b>30,404,863</b>	<b>20,777,778</b>

	1-Jul-2017 to 30-Jun-2018 Taka	1-Jul-2016 to 30-Jun-2017 Taka
<b>27.1.8 MIDAS Financing Ltd. - note 27.1</b>		
Interest on Working Capital Loan	-	17,300,500
Interest Capitalized	-	(17,300,500)
	-	-
<b>27.1.9 Union Capital Ltd. - note 27.1</b>		
Interest on House Building Loan	1,033,193	3,804,167
Interest Capitalized	-	(3,804,167)
	<b>1,033,193</b>	-
<b>28 OTHER NON-OPERATING INCOME</b>		
Interest on FDR	103,215,670	103,030,354
Gain / (Loss) on Disposal of Financial Assets	-	(3,745,843)
Dividend Income	66,000	-
Interest on Savings Account	-	151,894
Foreign Currency Fluctuation Gain/(Loss)	-	487,698
	<b>103,281,670</b>	<b>99,924,103</b>



	Note(s)	1-Jul-2017 to 30-Jun-2018	1-Jul-2016 to 30-Jun-2017
			Taka
<b>29 RELATED NOTES FOR STATEMENT OF CASH FLOWS</b>			
<b>29.1 Cash Received From Customers</b>			
Revenue	23	1,215,257,968	1,058,204,192
Change of Accounts Receivable Without Currency Fluctuation	8.1	(35,491,896)	557,437
		<b>1,179,766,072</b>	<b>1,058,761,629</b>
<b>29.2 Cash Paid to Suppliers</b>			
Cost of Goods Sold Without Employee Cost	24	(726,523,554)	(624,938,862)
Change of Inventories	7	(240,261,368)	(11,073,512)
Change of Trade Payable Without Currency Fluctuation	18.1	191,999,029	(67,660,177)
Depreciation (FOH)	24.2	60,738,307	59,154,696
		<b>(714,047,586)</b>	<b>(644,517,855)</b>
<b>29.3 Cash Paid to Employees</b>			
Employee Cost (FOH, Admin, Selling)	24.2, 25 & 26	(285,633,495)	(246,352,303)
Changes In Salary Payable	19.1	3,041,867	6,478,873
Changes In Advance Employee Cost	10.1	1,162,292	(1,370,462)
		<b>(281,429,336)</b>	<b>(241,243,892)</b>
<b>29.4 Cash Paid For Other Operating Expenses</b>			
Administrative Expenses Without Employee Cost	25	(30,472,873)	(26,751,525)
Selling & Distribution Expenses Without Employee Cost	26	(16,515,914)	(21,458,319)
Cash Received from Other Receivable	8.2	34,638,382	(40,150,600)
Changes In Other Payable	19	21,129,715	(24,122,095)
Interest On WPP & WF	25	220,672	807,269
Changes In Advances, Deposits & Prepayments (Except AIT)	10	133,208,502	(276,282,724)
Claim Written off		1,852,620	-
Impairment of Property, Plant & Equipment	25	-	3,199,489
Depreciation (Admin & Selling)	25 & 26	6,748,701	6,572,743
		<b>150,809,805</b>	<b>(378,185,762)</b>
<b>29.5 Cash Paid to Affiliated Company</b>			
Regent Fabrics Limited	11.1	(67,692,899)	(11,252,018)
Regent Weaving Limited	11.2	(23,299,630)	(2,749,742)
HG Aviation Ltd.	11.3	(59,000,000)	-
		<b>(149,992,529)</b>	<b>(14,001,760)</b>
<b>29.6 Payment of Income Tax</b>			
Income Tax Expenses (Statement of Profit or Loss)		(11,490,286)	(24,453,901)
Changes In Income Tax Provision	22	(20,654,576)	2,190,962
Changes In Advance Income Tax	10.1	1,854,853	(7,566,408)
		<b>(30,290,008)</b>	<b>(29,829,347)</b>
<b>29.7 Interest &amp; Dividend Received</b>			
Interest Income From FDR	28	103,215,670	103,030,354
Interest Income From Savings Account	28	-	151,894
Dividend Received	28	66,000	-
Changes In Interest Receivable	9	(28,806,143)	1,397,943
		<b>74,475,527</b>	<b>104,580,191</b>
<b>29.8 Cash Payment For Financial Expenses</b>			
Financial Expense	27	(110,770,210)	(68,675,093)
Interest Accrued		22,652,804	-
		<b>(88,117,406)</b>	<b>(68,675,093)</b>

1-Jul-2017 to 30-Jun-2018	1-Jul-2016 to 30-Jun-2017
Taka	Taka

### 30 INFORMATION BASED ON PER SHARE

#### 30.1 Earnings Per Share (EPS)

##### 30.1.1 Earnings Per Share (EPS) [Basic]

The computation of EPS is given below:

Earnings attributable to the ordinary shareholders from core business

Weighted average number of ordinary shares outstanding during the year

Basic Earnings Per Share (From Core Operation) [A]

Earnings attributable to the ordinary shareholders from extraordinary income

Weighted average number of ordinary shares outstanding during the year

Basic Earnings Per Share (From Extra-ordinary Income) [B]

**Earnings Per Share (Basic) [A+B]**

26,420,456	37,076,579
115,500,000	113,089,041
<b>0.23</b>	<b>0.33</b>
103,281,670	99,924,103
115,500,000	113,089,041
<b>0.89</b>	<b>0.88</b>
<b>1.12</b>	<b>1.21</b>

#### 30.2 Net Asset Value Per Share (NAV)

Total Assets

Less: Liabilities

Net Asset Value (NAV)

Number of ordinary shares outstanding during the year

**Net Assets Value (NAV) Per Share**

6,638,145,918	5,433,835,547
3,092,335,241	1,955,369,505
3,545,810,677	3,478,466,042
115,500,000	115,500,000
<b>30.70</b>	<b>30.12</b>

#### 30.3 Net Operating Cash Flow Per share

##### 30.3.1 Net Operating Cash Flow Per Share (Basic)

Net Operating Cash Flows (from statement of cash flows)

Weighted average number of ordinary shares outstanding during the year

**Net Operating Cash Flow Per Share (Basic)**

290,995,730	(235,015,227)
115,500,000	113,089,041
<b>2.52</b>	<b>(2.08)</b>

### 31 CONTINGENT LIABILITIES, COMMITMENTS AND OTHER INFORMATION

#### 31.1 Contingencies

(a) Bank Guarantees lies with National Bank Limited, Jubilee Road Branch, Chittagong.

- (i) Karnaphuli Gas Distribution Company Limited - Tk 1,40,99,146/=
- (ii) Commissioner of Customs - Tk 78,88,992/=
- (iii) Bangladesh General Insurance Company Ltd. - Tk 100,000

(b) Bank Guarantees lies with Mercantile Bank Limited, Agrabad Branch, Chittagong.

- (ii) Commissioner of Customs - Tk 34,03,000/=

(c) The Company had the following pending litigations against them as of the end of the reporting year:

Sl.	Case No.	Case filed by	Claim amount (Tk)
(i)	CEVT/CASE(CUS)/317/2015	Customs Bond Commisionerate, Chittagong	2,559,918
(ii)	2004-2005/13	Do	234,304
Total			2,794,222

#### 31.2 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors. The directors gave Tk. 51,405,915 as interest free loan to the company during financial year 2016-17 that was subsequently settled during the year.- Note 21.

#### 31.3 Segment Reporting

As there is a single business and no geographic segment within which the company operates, no segment reporting is felt necessary.

#### 31.4 Credit Facility Not Availed

The company have an avilable term loan facility of Tk. 24.00 crore from Shahjalal Islami Bank Ltd. Jubilee Road Branch for construction of factory building. That is remained unavailed till 21.10.2018, other than trade credit available in the ordinary course of business.

### 32 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in their meeting held on 03 November 2018 recommended 5% Stock Dividend for all shareholders for the year ended on **30 June 2018**. This will be considered for approval by the shareholders at the Annual General Meeting (AGM).

