

SONARGAON TEXTILES LIMITED

Khansons Centre (8th & 9th Floor)
37, Kawran Bazar, Dhaka-1215

Tel : 55013501, 55013597, 55013500, Fax: 880-2-55013498

1st Quarter (Q1) Financial Statements

In compliance with listing regulation 2015 of Dhaka & Chittagong Stock Exchange as well as BSEC notification no. - SEC/CMRRCD/2008-183/Admin/03-34 dated : 27th Sept, 2009, we are pleased to provide you below the un-audited financial statement of the Company for the 1st Quarter(Q1) ended 30th September, 2019 as considered by the Board of Directors meeting held on 14.11.2019 at 37, Kawran Bazar, Dhaka-1215.

On Behalf of the Board


Md. Monir Hossain
Company Secretary

Statement of Financial Position (Un-Audited)
As at 30th September, 2019

	30 Sept. 2019 Taka	30 June, 2019 Taka
Assets		
Non-Current Assets :		
Property, Plant and Equipment	702,825,761	711,574,383
	702,825,761	711,574,383
Current Assets :		
Inventories	715,917,761	704,702,926
Trade & Other Receivables	312,114,200	329,633,233
Advances, Deposits and Prepayments	28,550,850	24,414,673
Investment in Shares Central Depository BD. Ltd. (CDBL)	1,569,450	1,569,450
Cash and cash equivalent	21,595,617	20,723,598
	1,079,747,878	1,081,043,880
Total Assets	1,782,573,639	1,792,618,263
Equity and Liabilities :		
Shareholders' Equity		
Share Capital	264,670,560	264,670,560
Capital Reserve	5,373,570	5,373,570
Share Premium	54,560,000	54,560,000
Revaluation Reserve	434,350,828	437,904,833
Retained Earnings	22,205,375	16,684,773
	781,160,333	779,193,736
Non-Current Liabilities		
Long Term Loan	509,998,546	523,858,156
Director's and Other Loans and Advances	17,320,197	17,320,197
Deferred Tax Liability	53,899,640	53,854,640
	581,218,383	595,032,993
Current Liabilities		
Short Term Loans	10,997,609	10,956,479
Current Portion of Long Term Loan	370,793,849	348,821,599
Trade & Other Payables	30,435,657	51,695,858
Workers Profit Participation and Welfare Fund	1,780,815	1,780,815
Provision for Income Tax	6,186,993	5,136,783
	420,194,923	418,391,534
Total Equity & Liabilities	1,782,573,639	1,792,618,263
Net Assets Value Per Share (NAVPS)	29.51	29.44


A.K.M. Azizur Rahman
Chairman


Bazur Rahman
Managing Director


Rosy Rahman
Director


Md. Mostafa
Chief Financial Officer

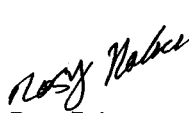

Md. Monir Hossain
Company Secretary

SONARGAON TEXTILES LTD.
Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)
For the period ended 30th September, 2019

	July to Sept. 2019 Taka	July to Sept. 2018 Taka
Turnover	175,034,920	167,533,000
Cost of Goods sold	(152,934,920)	(147,555,000)
Gross Profit	22,100,000	19,978,000
Operating Expenses :		
Administrative Expenses	(4,055,250)	(4,270,000)
Selling & Distribution Expenses	(1,050,250)	(1,196,000)
Financial Expenses	(13,932,693)	(22,147,000)
Total Expenses	(19,038,193)	(27,613,000)
Operating Profit/(Loss)	3,061,807	(7,635,000)
Non Operating Income	-	-
Net Profit/(Loss)	3,061,807	(7,635,000)
Provision for WPPF	-	-
Provision for WWF	-	-
Net Profit/(Loss) before tax (G-H)	3,061,807	(7,635,000)
Provision for Taxation		
Current Tax	(1,050,210)	(1,173,000)
Deferred Tax	(45,000)	(47,000)
Net Profit/Loss after tax	1,966,597	(8,855,000)
Other comprehensive income	-	-
Total comprehensive income	1,966,597	(8,855,000)
Earning Per Share (EPS)	0.07	(0.33)


A.K.M. Azizur Rahman
Chairman


Bazkur Rahman
Managing Director


Rosy Rahman
Director


Md. Mostafa
Chief Financial Officer


Md. Monir Hossain
Company Secretary

SONARGAON TEXTILES LTD.
Statement of Cash flows (Un-Audited)
For the period of 30th September, 2018

