

# ANNUAL REPORT 2020-2021



**Saiham Textile Mills Ltd.**  
সায়হাম টেক্সটাইল মিলস্ লিমিটেড

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# Transmittal Letter

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

Subject: Annual Report for the year ended June 30, 2021.

Dear Sir(s),

Enclosed please find a copy of Annual Report together with the Audited Financial Statements including Income Statements, Cash Flow Statements and Changes in Equity Statements for the year ended June 30, 2021 along with notes thereon of **Saiham Textile Mills Ltd.** for your kind information and records.

Thank you,

Yours Sincerely,



(Md. Neyamat Ullah)  
Company Secretary

# Views of 39<sup>th</sup> Annual General Meeting



Syed Ishtiaq Ahmed, Chairman



S.M. Faisal, MD



Syed Shafqat Ahmed, Director



Yasmin Faisal, Director



Shahjahan, Director



Nazmul Hossain, Independent Director



Tariquzzaman Khan, Independent Director



Neyamat Ullah, Company Secretary

30 December, 2020, Wednesday at 3.00 PM (Digital Platform)

# Board of Directors



Engr. Syed Ishtiaq Ahmed  
Chairman



S. M. Faisal  
Managing Director



Syed Shafqat Ahmed, MBA  
Director



Mrs. Yasmin Faisal  
Director




Mrs. Rio Aziza Salim  
Director



Mohammad Nazmul Hossain, FCA  
Independent Director



Tariquzzaman Khan, FCA, FCS  
Independent Director



# Notice of the 40th Annual General Meeting

## Saiham Textile Mills Ltd.

Saiham Tower, House # 34 (11th Floor), Road # 136, Gulshan-1, Dhaka-1212

### Notice of the 40th Annual General Meeting

Notice is hereby given that the 40th Annual General Meeting of Saiham Textile Mills Ltd. will be held on December 12, 2021 at 2:30 P.M. through Digital Platform in accordance with the Bangladesh Securities and Exchange Commission (BSEC) order SEC/SRMIC/94-231/91 dated March 31, 2021 to transact the following business.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2021 together with the Reports of the Directors' and the Auditors' thereon.
2. To declare Dividend.
3. To elect Directors.
4. To approve re-appointment of the Independent Director.
5. To appoint Statutory Auditors and fix their remuneration.
6. To appoint Corporate Governance Compliance Auditors and fix their remuneration.
7. To authorize the Management/Board of Directors to allow transaction with sister companies.

Dated: Dhaka  
October 28, 2021

By order of the Board

  
( Md. Neyamat Ullah )  
Company Secretary

#### Notes:

1. The Shareholder's whose name will appear in the Depository Register of CDBL as on record date, November 18, 2021 will be entitled to attend and vote at the AGM through Digital Platform.
2. A member entitled to attend/participate and vote in the Annual General Meeting, may appoint a proxy in his stead. Scanned copy of the proxy form, duly stamped must be mailed to the email at share@saiham.com at least 48 hours before the meeting.
3. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of Annual Report (2020-2021) will be sent to the Member's respective email addresses which is available with us. The Annual Report (2020-2021) will be available in the Company's website www.saihamtextile.com.
4. AGM Notice, link for joining in the Digital Platform (audio-visual meeting) and detail login process will be mailed to the respective Member's email address available with us.
5. Member's whose email address updated/changed subsequently, are requested to email us at share@saiham.com referring their full name, BO ID and email address to get the digital platform meeting invitation.
6. Full login/participation process to the digital platform meeting will also be available in the Company's website www.saihamtextile.com.



## BOARD OF DIRECTORS

Engr. Syed Ishtiaq Ahmed	Chairman
S. M. Faisal	Managing Director
Syed Shafqat Ahmed, MBA	Director
Mrs. Yasmin Faisal	Director
Mrs. Rio Aziza Salim	Director
Mohammad Nazmul Hossain, FCA	Independent Director
Tariquzzaman Khan, FCA, FCS	Independent Director

## AUDIT COMMITTEE

Mohammad Nazmul Hossain, FCA	Chairman
Syed Shafqat Ahmed, MBA	Member
Mrs. Rio Aziza Salim	Member
Md. Neyamat Ullah	Secretary

## MANAGEMENT TEAM

Md. Neyamat Ullah	Company Secretary
Md. Abu Bakar Siddique	Chief Financial Officer
Md. Mostafa Kamal	Head of Internal Auditor

## NOMINATION & REMUNERATION COMMITTEE

Mohammad Nazmul Hossain, FCA	Chairman
Mrs. Yasmin Faisal	Member
Syed Shafqat Ahmed, MBA	Member
Md. Neyamat Ullah	Secretary