No other material events had occurred from the end of the reporting period to the date of issue of this Financial Statements, which could materially affect the values stated in the Financial Statements.



33 RELATED PARTY DISCLOSURES

i) Related party transactions

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis.

							Amount in Taka	
SL No.	Name of the Related Parties	Name of the Person Involved	Relationship	Nature of Transaction	Transaction during the year	Balance as at 30-June-2018	Balance as at 30-June-2017	
1	Regent Spinning Mills Limited	Mr. Md. Yakub Ali	Common Director	Supply of Yarn	Dr. (78,421,200)	14,154,571	16,561,501	
		Mr. Md. Yasin Ali						
		Mr. Mashruf Habib						
		Mr. Salman Habib			Cr. 76,014,270			
2	Regent Fabrics Limited	Mr. Md. Yakub Ali	Do	Servicing of Fabric	Dr. 171,963,901	358,050,576	245,799,593	
		Mr. Md. Yasin Ali			Cr. (34,138,666)			
				Due To/From	Dr. 567,680,352			
					Cr. (499,987,453)			
3	Regent Weaving Limited	Mr. Md. Yakub Ali	Do	Servicing of Fabric	Dr. 172,126,923	158,781,177	69,814,533	
		Mr. Md. Yasin Ali			Cr. (51,807,990)			
				Due To/From	Dr. 264,890,723			
					Cr. (241,591,093)			
4	Anowara Fashions Limited (C&F)	Mr. Md. Yakub Ali	Do	Clearing & Forwarding Agent	Dr. 84,679,538	-	-	
		Mr. Md. Yasin Ali			Cr. (84,679,538)			
5	Legacy Fashion Limited	Mr. Md. Yakub Ali	Do	Readymade Garments	Dr. 44,168,725	11,364,763	12,505,600	
		Mr. Md. Yasin Ali			Cr. (45,309,562)			
6	Siam's Superiors Limited	Mr. Md. Yakub Ali	Do	Readymade Garments	Dr. 11,025,124	10,003,201	34,710,900	
		Mr. Md. Yasin Ali						
		Mr. Tanvir Habib			Cr. (35,732,823)			
7	Diamond Cement Limited	Mr. Md. Yakub Ali	Do	Supply of Cement	Dr. -	-	-	
		Mr. Md. Yasin Ali			Cr. -			
8	Habib Sons	Mr. Md. Yakub Ali	Do	Supply of Chemical	Dr. 599,150 Cr. (415,550)	1,000,000	816,400	
9	Directors	Mr. Md. Yakub Ali	Key Management Personnel	Remuneration, Board Meeting Fees and Office Rent	Dr. 2,605,000	2,605,000	2,855,000	
		Mr. Md. Yasin Ali						
		Mr. Mashruf Habib						
		Mr. Salman Habib						
		Mr. Tanvir Habib						
		Engr. Md. Abul Quasem						
		Mr. Md. Javed Iqbal			Cr. -			
10	Directors/ Sponsors	Mr. Md. Yakub Ali	Directors/ Sponsors	Short Term Loan	Dr. 51,405,915	-	(51,405,915)	
		Mr. Md. Yasin Ali						
		Mr. Mashruf Habib						
		Mr. Salman Habib						
		Mr. Tanvir Habib						
		Mrs. Anjumanara Begum						
		Mrs. Amina Mahabub						
		Mrs. Salma Yasin						
		Mrs. Tanima Mahabub			Cr. -			

ii) Particulars of Directors of Regent Textile Mills Limited as at 30 June 2018

SL	Name of Directors	BOD of RTML	Entities where they have interests	Position
1	Mr. Md. Yakub Ali	Chairman	Ali Fashion Limited	Chairman
			Anowara Apparels Limited	
			Anowara Fashions Limited	
			Anowara Paper Mills Limited	
			Diamond Cement Limited	
			Diamond Pack Limited	
			Habib Printer & Publishers Limited	
			Habib Steels Limited	
			Legacy Fashion Limited	
			Maam Textile Mills Limited	
			MTS Re-Rolling Mills Limited	
			Mudys Navigation Limited	
			Noor Garments Limited	
			Regent Fabrics Limited	
			Regent Power Limited	
			Regent Spinning Mills Limited	
			Regent Weaving Limited	
			Regent Energy & Power Limited	
			Siam's Superiors Limited	
			Union Cement Mills Limited	
			Hela Clothings Ltd.	
			Union Fertilizer Complex Limited	
			Valiant Fashion Wear Limited	
			Valiant Garments Limited	
2	Mr. Md. Yasin Ali	Director	Habib Share & Securities Limited	Managing Director
			Bangladesh Fertilizer & Agro Chemicals Limited	Director
			HG Aviation Limited	
			NCCB Limited	Proprietor
			Habib Sons	
			ANZ Properties Limited	Chairman
			HG Aviation Limited	
			Southern Medical College & Hospital	
			Habib Share & Securities Limited	
			Ali Fashion Limited	Managing Director
			Anowara Apparels Limited	
			Anowara Fashions Limited	
			Anowara Paper Mills Limited	
			Bangladesh Fertilizer & Agro Chemicals Limited	
			Diamond Cement Limited	
			Diamond Pack Limited	
			Habib Printer & Publishers Limited	
			Habib Steels Limited	
			Legacy Fashion Limited	
			Maam Textile Mills Limited	
			MTS Re-Rolling Mills Limited	
			Mudys Navigation Limited	
			Noor Garments Limited	
			Regent Fabrics Limited	
			Regent Power Limited	
			Regent Spinning Mills Limited	
			Regent Weaving Limited	
			Regent Energy & Power Limited	
			Siam's Superiors Limited	
			Union Cement Mills Limited	
			Hela Clothings Ltd.	
			Union Fertilizer Complex Limited	
			Valiant Fashion Wear Limited	
			Valiant Garments Limited	
			Meghna Bank Limited	Director
			Continental Insurance Limited	

SL	Name of Directors	BOD of RTML	Entities where they have interests	Position
3	Mr. Mashruf Habib	Director	HG Aviation Limited	Managing Director
			Regent Spinning mills Limited	Director
			Regent Energy & Power Limited	
			DCL Auto Bricks Limited	
			Valiant Fashion Wear Limited	
4	Mr. Salman Habib	Managing Director	Valiant Garments Limited	Director
			HG Aviation Limited	
			Regent Spinning Mills Limited	
			Regent Energy & Power Limited	
			DCL Auto Bricks Limited	
5	Mr. Tanvir Habib	Director	Continental Insurance Limited	Director
			Valiant Fashion Wear Limited	
			Valiant Garments Limited	
			DCL Auto Bricks Limited	
			Valiant Fashion Wear Limited	
			Valiant Garments Limited	
			Hela Clothings Ltd.	
			Siam's Superiors Limited	
			HG Aviation Limited	
			Regent Spinning Mills Limited	
			Regent Energy & Power Limited	
			Ali Fashion Limited	
			Anowara Apparels Limited	
			Anowara Fashions Limited	
			Anowara Paper Mills Limited	
			Bangladesh Fertilizer & Agro Chemicals Limited	
			Diamond Cement Limited	
			Diamond Pack Limited	
			Habib Printer & Publishers Limited	
			Habib Steels Limited	
			Legacy Fashion Limited	
			Maam Textile Mills Limited	
			MTS Re-Rolling Mills Limited	
			Mudys Navigation Limited	
			Noor Garments Limited	
			Regent Fabrics Limited	
			Regent Power Limited	
			Regent Weaving Limited	
			Union Cement Mills Limited	
			Union Fertilizer Complex Limited	
			Habib Share & Securities Limited	

#### 34 ATTENDANCE STATUS OF BOARD MEETING OF DIRECTORS

During the year from 01 July 2017 to 30 June 2018, 06 (Six) Board meetings and 04 (Four) Audit Committee meetings in total 10 (Ten) meetings were held. The attendance status of all the meetings are as follows:

SL	Name of the Directors	Position	Meetings held	Attendance
1	Mr. Md. Yakub Ali	Chairman	10	6
2	Mr. Md. Yasin Ali	Director	10	10
3	Mr. Mashruf Habib	Director	10	3
4	Mr. Salman Habib	Managing Director	10	6
5	Mr. Tanvir Habib	Director	10	5
6	Mr. Eng. Md. Abul Quasem	Independent Director	10	2
7	Mr. Md Javed Iqbal	Independent Director	10	9



35 DISCLOSURE AS PER REQUIREMENT OF SCHEDULE XI, PART II OF THE COMPANIES ACT 1994

35.1 Quantity wise schedule of Inventory - Para 3 of Schedule XI, Part II

Qty Unit	30-Jun-18		30-Jun-17	
	Qty		Qty	Taka

(a) Movement of Raw Materials - note 7 & 24:

Opening Inventory

Yarn	Kg	101,094	23,897,676	114,684	27,581,553
Dyes & Chemical	N/A	-	54,226,319	-	50,380,941
Accessories & Trims	N/A	-	9,536,250	-	26,630,086
<b>Total</b>			<b>87,660,245</b>		<b>104,592,580</b>

Purchase

Yarn	Kg	3,209,589	541,939,883	1,395,830	329,606,750
Dyes & Chemical	N/A	-	130,497,121	-	87,419,376
Grey Fabrics	Mtr.	669,810	63,661,129	267,406	37,971,649
Accessories & Trims	N/A	-	64,323,505	-	28,548,910
<b>Total</b>			<b>800,421,638</b>		<b>483,546,685</b>

Consumption

Yarn	Kg	3,021,744	492,943,066	1,409,420	333,290,627
Dyes & Chemical	N/A	-	94,601,774	-	83,573,998
Grey Fabrics	Mtr.	669,810	63,661,129	267,406	37,971,649
Accessories & Trims	N/A	-	42,809,255	-	45,642,746
<b>Total</b>			<b>694,015,224</b>		<b>500,479,020</b>

Closing Inventory

Yarn	Kg	288,939	72,894,493	101,094	23,897,676
Dyes & Chemical	N/A	-	90,121,666	-	54,226,319
Accessories & Trims	N/A	-	31,050,500	-	9,536,250
<b>Total</b>			<b>194,066,659</b>		<b>87,660,245</b>

(b) Work-in-Process - note 7 & 24:

Opening Inventory

Yarn	Kg	70,134	18,788,326	71,118	19,237,624
Dyes & Chemicals	N/A	-	1,529,987	-	2,003,971
Grey Fabrics (Weaving)	Mtr.	1,210,257	131,689,750	1,027,482	114,564,277
Dyeing, Printing & Finishing	Mtr.	381,735	51,115,415	475,797	66,064,498
Home Tex (Stitching)	N/A	-	14,742,342	-	14,201,080
<b>Total</b>			<b>217,865,820</b>		<b>216,071,450</b>

Closing Inventory

Yarn	Kg	889,299	182,161,332	70,134	18,788,326
Dyes & Chemicals	N/A	-	857,380	-	1,529,987
Grey Fabrics (Weaving)	Mtr.	1,311,718	124,290,190	1,210,257	131,689,750
Dyeing, Printing & Finishing	Mtr.	381,916	44,240,971	381,735	51,115,415
Home Tex (Stitching)	N/A	-	14,724,777	-	14,742,342
<b>Total</b>			<b>366,274,650</b>		<b>217,865,820</b>

	Qty Unit	30-Jun-18		30-Jun-17	
		Qty	Taka	Qty	Taka

(c) Movement of Finished Goods - note 7 & 24:

Opening Inventory

Finished Fabrics (RMG)	Mtr.	29,561	2,415,420	13,424	1,315,560
Finished Fabrics & Finished Goods (Home Tex)	Mtr.	625,051	36,754,902	537,221	35,993,808
Total	Mtr.	654,612	39,170,322	550,645	37,309,368

Production

Finished Fabrics (RMG)	Mtr.	5,818,779	431,148,287	4,351,869	350,859,058
Finished Fabrics & Finished Goods (Home Tex)	Mtr.	4,456,693	653,736,394	5,413,660	436,510,149
Total	Mtr.	10,275,472	1,084,884,681	9,765,529	787,369,207

Delivery

Finished Fabrics (RMG)	Mtr.	5,552,243	411,748,661	4,335,732	349,759,198
Finished Fabrics & Finished Goods (Home Tex)	Mtr.	5,015,834	681,359,251	5,325,830	435,749,055
Total	Mtr.	10,568,077	1,093,107,912	9,661,562	785,508,253

Closing Inventory

Finished Fabrics (RMG)	Mtr.	296,097	21,815,046	29,561	2,415,420
Finished Fabrics & Finished Goods (Home Tex)	Mtr.	65,910	9,132,045	625,051	36,754,902
Total	Mtr.	362,007	30,947,091	654,612	39,170,322

(d) Movement of Spare Parts- note 7 & 24:

Opening Inventory

Stores & Spares	N/A	-	54,987,671	-	30,637,148
Total		-	54,987,671	-	30,637,148

Purchase

Stores & Spares	N/A	-	6,872,080	-	42,813,316
Total		-	6,872,080	-	42,813,316

Consumption

Stores & Spares	N/A	-	13,202,724	-	18,462,793
Total		-	13,202,724	-	18,462,793

Closing Inventory

Stores & Spares	N/A	-	48,657,027	-	54,987,671
Total		-	48,657,027	-	54,987,671

**Note:** Due to diverse and innumerable units of measurement it is not practicable to provide quantities for Home Tex items, Dyes & Chemicals and Spare Parts & Accessories.

35.2 Number of Employees - Para 3 of Schedule XI, Part II

Salary Range (Monthly)	Head Office		Factory			Total Employees
	Officer	Staff	Officer	Staff	Worker	
Below 6,300	-	-	-	-	-	-
Above 6,300	40	14	160	156	1,454	1,824
As on 30-June-2018	40	14	160	156	1,454	1,824
As on 30-June-2017	44	16	186	111	1,479	1,836

35.3 Payment information to Directors - Para 4 of Schedule XI, Part II

(a) Aggregate Amount of Remuneration Paid to all Directors

Payment Type	1-Jul-2017 to 30-Jun-2018	1-Jul-2016 to 30-Jun-2017
	Taka	Taka
Board Meeting Fees - note 25	205,000	215,000
Remuneration - note 25	2,400,000	2,400,000
Salary & Allowances	8,420,000	8,820,000
	<b>11,025,000</b>	<b>11,435,000</b>

(b) Directors' Remuneration - note 25

Name of the Director(s)	Designation	Monthly Remuneration
Mr. Salman Habib	Managing Director	Tk. 200,000
		2,400,000
		<b>2,400,000</b>

35.4 Auditor's Remuneration - Para 6 of Schedule XI, Part II

Statutory Audit Fee - Hoda Vasi Chowdhury & Co - note 25	100,000	100,000
	<b>100,000</b>	<b>100,000</b>

35.5 Installed Capacity & Utilization of Capacity - Para 7 of Schedule XI, Part II

(a) Weaving

Installed Capacity (In Meter)	12,000,000	12,000,000
Actual Production	7,683,922	8,454,320
Capacity Utilization (%)	<b>64.03%</b>	<b>70.45%</b>

(b) Dyeing and Printing

Installed Capacity (In Meter)	14,000,000	14,000,000
Actual Production	10,275,472	9,765,529
Capacity Utilization (%)	<b>73.40%</b>	<b>69.75%</b>

36 GENERAL

36.1 The amounts in these financial statements have been rounded off to the nearest Taka.

36.2 Figures in bracket denotes negative/payment/outflow.

These financial statements should be read in conjunction with the annexed notes  
and were approved by the Board of Directors on 03 November 2018  
and were signed on its behalf by:

  
COMPANY SECRETARY

  
DIRECTOR

  
MANAGING DIRECTOR



**Annexure - A: ACCOUNTS RECEIVABLE**

**a. For Sale of RMG**

	30-Jun-2018 Taka	30-Jun-2017 Taka
Aftabunessa Textile	-	9,940,093
Alif Casual Wear Ltd.	2,718,840	54,600
Amena Pvt. Ltd.	11,823,031	-
Angora Fashions Ltd.	300	300
Anupam Fashion Wear Ltd.	874,837	2,065,051
Arion Dressess Ltd.	495,600	533,520
Artistic Apparels Limited	-	8,046,964
Ayasha & Galeya Fashion Ltd.	400,072	-
Azmain Fashion Ltd.	1,188	-
Cassiopia Apparels Limited	699,077	699,077
Children Place Ltd.	1,364,490	-
Chittagong Garments Ltd.	1,025,720	-
Classical Garments	62,800	62,800
Consort Fashion Ltd.	1,205,280	-
Corona Fashion Ltd.	4,753,975	4,753,975
Dewan Fashion Ltd.	2,033,200	-
Famous Design Ltd	8,040	8,040
Fashion Park International Ltd.	-	2,597,403
Flash Apparels Limited	324,564	1,301,748
Focus Apparels (BD) Ltd.	4,285,440	-
Garments Home	197,470	-
Gous Fashion Industries Ltd.	765,032	765,032
Grasp International Ltd.	1,604,760	-
Guess Kid.	448,000	448,000
H.I.Apparels Ltd.	4,251,690	1,126,125
Hela Clothing Bd Ltd.	41,216	-
Intercare Ltd.	1,150,348	4,034,940
Invent Clothing Ltd.	4,121,991	4,121,991
Jamuna Apparels Ltd.	826,982	1,056,419
Jerat Fashion Ltd.	2,187,648	-
K.L. Fashion Ltd.	405,388	405,388
Karnaphully Shoes Industries Ltd.	667,395	-
Kay Garments Limited	1,021,408	19,890
Kith Fashion Ltd.	1,301,386	-
Klarion Designs Ltd.	6,552	6,552
Kohinoor App. Ltd.	4,078,884	3,129,319
Leafgrade Casual Wear Ltd.	1,330,224	-
Legacy Fashion Ltd	11,364,763	12,505,600
M/S Techno Fiber Ltd.	185,208	185,208
Madina Garments Ltd.	2,655,000	3,871,727
Maf Shoes Limited	-	843,259
Mam Apprel Textile Ltd.	1,984,000	-

**Annexure - A: ACCOUNTS RECEIVABLE**

**a. For Sale of RMG**

	<b>30-Jun-2018 Taka</b>	<b>30-Jun-2017 Taka</b>
Manami Fashion Ltd.	-	1,221,309
Moon Fashion Limited	3,218	3,218
Multi Safh Ltd.	7,840	-
Murad Apparels Ltd.	-	515,970
Naba Exports Limited	2,120,040	2,120,040
NFZ Teri Textile Ltd.	507,160	-
NS Dressess Ltd.	1,229,280	-
Orchid Fashion Ltd.	614,400	614,400
Orchid Garments Ltd.	27,628	27,628
Pratik Apparels Limited	533,707	533,707
Premier Fashion Ware Limited	-	589,056
Progressive Apparels Ltd	8,205,092	-
Purna Fashion Ltd	8,000	-
Quality Fashion Wear Ltd.	366,960	-
Radisson Apparels Limited	6,162,992	2,305,166
Ramisa Fashions Ltd.	4,272,640	-
Rasha International	880	98,495
Rebecca Fashions Limited	1,506,320	1,506,320
Riverside Apparels Ltd.	799,200	2,734,447
S&S Swimwear Ltd	1,909,931	1,909,931
Saad Musa Fabrics Limited	112,732	65,929
Sababa Apparels Ltd.	1,156,492	-
SAG Fashion Limited	3,399,840	1,281,384
Sanguine Apparels Ltd.	-	2,609,888
Saturn Textile Ltd	30,228,326	13,725,026
Shah Makhdum Garments Ltd.	2,637,360	-
Shin Shin Apparels Ltd.	-	4,504,500
Siam's Superior Ltd.	10,003,201	34,710,900
Sincere Garments Ltd.	-	4,918,133
Smart Jeans Ltd.	861,074	2,554,923
Spartan Fashions Ltd.	2,534,904	-
Style Creator Ltd.	2,268,000	-
Taher Sons Fashions Ltd.	733,792	-
Unique Apparels Ltd.	1,015,997	1,015,997
Uponti Apparels Ltd.	-	681,330
Urmi Garments Ltd.	-	2,467,250
Win Wear Ltd.	19,231,680	-
	<b>175,130,485</b>	<b>145,297,968</b>

**Annexure - A: ACCOUNTS RECEIVABLE**

**b. For Sale of Hometex**

	<b>30-Jun-2018 Taka</b>	<b>30-Jun-2017 Taka</b>
Bon Prix	3,294,638	1,591,177
Bjorna Aps.	(1,138,955)	-
EMC Distribution	-	507,168
Hamptons Company AB	-	2,238,912
Heimtex AB	11,830,418	5,612,643
Heinrich Heine GMBH	-	5,599,691
JYSK Linen'n Furniture Inc.	11,844,504	9,791,335
KGS Sourcing	34,963,208	26,715,779
Kid Interior AS	-	8,048,263
Marcentile Credit Incorporation	16,199,007	21,446,952
OTTO GMBH	3,368,531	1,838,008
Princess Groupen AS	-	146,096
REWE ZENTRAL AG.	16,575,843	-
Safdie & Co. Inc.	8,595,520	-
Silex A VYVOZ	-	4,370,863
	<b>105,532,714</b>	<b>87,906,887</b>



Annexure - B: ACCOUNTS PAYABLE

a. For Supply of Raw Materials

(i) Back to Back L/C In Mercantile Bank Limited:

L/C Number	Merchandise	30-Jun-18 Taka	L/C Number	Merchandise	30-Jun-2017 Taka
174318040115	Accessories	384,395	174316040283	Accessories	241,383
174318040100	Accessories	518,784	174317040052	Accessories	267,165
174318040126	Accessories	520,227	174317040101	Accessories	411,016
174317120003	Accessories	611,247	174316040282	Accessories	665,811
174318040094	Accessories	120,714	174317040066	Accessories	244,296
174318040114	Accessories	342,848	174317040161	Accessories	470,387
174318040081	Accessories	376,858	174317040162	Accessories	203,126
174317040304	Accessories	346,080	174316040286	Accessories	234,213
174318040127	Accessories	135,303	174317040021	Accessories	390,000
174318060047	Dyes & Chemicals	1,128,800	174317040010	Accessories	312,897
174318060052	Dyes & Chemicals	617,440	174317120003	Accessories	611,247
174318060053	Dyes & Chemicals	1,731,000	174317040053	Accessories	192,275
174318040101	Dyes & Chemicals	476,620	174317040153	Accessories	423,592
174318040072	Dyes & Chemicals	3,140,000	174316040284	Accessories	457,470
174318060054	Dyes & Chemicals	1,372,000	174317040008	Accessories	1,302,602
174318040032	Yarn	2,244,000	174317040039	Accessories	97,768
174318040013	Yarn	1,920,000	174317040063	Accessories	132,065
174318040026	Yarn	2,600,000	174316040285	Accessories	176,623
174318040027	Yarn	1,040,000	174317040152	Accessories	319,667
174318040046	Yarn	2,600,000	174317040051	Accessories	105,562
174318040055	Yarn	7,150,000	174317040154	Accessories	522,179
174318040073	Yarn	1,680,000	174317040080	Accessories	286,092
174318040079	Yarn	1,320,000	174317040150	Accessories	393,132
174318040084	Yarn	2,640,000	174317040011	Accessories	361,218
174318040085	Yarn	4,224,000	174317040133	Accessories	153,306
174318040097	Yarn	1,980,000	174317060009	Dyes & Chemical	1,118,520
174318040018	Yarn	1,880,000	174317060029	Dyes & Chemical	1,268,124
174318040031	Yarn	2,318,400	174317060023	Dyes & Chemical	1,015,872
174318040043	Yarn	2,480,000	174317060027	Dyes & Chemical	988,416
174317040223	Yarn	2,000,000	174317060060	Dyes & Chemical	1,684,800
174317040299	Yarn	2,080,000	174317040158	Dyes & Chemical	390,000
174317040300	Yarn	2,000,000	174317060021	Dyes & Chemical	2,273,700
174318040028	Yarn	2,100,000	174317040075	Dyes & Chemical	516,360
174318040042	Yarn	2,280,000	174317060047	Dyes & Chemical	922,896
174318040054	Yarn	6,840,000	174317060061	Dyes & Chemical	1,314,144
174318040083	Yarn	2,320,000	174317040160	Yarn	1,741,350
174317040213	Yarn	3,120,000	174317040007	Yarn	2,379,000
174317040214	Yarn	3,972,000	174317040019	Yarn	2,379,000
174318040012	Yarn	4,832,000	174317040029	Yarn	3,092,700
174318040014	Yarn	2,416,000	174317040140	Yarn	858,000
174317040295	Yarn	920,000	174316040185	Yarn	2,379,000
-	-	-	174316040288	Yarn	1,272,130
-	-	-	174317040014	Yarn	1,170,000
-	-	-	174317040027	Yarn	702,000
-	-	-	174317040046	Yarn	1,443,000
-	-	-	174317040060	Yarn	2,496,000
-	-	-	174317040068	Yarn	2,496,000
-	-	-	174317040071	Yarn	1,443,000
-	-	-	174317040076	Yarn	2,496,000
		<b>82,778,716</b>			<b>46,815,104</b>