Particulars	July to Sept. 2019 Taka	July to Sept. 2018 Taka
<u>Cash Flows from Operating Activities</u>		
Collection from Turnover and Other Income	192,553,953	237,347,000
Payments for Costs and Expenses	(183,881,904)	(189,636,000)
Interest Paid	(5,778,923)	(3,709,000)
Income Tax Paid and / Deducted	(2,021,107)	(1,846,000)
	872,019	42,156,000
<u>Cash flows from Investing Activities :</u>		
Acquisition of Fixed Assets	-	-
Acquisition of Long-Term Assets	-	-
Sale proceeds of Long-Term Assets	-	-
	-	-
<u>Cash flows from Financing Activities :</u>		
Long term loan received	-	-
Director's Other loans and Advances Received /(Paid)	-	-
Short term loans paid	-	-
	-	-
Net Cash Inflows/(outflows) for the period	872,019	42,156,000
Opening Cash and Bank Balance	20,723,598	632,000
Closing Cash and Bank Balance	21,595,617	42,156,000
Net operating Cash flow per Share	0.03	1.59


A.K.M. Azizur Rahman
Chairman


Bazlur Rahman
Managing Director


Rosy Rahman
Director


Md. Mostafa
Chief Financial Officer


Md. Monir Hossain
Company Secretary


SONARGAON TEXTILES LTD.
Statement of Changes in Equity(Un-Audited)
For the period ended 30th September, 2019

Particulars	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Retained Earnings	Total Taka
As at 1 st July, 2019	264,670,560	54,560,000	5,373,570	437,904,833	16,684,773	779,193,736
Adjustment in Revaluation Reserve				(3,554,005)	3,554,005	-
Net profit/(Loss)- July, 19 to Sept, 19					1,966,597	1,966,597
As at 30 th September, 2019	264,670,560	54,560,000	5,373,570	434,350,828	22,205,375	781,160,333

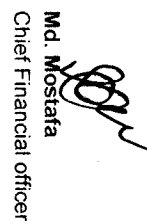
SONARGAON TEXTILES LTD.
Statement of Changes in Equity(Un-Audited)
For the period ended 30th September, 2018

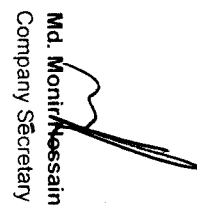
Particulars	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Retained Earnings	Total Taka
As at 1 st July, 2018	264,670,000	54,560,000	5,373,000	453,000,000	(22,931,000)	754,672,000
Adjustment in Revaluation Reserve				(4,477,000)	4,477,000	-
Net profit/Loss- July, 18 to Sept, 18					(8,855,000)	(8,855,000)
As at 30 th September, 2018	264,670,000	54,560,000	5,373,000	448,523,000	(27,309,000)	745,817,000


A.K.M. Azizur Rahman
Chairman


Md. Bazlur Rahman
Managing Director


Rosy Rahman
Director


Md. Mostafa
Chief Financial officer


Md. Monir Hossain
Company Secretary

Sonargaon Textiles Ltd.

Notes to the Interim Financial Statements for the 1st Quarter ended 30th September, 2019

Basis of Preparation of the Interim Financial Statements:


These Financial Statements are the un audited interim financial statement (here after 'the Interim Financial Statements') of **Sonargaon Textiles Limited**, Companies incorporated in Bangladesh under companies act, for the 1st Quarter ended 30th September, 2019 (here after 'the interim period'). They are prepared in accordance with the International Accounting Standard (IAS-34) 'Interim Financial Reporting'. These financial statements should read in conjunction with the 1st Quarter Financial Statements as of 30th September, 2019, as they provide an update of previously reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financials, except where noted below. Where necessary, the comparative figures have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the 1st Quarter ended 30th September, 2019 Financial Statements or in these Interim Financial statements.

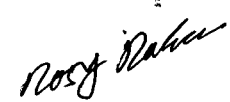
The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statement. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.


Income Tax expense is recognized based upon as applicable reduced tax rate for the reporting period.

Long Term Loan includes a classified loan availed from Mutual Trust Bank (MTB) with a loan balance representing taka 29,20,80,230 as on 30.06.2019 However, the bank made a suit through "Artha Rin Adalat" vide suit no. 878 of 2015 against the company for recovery of money with suit value taka 219,501,331 the company is currently contesting this claim in the courts. The loan balance presented in the statement of financial position represent the original principle amount due plus accrued interest calculated as per the original interest and not the interest rate claimed by the bank. Due the ongoing litigation with the courts. As a result, we did not make provision in the 1st Quarter (Q1) because of the additional provision up to the financial year ended 30 June 2019 compared to the loan amount mentioned in the bank made a suit against the company.


A.K.M. Azizur Rahman
Chairman


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CFO


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