<b>Registered Office</b>	:	Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj -3333
<b>Dhaka Office</b>	:	Saiham Tower, House # 34 (11 <sup>th</sup> Floor) Road # 136, Gulshan-1, Dhaka-1212
<b>Telephone</b>	:	02-2222-62284, 02-2222-63323
<b>Fax</b>	:	02-2222-94607
<b>E-mail</b>	:	share@saiham.com
<b>Website</b>	:	www.saihamtextile.com
<b>Statutory Auditors</b>	:	Khan Wahab Shafique Rahman & Co. Chartered Accountants
<b>Corporate Governance Auditor</b>	:	Kazi Zahir Khan & Co. Chartered Accountants
<b>Legal Advisor</b>	:	Md. Shamsul Haque
<b>Principal Banker's</b>	:	<b>HSBC Limited.</b> Dhaka Main Office, Anchor Tower, Sonargaon Road, Dhaka <b>Eastern Bank Limited.</b> Head office Branch, 10, Dilkusha C/A, Dhaka-1000 <b>Standard Chartered Bank Limited.</b> 67 Gulshan avenue, Dhaka 1212 <b>Dhaka Bank Limited.</b> Islamic Banking Branch 158/160, Motijheel C/A, Dhaka-1000 <b>Prime Bank Limited.</b> Gulshan Branch Dhaka-1212 <b>Midland Bank Limited.</b> Head Office, 40/7, North Avenue Gulshan-2, Dhaka-1212
<b>Insurance Company's</b>	:	<b>Green Delta Insurance Company Limited.</b> 51-52, Mohakhali C/A, Dhaka-1212 <b>Prime Insurance Company Limited.</b> 63, Dilkusha C/A, Dhaka-1000 <b>Islami Insurance Bangladesh Limited.</b> Malibagh Branch, Dhaka-1217 <b>Union Insurance Company Limited.</b> 65/2/1, Box Culvert Road, Purana Paltan, Dhaka -1000
<b>Factory</b>	:	Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj -3333



## Our Vision

- ❑ We aspire to maintain our leadership position in the Textile Industry by producing the best quality various counts of yarns and becoming a reliable business partner of our buyer and suppliers.
- ❑ Protect the interest of our shareholder through sustainable growth and value creation.
- ❑ Preserve the trust of all our Stakeholders by adopting ethical business practices.
- ❑ Support the society through corporate social responsibility initiative.

## Our Mission

Trust : Preserve the faith and goodwill of all our shareholders, buyers, suppliers and the society at large.

For the Society : Contribute to the well being of the society in general by acting as a responsible corporate citizen.

Our Goal : Long term maximization of Shareholders value in a society responsible manner.



# FACTORY HIGHLIGHTS



# Achievement



Mr. S.M. Faisal Managing Director of Saiham Textile Mills Ltd. receiving the longest period tax payer award from Finance Minister A.H.M. Mustafa Kamal M.P.

# BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2021/188

Date of issue : March 29, 2021

**BAPLC**

## Renewed Certificate

*This is to certify that*

**SAIHAM TEXTILE MILLS LIMITED**

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.*

*This certificate remains current until 31<sup>st</sup> December 2021.*



  
Secretary-General



# BANGLADESH TEXTILE MILLS ASSOCIATION (BTMA)

বাংলাদেশ টেক্সটাইল মিলস এসোসিয়েশন (বিটিএমএ)

Unique Trade Centre (Level 8), 8, Panthapath, Karwan Bazar, Dhaka-1215, Bangladesh, Phone : 9101508, 9130969, 8122563  
 Fax: 9125338, E-mail : btmasg@gmail.com, btma2@yahoo.com btma3@hotmail.com, Website: www.btmadhaka.com

## MEMBERSHIP CERTIFICATE

Membership No : 001-0007-0129

Date : 16-1-2021

Saiham Textile Mills Ltd.

We are pleased to admit M/S

House # 34 (11th Floor), Saiham Tower, Road # 136, Gulshan-1, Dhaka -1212.

A-Yarn Manufacture

as a General an Associate member of this registered Trade Association in the category of

The member-mill possesses 56016 spindles & 0 Reters for yarn productions, 0 number of Shuttleless Loom,

0 No of Shuttle loom & 0 Knitting machines for fabric production. The annual capacity of the mill in

9150000 kgs.