Annexure - B: ACCOUNTS PAYABLE

a. For Supply of Raw Materials

(i) Back to Back L/C In Mercantile Bank Limited (Cont.):

L/C Number	Merchandise	30-Jun-18 Taka	L/C Number	Merchandise	30-Jun-2017 Taka
			174317040082	Yarn	1,082,250
			174317040087	Yarn	2,496,000
			174317040088	Yarn	1,443,000
			174317040094	Yarn	1,872,000
			174317040145	Yarn	2,574,000
			174317040146	Yarn	2,574,000
			174317040157	Yarn	2,574,000
			174317040005	Yarn	1,667,250
			174317040062	Yarn	1,667,250
			174316040277	Yarn	1,053,000
			174317040017	Yarn	1,599,000
			174317040025	Yarn	1,579,500
			174317040026	Yarn	1,665,300
			174317040070	Yarn	936,000
			174317040081	Yarn	936,000
			174317040086	Yarn	3,471,000
			174317040091	Yarn	1,345,500
			174317040093	Yarn	721,500
			174317040144	Yarn	1,014,000
			174317040147	Yarn	1,755,000
			174317040016	Yarn	1,482,000
			174317040067	Yarn	1,380,600
			174317040085	Yarn	1,199,250
			174317040018	Yarn	2,519,400
			174317040045	Yarn	1,308,450
			174317040072	Yarn	1,482,000
			174317040078	Yarn	808,665
			174317040084	Yarn	624,000
			174317040143	Yarn	2,340,000
			174316040266	Yarn	1,368,900
			174317040006	Yarn	1,326,000
			174317040092	Yarn	2,925,000
			<b>Total</b>		<b>99,604,919</b>

Annexure - B: ACCOUNTS PAYABLE

a. For Supply of Raw Materials

(ii) Back to Back L/C In National Bank Limited:

L/C Number	Merchandise	30-Jun-18 Taka	L/C Number	Merchandise	30-Jun-2017 Taka
0942180400016	Accessories	469,757	0942170400008	Accessories	441,548
0942180400006	Accessories	346,270	0942170400009	Accessories	236,175
0942180400013	Accessories	508,417	0942170600002	Dyes & Chemical	1,797,120
0942180400009	Accessories	414,208	0942170600001	Dyes & Chemical	1,946,100
0942180400020	Accessories	1,006,296	0942170600003	Dyes & Chemical	1,067,976
0942180400032	Accessories	315,200	0942170400010	Dyes & Chemical	516,360
0942180400018	Accessories	202,410	0942170400004	Yarn	1,092,000
0942180400015	Accessories	486,875	0942170400006	Yarn	2,574,000
0942180400014	Accessories	263,814	0942160400025	Yarn	1,474,200
0942180600007	Dyes & Chemical	1,728,800	0942170400005	Yarn	721,500
0942180600003	Dyes & Chemical	2,948,000	0942170400007	Yarn	1,833,000
0942180600008	Dyes & Chemical	1,280,000	0942170400001	Yarn	3,728,400
0942180600006	Dyes & Chemical	2,128,320	0942170400002	Yarn	936,000
0942180600005	Grey Fabrics	4,428,000	0942170400003	Yarn	3,024,060
0942180600002	Dyes & Chemical	1,960,000	-	-	-
0942180400030	Yarn	1,880,000	-	-	-
0942180400031	Yarn	940,000	-	-	-
0942180400033	Yarn	1,880,000	-	-	-
0942180400034	Yarn	3,760,000	-	-	-
0942180400035	Yarn	466,200	-	-	-
0942180400036	Yarn	1,880,000	-	-	-
0942180400019	Yarn	6,720,000	-	-	-
0942180400022	Yarn	2,280,000	-	-	-
0942180400027	Yarn	1,540,000	-	-	-
0942180400029	Yarn	2,220,000	-	-	-
0942180400012	Yarn	2,040,000	-	-	-
0942180400017	Yarn	2,320,000	-	-	-
0942180400021	Yarn	2,600,000	-	-	-
0942180400023	Yarn	948,000	-	-	-
0942180400025	Yarn	1,320,000	-	-	-
0942180400026	Yarn	948,000	-	-	-
0942180400028	Yarn	2,640,000	-	-	-
0942180400037	Yarn	5,280,000	-	-	-
0942180400024	Grey Fabrics	1,599,600	-	-	-
0942180600004	Grey Fabrics	2,520,000	-	-	-
<b>Total</b>		<b>64,268,167</b>	<b>Total</b>		<b>21,388,439</b>



**Annexure- B : ACCOUNTS PAYABLE**  
a. for supply of raw materials

(iii) Back to Back L/C In Shahjalal Islami Bank Limited:

L/C Number	Merchandise	30-Jun-18 Taka	L/C Number	Merchandise	30-Jun-2017 Taka
2972180400051	Accessories	145,584	2972170600029	Accessories	518,700
2972180400099	Accessories	531,187	2972170400055	Accessories	249,148
2972180400033	Accessories	56,222	2972170400036	Accessories	227,290
2972180400096	Accessories	589,916	2972170400062	Accessories	507,259
2972180400110	Accessories	495,395	2972170400046	Accessories	691,130
2972180400053	Accessories	506,078	2972170400056	Accessories	202,043
2972180400008	Accessories	150,198	2972170600026	Dyes & Chemical	1,295,541
2972180400097	Accessories	781,228	2972170600028	Dyes & Chemical	895,050
2972180400109	Accessories	506,427	2972170600041	Dyes & Chemical	862,290
2972180400035	Accessories	262,810	2972170600036	Dyes & Chemical	743,184
2972180400080	Accessories	331,728	2972170600032	Dyes & Chemical	1,944,852
2972180400052	Accessories	428,986	2972170600039	Dyes & Chemical	1,960,920
2972180400098	Accessories	455,734	2972170600059	Dyes & Chemical	317,363
2972180400041	Accessories	365,866	2972170600025	Dyes & Chemical	1,167,894
2972180400071	Accessories	382,374	2972170600060	Dyes & Chemical	357,084
2972180400027	Accessories	357,760	2972170600042	Dyes & Chemical	1,591,200
2972180400017	Accessories	241,215	2972170600037	Dyes & Chemical	2,714,400
2972180400090	Accessories	726,852	2972170600031	Dyes & Chemical	755,664
2972180400119	Accessories	898,090	2972170600043	Dyes & Chemical	973,440
2972180400050	Accessories	122,575	2972170400028	Yarn	1,599,000
2972180400054	Accessories	667,122	2972170400031	Yarn	1,239,420
297218120002	Accessories	725,640	2972170400032	Yarn	1,299,480
2972180600030	Accessories	1,413,120	2972170400027	Yarn	2,496,000
2972180400112	Accessories	325,110	2972170400041	Yarn	5,070,000
2972180400102	Accessories	1,455,867	2972170400052	Yarn	1,287,000
2972180400111	Accessories	254,914	2972170400053	Yarn	1,287,000
2972170600026	Dyes & Chemical	54,531	2972170400033	Yarn	4,839,120
2972180600013	Dyes & Chemical	1,212,000	2972170400034	Yarn	1,848,600
2972180600016	Dyes & Chemical	1,945,160	2972170400035	Yarn	1,113,840
2972180600021	Dyes & Chemical	1,554,200	2972170400039	Yarn	2,028,000
2972180600026	Dyes & Chemical	1,873,480	2972170400044	Yarn	2,028,000
2972180600028	Dyes & Chemical	1,673,160	2972170400047	Yarn	2,269,800
2972180600033	Dyes & Chemical	1,685,520	2972170400058	Yarn	1,872,000
2972180600018	Dyes & Chemical	1,833,260	2972170400061	Yarn	1,014,000
2972180600020	Dyes & Chemical	1,655,160	2972170400054	Yarn	1,677,000
2972180600025	Dyes & Chemical	1,471,560	2972170400030	Yarn	5,179,200
2972180600038	Dyes & Chemical	2,758,260	2972170400037	Yarn	2,511,600
2972180600024	Dyes & Chemical	1,225,600	2972170400042	Yarn	3,195,348
2972180300001	Dyes & Chemical	3,900,000	2972170400038	Yarn	2,589,600
2972180300004	Dyes & Chemical	2,640,000	-	-	-
2972180300005	Dyes & Chemical	2,640,000	-	-	-
2972180400003	Dyes & Chemical	548,800	-	-	-
2972180600019	Dyes & Chemical	1,286,400	-	-	-
2972180400115	Dyes & Chemical	320,496	-	-	-
2972180600012	Dyes & Chemical	1,728,000	-	-	-
2972180600017	Dyes & Chemical	1,728,000	-	-	-
2972180400113	Dyes & Chemical	800,000	-	-	-
2972180600035	Dyes & Chemical	1,800,000	-	-	-
2972180400031	Yarn	4,080,000	-	-	-
2972180400030	Yarn	1,640,000	-	-	-

**Annexure- B : ACCOUNTS PAYABLE**  
**a. for supply of raw materials**

L/C Number	Merchandise	30-Jun-18 Taka	L/C Number	Merchandise	30-Jun-2017 Taka
2972180400038	Yarn	2,640,000	-	-	-
2972180400039	Yarn	2,640,000	-	-	-
2972180400043	Yarn	1,188,000	-	-	-
2972180400044	Yarn	1,452,000	-	-	-
2972180400045	Yarn	2,640,000	-	-	-
2972180400048	Yarn	5,280,000	-	-	-
2972180400012	Yarn	2,600,000	-	-	-
2972180400018	Yarn	1,160,000	-	-	-
2972180400019	Yarn	2,980,000	-	-	-
2972180400020	Yarn	1,300,000	-	-	-
2972180400029	Yarn	7,540,000	-	-	-
2972180400037	Yarn	1,950,000	-	-	-
2972180400049	Yarn	6,520,000	-	-	-
2972180400056	Yarn	1,056,000	-	-	-
2972180400059	Yarn	5,280,000	-	-	-
2972180400060	Yarn	660,000	-	-	-
2972180400068	Yarn	1,768,000	-	-	-
2972180400070	Yarn	2,600,000	-	-	-
2972180400079	Yarn	2,920,000	-	-	-
2972180400082	Yarn	2,600,000	-	-	-
2972180400094	Yarn	2,640,000	-	-	-
2972180400095	Yarn	5,240,000	-	-	-
2972180400107	Yarn	948,000	-	-	-
2972180400117	Yarn	1,300,000	-	-	-
2972180400118	Yarn	1,300,000	-	-	-
2972180400040	Yarn	2,480,000	-	-	-
2972180400046	Yarn	3,240,000	-	-	-
2972180400047	Yarn	3,240,000	-	-	-
2972180400057	Yarn	1,880,000	-	-	-
2972180400073	Yarn	1,920,000	-	-	-
2972180400083	Yarn	1,880,000	-	-	-
2972180400084	Yarn	1,880,000	-	-	-
2972180400085	Yarn	1,880,000	-	-	-
2972180400104	Yarn	3,760,000	-	-	-
2972180400114	Yarn	940,000	-	-	-
2972180400116	Yarn	2,664,000	-	-	-
2972180400120	Yarn	3,760,000	-	-	-
2972180400069	Yarn	1,562,400	-	-	-
2972180400105	Yarn	1,039,360	-	-	-
2972180400106	Yarn	1,988,000	-	-	-
2972180400004	Yarn	1,008,000	-	-	-
2972180400007	Yarn	2,100,000	-	-	-
2972180400058	Yarn	4,560,000	-	-	-
2972180400078	Yarn	3,260,000	-	-	-
2972180400087	Yarn	1,750,000	-	-	-
2972180400088	Yarn	1,736,000	-	-	-
2972180400028	Yarn	2,960,000	-	-	-
2972180400032	Yarn	2,072,000	-	-	-
2972180400036	Yarn	1,520,000	-	-	-
2972180400042	Yarn	1,540,000	-	-	-
2972170400158	Yarn	2,504,000	-	-	-
2972170400170	Yarn	1,260,000	-	-	-
2972180400034	Yarn	2,000,000	-	-	-

**Annexure- B : ACCOUNTS PAYABLE**  
**a. for supply of raw materials**

L/C Number	Merchandise	30-Jun-18 Taka	L/C Number	Merchandise	30-Jun-2017 Taka
2972180400072	Yarn	1,768,000	-	-	-
2972180600040	Yarn	1,476,000	-	-	-
2972180400074	Yarn	5,240,000	-	-	-
2972180400021	Yarn	2,480,000	-	-	-
2972180400089	Yarn	6,840,000	-	-	-
2972180400103	Yarn	3,760,000	-	-	-
2972180400121	Yarn	2,220,000	-	-	-
2972180400122	Yarn	2,220,000	-	-	-
2972180600034	Grey Fabrics	3,852,000	-	-	-
2972180600039	Grey Fabrics	2,520,000	-	-	-
2972180600041	Grey Fabrics	2,520,000	-	-	-
<b>Total</b>		<b>220,737,345</b>	<b>Total</b>		<b>64,418,460</b>



Annexure - B: ACCOUNTS PAYABLE

b. For Revenue Expenditure

Particulars	30-Jun-2018 Taka	30-Jun-2017 Taka
A-1 Faris Pest Control	140,000	-
A. Rahim Enterprise	10,018	-
A.A.Enterprise	-	33,000
A.K. Trading	35,000	115,000
A.K.Khan Water Health BD Ltd	-	7,250
A.S. Packaging	-	452,699
A3 Color Chem Limited	-	192,640
A Jalil & Co.	15,800	-
Aamra Network	76,000	57,000
Aaskiri Fashion	28,152	-
Abedin Enterprise	28,540	65,644
Abir Motors	25,306	48,236
Abser & Elias Enterprise Limited	194,671	58,559
Ahala Printers	1,945,059	912,064
Aim Scientific Co.	58,416	343,316
Air Bangla Tour & Travels	222,760	-
Akter Metal	278,620	593,363
Al- Sheikh Textile Services	109,975	86,395
Alhaj Abul Kalam Azad	-	80,870
Ali Hardware Stores	223,286	473,286
Alpha Printing & Packaging	1,160,409	1,589,372
Alpine Labels & Accessories	1,603,306	734,387
AM Computer	2,250	2,250
Anik Composite Mills	174,708	-
Aramex Dhaka Ltd.	639,658	-
Arslan Traders & Engineering	140,000	140,000
Asian Spelised Textile Mills Ltd.	422,371	-
Atlantic Traders	14,305	195,262
Automation Cables and Wires Industries	-	113,254
Auto Link	-	850,000
Avenue Trade & Engineering Ltd	538,500	425,000
Azad Engineering Workshop	-	368,601
Azad Trading	6,119	6,119
Badiul Alam Enterprise	-	24,730
B-Amin & Sons	4,037	39,961
Bangla Trac Limited	301,246	389,107
Banga Plastic International Ltd.	228,000	-
Bangladesh Association of Publicly Listed Company	30,000	30,000
Bangladesh Express Co. Ltd.	7,906	349,579
Bangladesh Office Equipment	2,300	-
Bangladesh Trade Syndicate	68,100	68,100
Bangladesh Textile Mills Association	40,150	-
BASF Bangladesh Limited	13,313	-
BD Jobs.Com	4,464	7,027
Be Fresh	-	574
Belal Motors	-	1,500

**Annexure - B: ACCOUNTS PAYABLE**

**b. For Revenue Expenditure**

Benovolent Textile Services	163,413	-
Biz Bangla Media	43,440	-
Bismillah Auto AC Services	-	1,000,000
BMC Thread & Crafts	36,658	36,658
Bolt Screw House	15,360	15,360
Bonanza	38,090	20,973
BSM Led	34,700	9,130
Bureau Veritas Consumer Products Services Ltd	79,236	13,808
Car Cold & AC Service Centre	58,000	29,000
Chandmia Engineering Workshop	-	4,000
Chemitec	208,220	238,316
Chittagong Lime Suppliers	150,000	100,000
Chittagong Club Ltd.	13,555	9,991
Chittagong Stock Exchange	531,000	940
Al Siraj Travels	114,994	155,223
Chittagong Traders	138,239	109,510
Choose Accessories Ltd	4,413,476	1,761,347
Clay Conversion Plant	90,000	-
Coats Bangladesh Ltd	-	10,419
Colors Collection	152,200	-
Colour Cube	10,317	10,317
Computer Garden & IT Institute	-	1,800
Corrg. Sheet Packaging Industries Ltd	274,526	2,736
Delcot Limited	21,000	21,000
Delowar Engineering	43,100	-
Dhaka Boiler & Marine Store	67,017	-
DHL Worldwide Express Bd Limited	334,293	170,016
Dysin Chem Corporation/Ltd.	54,000	54,000
Earthlink Communications	10,000	-
Eastern Motors Limited	176,900	141,400
Eastern Electrical & Repairing Works	-	(9,000)
East Kalurghat Mohammodia Jame Masjid	20,000	10,000
Ekra Electric Co.	28,173	17,684
Elias & Brothers	276,000	241,500
Elite Paint	42,135	(8,127)
Embroidery Veiw	7,392	7,392
E-Tech Limited	662,769	-
Epic Energy Co. Ltd.	43,500	154,500
Euro International	16,000	48,000
Evergreen Packaging & Accessories Ltd.	-	533,860
Excelior Express	3,000	36,000
Faruque Engineering Works and Sewing Center	32,030	35,075
Flash Point	-	227,500
FS Bearing House	236,440	88,020
G4S Secure Solutions (BD) Ltd.	42,621	25,704
G.S. Traders	155,468	170,490

**Annexure - B: ACCOUNTS PAYABLE**

**b. For Revenue Expenditure**

Genuine Motors	14,300	4,900
Genuine Washing Ltd.	118,781	-
GH Printers	71,289	376,718
Golden Steel Enterprise	44,960	275,386
Global Accessories	512,784	-
Global Energy	70,000	-
GRIHAYAN	70,000	-
H.M. Hero Chemicals	220,435	443,795
Habib Sons	-	183,600
Habib Fabrics	1,200	-
Harmony Auto Research Engineering	-	43,750
Home tex Accessories	1,849,280	918,643
H&M Technology	53,800	9,500
Hoque Enterprise	4,500	-
HRM Accessories Ltd	64,060	64,060
Ibrahim Kadri Enterprise	59,160	89,160
Image Settings	18,189	11,725
In Between	113,000	-
Industrial Trading Corporation	4,000	-
Interlink Textile	-	52,200
International Office Machine Limited	-	12,500
International Office Automation	44,200	25,300
ITS Lab Test Bangladesh Limited	13,626	23,559
J. International Chemicals	197,500	87,325
J.B. Enterprise (Fire Extinguisher)	34,140	34,140
J.K.Constructions	-	102,692
J.K Enterprise	-	2,200
Jahan Enterprise	169,873	209,135
Jahanara Power Engineering	45,100	51,230
Jamuna Motor Engineering Works	400	400
Jishan Enterprise	118	-
Johadia Paribahan Sangtha	2,969,500	1,740,500
Juki Bangladesh	33,900	58,400
Juthi Enterprise	32,425	32,425
K.H. Associates	103,842	103,842
Kaizer Hardware Mart	9,978	43,660
Karnofully Trade International	3,088	3,088
Khawja Stationery	30,841	30,841
Khurshed Alam Enterprise	-	115,000
KPL International	-	2,200
Madina Machineries & Fabrics	36,100	87,100
Melvin Sourcing	458,708	-
Latex Limited	94,383	106,244
Liberty Tools & Mills Stores	203,125	51,545
Liton & Brothers	-	4,418
Loknath Dyes & Chemical	13,864	53,864



**Annexure - B: ACCOUNTS PAYABLE**

**b. For Revenue Expenditure**

Lucky Store	4,000	4,000
M/s. Al Amin Eng. Works	-	2,638
Ma Moni Gas Weilding	3,500	3,500
Maa Motors	13,500	13,100
Mac Tech Corporation Ltd.	200,000	641,795
Madina Machinery	2,460	2,460
Maf Newsprint Mills Limited	-	109,081
M Ahmed & Co.	-	10,000
Magnus Textile Services Limited	135,216	-
Mahmood Enterprise	22,104	15,214
Mamata Traders	146,060	151,460
Matex Bangladesh Limited	538,600	-
Max Hospital Ltd.	24,000	-
Mec Tech Corporation	200,000	-
Meem Electronics	550	2,400
Meghna Corporation	72,560	2,250
Millenium Enterprise	1,615,313	1,171,099
Mim Accessories	3,764,136	3,979,414
Mishuk Electric Co	25,409	25,409
Mitali Agencies	20,306	17,478
Mitali Polythene Stores	438,666	305,299
Mitali Stone Pvt. Limited	63,563	19,474
Mithila Textile	-	(41,880)
Mizan Enterprise	91,720	91,190
MJL Bangladesh Ltd	-	99,356
Mohammadia Pipe House	-	3,465
Montrims Ltd.	373,626	-
MM Electronics	497,500	700
Moly Enterprise	107,268	107,268
Momtex Expo Ltd.	415,693	-
Multi Steel Custing Unit 02	71,741	71,741
Multi System Solution	37,500	23,100
N.R. Seal Center	119,210	55,510
Nura Alam Trading	-	66,844
National Engineering & Rubber Works	45,355	119,955
Nedhe Enterprise	-	20,562
New Look International	3,300	3,300
Nirob Repairing Team	-	25,335
NITS Service (Pvt.) Ltd.	1,500	2,500
NPL Enterprise	67,475	30,175
Nusrat Enterprise	160,962	205,958
Optimas Texchem	176,400	94,200
O. R. Auto & AC Service Center	33,300	-
Pacific Chemitrade Co.	-	14,250
Paradise Cables Ltd.	31,196	131,196
Partex PVC Industries Ltd.	-	32,500