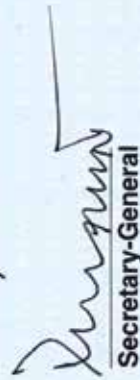
(i) Cotton/ Polyester/Texturised Yarn/Wool/Acrylic wool manufacturing is 0 kgs.

(ii) Woven/ Knit / Towel / Garments/Fabric / Socks/Pre-cater manufacturing is 0 metres

(iii) Dyeing printing finishing is 0 kgs, 0 Nos, 0 metres kgs.

January-December, 2021

This certificate shall remain valid up to

  
 Secretary-General

  
 President / Vice-President



**Government of the People's Republic of Bangladesh**



## **Bangladesh Energy Regulatory Commission**

**D H A K A , B A N G L A D E S H**

Bangladesh Energy Regulatory Commission is pleased to issue the Provisional Licence for generation of 4.59 (Four point five nine) MW electricity by Captive Power Plant (CPP) at Saiham Nagar, Noyapara, Madhiabpur, Habiganj as per sections 27 & 28 of the Bangladesh Energy Regulatory Commission Act, 2003 and regulations 15(9) & 15(10) of the Bangladesh Energy Regulatory Commission Licence Regulations, 2006 in favour of

### ***Saiham Textile Mills Limited***

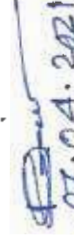
*Saiham Nagar, Noyapara, Madhiabpur, Habiganj.*

*Under the terms and conditions incorporated in the Reference Number :  
28.01.0000.015.02.039.15/CPP-0812/.A.3.AA.....dated: 07 April 2021.*

*This Licence will remain valid from 07 April 2021 to 06 April 2022.*

**Licence No. CPP-0812**

**Dated: 07 April 2021**



**Md. Rezaul Karim Khan**  
**Director (Power)**

# CERTIFICATE

## The company

**Saiham Textile Mills Ltd.**  
House# 34, Road# 136, Gulshan  
Dhaka - 1212, BANGLADESH

is granted authorisation according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report 21.0.60397



## for the following articles:

Raw yarn made of 100 % cotton (provenances: Australia, Benin, Brazil, Burkina Faso, CIS, Greece, India, Spain, USA) carded, 100 % polyester, cotton/polyester and polyester/cotton in raw white as well as cotton/viscose in grey mélange; produced by using material certified according to STANDARD 100 by OEKO-TEX®.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Annex 6, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 6 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass) and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

**The certificate 17.HBD.04092 is valid until 31.03.2022**

Boennigheim, 01.06.2021

*Juonne Schramm*  
Dipl.-Ing. (FH) Ivonne Schramm  
Head of Certification Body OEKO-TEX®



# MESSAGE FROM THE CHAIRMAN

Distinguished Shareholders

On behalf of the Board of Directors, I welcome you all and take immense pleasure and delight in addressing the 40th Annual General Meeting of the company. I also want to thank you all the honorable shareholders for joining us to make the event successful.

With pleasure I present the report of the Board of Directors the Audited Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income and other Financial Statements of the company for the year ended June 30, 2021. This Annual Report has been prepared in compliance with Companies Act 1994, Financial Institutions Act 1993 and the Guidelines issued by Bangladesh Securities and Exchange Commission and other regulatory authorities.

We eagerly wait for this day to get the opportunity to meet with all of you, discuss on the performance of the concerned year of the company and sharing the views of each other and thus getting guideline and inspiration for the days to come. I assumed that to the changed situation more obligation has been created on us on behalf of the valued shareholder in respect of last 39th AGM and to offer them assurance of our sincerity in maintaining operational results up to their expectations at present as well as in future.


As you are well aware, the preceding year has been a challenging one due to the pandemic Covid 19. The world economy had literally come into a virtual standstill due to the the outbreak. Lock down, social distancing, supply chain disruption has become the new norms. However, Bangladesh's economy has remained insulated to a great extent and has gained momentum towards recovery. The timely announced measures to counter the COVID-19 impact namely the conducive monetary policy, introduction of refinancing facilities, targeted fiscal support and other financial initiatives has given it the much needed impetus to the economy. As a result the post-lockdown contraction phase was short-lived. The company overcame the challenges posed by the COVID-19 Pandemic and took full advantage of the enhanced demand for Yarn mostly from the domestic down-stream textile Industry and maximized the output of the mills while improving overall productivity. To consolidate and build upon the established Saiham brand and to leverage a stronger balance sheet towards growing the company through expansion and diversification.

The Company is also well poised to gain with normalization of economic activities with increased sense of security associated with rapid pace of vaccination and other efforts made by government. At organization level, we have given utmost priority to necessary safeguards to prevent spread of COVID-19 and our work force has been working with full of confidence amidst safety measures and hopeful to record improved performance on all parameters.