## Annexure - B: ACCOUNTS PAYABLE

## b. For Revenue Expenditure

Prime Paper Converting & Packaging Industries	335,504	798,962
QNS Industries Ltd	21,567	28,857
R. Enterprise	18,790	20,300
Rahim Transport	11,900	11,900
Rainbow Express Parcel Services Limited	-	24,405
Raujan Engineering Workshop	2,500	2,500
Regent Spinning Mills Limited	14,101,771	16,561,501
Rose wood Residence Ltd	77,876	37,930
Roxy Paints	2,656	-
RQS Automobiles	15,000	-
Ruma Store	-	(13,980)
Rupali Cargo Services Ltd	89,164	100,164
S. Alam Engineering Works	9,079	9,079
S. A. Febric Mending	-	66,816
S.E Trade Corporation	110,680	43,240
S.H. Electric	142,179	102,966
S.H.B. Trading	2,950	2,950
S.K. Marine	5,000	5,000
S.K Accessories	17,032	12,336
S.R. Enterprise	33,480	33,480
S.R. Machinery	1,330	1,330
S.S International	47,594	-
S.U. Enterprise	79,855	66,310
Saad Musa Fabrics Ltd.	44,850	-
Sabur Engineering Works	26,800	26,800
Sam Pack Ltd.	5,202,875	3,674,058
Sagarika Trade	-	48,500
Saifuddin Brothers	165,510	92,520
Saima Refrigeration Works	18,360	18,360
Saima Samra Textile Mills Ltd.	-	(20,874)
Salam Enterprise	-	38,000
Sanzi Textile Mills Ltd.	1,898,938	582,017
Sea Shell Hotel	6,400	-
Security Tem System	1,000	1,000
Scientific & Surgical Mart	775	4,600
Sea Mark	20,140	20,140
Sekandar Steel Mart	-	6,500
SGS Bangladesh Limited	113,427	2,142
Shah Amanat Traders	-	35,713
Shah Jalal Machinery	37,822	26,650
Shaibal Enterprise	-	67,224
Shams Accessories	-	10,318
Shanima Poly & Packaging Ind. Ltd.	87,266	-
Sharmeen Reed Shop	36,342	156,342
Shawon Paribahan	7,700	7,700
Sheikh Ahmed Mijan	2,500	-

**Annexure - B: ACCOUNTS PAYABLE**

**b. For Revenue Expenditure**

Shirin Enterprise	70,000	-
Shore to Shore BD Limited	397,576	397,576
Siraj Stationery	44,130	29,820
Sky Enterprise	4,400	-
Springs & Spare Workshop	-	720
Stork Prints BV	-	16,363
Sufi Accessories	190,103	-
Swadesh Auto Limited	17,915	19,250
System Control	272,000	-
T.R. Traders	7,166	35,703
Tasnim Chemical Complex	-	1,510,000
Taj Traders Pvt. Ltd	26,000	154,490
Tajarat Trade Corporation	62,405	146,528
The Financial Express	56,160	17,280
The Daily Samakal	-	16,128
Thermax Textile Mills Ltd.	1,804,760	-
The Madina Transport System	-	74,300
The National Embrodary	23,398	15,582
The Simco Refrigeration	16,536	16,536
Toki Enterprise	8,068	-
Touch Pack Ltd.	457,181	-
Touch Paper Products	264,396	1,055,693
Tower Inn International	932,461	12,475
Two Star Engineering Workshop	13,280	(3,870)
TUV SUD Bangladesh (Pvt.) Ltd.	841	842
Unique Corporation	-	23,040
United Trade Centre	-	117,900
United Washing Plant	73,009	-
Wings Classic	65,000	-
World Runner Express	12,017	-
Zamson & Co.	705,000	705,000
Yasmin Spinning Mills Ltd.	1,770,461	-
Xpditor	22,000	-
UP Thread Industries	312,338	1,249,603
Yonusco T&A (BD) Ltd.	25,006	-
<b>Total</b>	<b>65,388,362</b>	<b>55,761,743</b>

**There is no related party transaction included in Revenue Expenditure except the following:**

Regent Spinning Mills Limited	14,101,771	16,561,501
Habib Sons	-	183,600
	<b>14,101,771</b>	<b>16,745,101</b>



Annexure - C: OTHER PAYABLES

Particulars	30-Jun-2018 Taka	30-Jun-2017 Taka
<b>Liability for Capital Expenditure</b>		
a Liability to Local Parties	1,621,323	528,023
b Liability for Capital Machinery	27,768,319	-
c Liability for capital Work in Progress	607,367,012	-
	<b>636,756,654</b>	<b>528,023</b>

a For Capital Expenditure

Particulars		
Monir Brothers	12,376	12,376
Al-Amin Trading	40,693	109,720
Galaxy Enterprise	-	-
Stork Prints BV	-	241,277
Nasir Brothers	32,124	-
Al-Amin Engineering Services	572,653	-
Novelty Engineering Corporation	522,000	-
Navana CNG Limited	-	5,000
Nura Alam Trading	302,556	-
Takir Sazib Enterprise	104,050	159,650
Titu Thai Aluminium	34,871	-
<b>Total</b>	<b>1,621,323</b>	<b>528,023</b>

b For Capital Machinery

LC Number	Machine		
297218020017	Overhauling parts for Gas Gernerator	6,374,728	-
297218020007	Calyton Exhaust Gas Boiler.	21,393,591	-
		<b>27,768,319</b>	<b>-</b>

c For Capital Work in Progress

LC Number	Machine		
297217020037	Singeing & Desizing Machine	33,618,785	-
297217020038	Continuous Dyeing Range Machine	100,337,792	-
297217020042	Laser Exoser Smart Ex7048	11,089,650	-
297217020046	Continous & Scouring Bleaching Range Machine	232,989,148	-
297217020047	Goller Pad Steam Range.	101,525,317	-
297217020051	Stentering Machine.	27,242,301	-
297217020052	Brush Sueding Machine	8,408,075	-
297217020053	Sunforizing Machine.	14,909,883	-
297217020054	Mercerizing Machine	69,041,192	-
297218020008	Busbar Trunking System	8,204,869	-
		<b>607,367,012</b>	<b>-</b>

## EVENTS





Registered & Corporate Office: HG Tower, 1182, Jubilee Road (Nur Ahmed Road), Chattogram 4000, Bangladesh.

## PROXY FORM

I/We ..... of .....  
being a shareholder(s) of Regent Textile Mills Limited and a holder of .....

shares

hereby

appoint

Mr./Mrs./Miss .....

of ..... as my/our proxy to attend and vote  
on my/our behalf at the 23<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held on Thursday, December 27,  
2018 at 10.45 A.M. at the SHORONIKA Community Center, 13, Love Lane, Chattogram 4000 and any adjournment  
thereof or any poll that may be taken in consequence thereof and to vote on my/our behalf as he/she thinks appropriate  
on all resolutions.

Dated this ..... day of December, 2018

Signature of the Member(s)

Signature of the Proxy

BO ID :

**Note:**

- A member entitled to attend and vote at the Annual General Meeting (AGM) may appoint proxy to attend and vote in his/her stead. - The proxy form should reach the Registered & Share Office of the Company not less than 48 hours before the time fixed for the meeting.

Affix  
Revenue Stamp of  
Tk.20/-

Signature Verified By

Authorized Signature of the Company



Registered & Corporate Office: HG Tower, 1182, Jubilee Road (Nur Ahmed Road), Chattogram 4000, Bangladesh.

## ATTENDANCE SLIP

I hereby record my attendance at the 23<sup>rd</sup> Annual General Meeting (AGM) of Regent Textile Mills Limited being held today, the December 27, 2018 at 10.45 A.M. at the SHORONIKA Community Center, 13, Love Lane, Chattogram 4000 as a holder of ..... shares of the Company.

Name of the Member/Proxy  
(in Block Letter)

BO ID No.

Signature of Member/Proxy

Signature Verified By

Authorized Signature of the Company

**Note:** Member(s) attending the meeting in person or by proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall on the AGM date.





## **Regent Textile Mills Limited**

### **Corporate Office**

HG Tower, 1182 Jubilee Road (Nur Ahmed Road)  
Chattogram 4000, Bangladesh.

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### **Factory**

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Chattogram, Bangladesh.

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