I on behalf of the Board would like to express my sincere thanks to the respected shareholders for their overwhelming trust and confidence not just this year, but continuously over a period of time. Most importantly, I would like to thank each and every employee as well as those working with our partners across our value chain for their commitment and service to us in these challenging times. I am also grateful to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies & Firms, Central Depository Bangladesh Limited, Jalalabad Gas System, Banks, Insurances and Financial Institutions for their support and patronage extended to the company from time to time. As I conclude my message for this Annual Report, I look forward to the same support for the coming future.

Thanking you

Regards



(Engr. Syed Ishtiaq Ahmed)  
Chairman



# Directors' report to the shareholders

Dear Shareholders  
AssalamuAlaikum,

I, on behalf of the Board of Directors, have the pleasure to present before you the report for the year ended June 30, 2021 along with the audited financial statements and auditors' report thereon.

## BACKGROUND

Saiham Textile Mills Limited was incorporated on March 27, 1981 as a Public Limited Company vide incorporation No. C-8864/703. The Authorized capital of the company is Tk. 1,500 million and paid up capital is Tk. 905.62 million. The company was listed with the Dhaka Stock Exchange Ltd. in the month of August 1988 and Chittagong Stock Exchange Ltd. in the month of March 1999.

## REVENUE

Our Company's customer base is diversified in terms of both geographies we operate in, and currencies we bill in. This mitigates risks arising from geopolitical and currency volatility to a certain degree. During the past year, amidst travel restrictions and lockdowns instituted by various governments across geographies. Our Company gave primacy to the safety and well-being of its employees and local communities, along with a clear focus on maintaining business continuity. Saiham inherent dynamism and resilience, cushioned by its strong balance sheet, enabled the Company to navigate this disruption and accelerate the journey from revival to renewal. The sharp recovery in the operational performance was on account of safety and wellbeing of all its employees, and also facilitated a seamless transition for employees to work from home, supported with processes and tools for remote working, communication, and collaboration. Our Company's steadfast commitment to its long-term strategies of customer orientation, sustainability, cost optimization and R&D led product development. Keeping in mind the long-term strategic intent of creating value for all shareholders. This strategic diversification, seamless continuity of delivery and operations, and investments in improving offerings, sales, and marketing, enabled the Company to increase turnover by 56.50% in a year. During the year under review our companies turnover stood at 2,570,414,760 as against 1,642,383,390 recorded in the previous year.

## Financial Result and Appropriation of Profit:

Particulars	2021	2020
Net Profit for the year (after tax)	10,07,24,349	(7,82,98,678)
Add: Previous year's surplus	16,13,75,965	24,04,37,335
Add: Adjustment of revaluation of P.P.E	8,40,90,971	8,97,99,808
<b>Profit available for appropriation</b>	<b>34,61,91,285</b>	<b>25,19,38,465</b>
Recommended for appropriations:		
Cash Dividend	-	(9,05,62,500)
<b>Total</b>	<b>34,61,91,285</b>	<b>16,13,75,965</b>

## Segment-wise or product-wise performance

Mentioned in section 20 of the notes to the financial statements.

## Industry outlook and possible future developments in the industry

In textile sector, the performance of Bangladesh has been impacted by three factors in the FY 2020-21. First of all, overall slowdown in economic activity of the FY 2020-21 led to significant stress upon output, demand and earning of the industry. However, this pressure was eased leading to improvement in performance of the Bangladesh textile industry.

Secondly the company has benefitted from the post Covid 19 transition of global business to Bangladesh. With the trade war at its minimum, the China raw cotton incident and overall the resilience as a nation by Bangladesh to combat Covid 19, reaped its fruit as overall apparel trade started embracing unprecedented business seen in recent past. With the Covid 19 saga coming to an end and the western countries withdrawing locked down there were great demand with the reopening of stores and there was no other countries to better cater than Bangladesh. Saiham as a company was in a better shape with its steps taken during Covid 19 and was able to encash on the opportunity

arising. This transitory positive impact of high demand of cotton yarn from Bangladesh may continue for coming months also. The third factor, which adversely affected the Bangladesh textile industry is more permanent in nature and is related to cost in competitiveness of Bangladeshi producers against its competitors like India, Vietnam and of lately Myanmar and Cambodia.

The overall exports of leading textiles and clothing exporting countries other than Bangladesh, is expected to show negative trends. The consumption is expected to reach to pre-Covid levels in coming years. Amidst COVID-19 challenge, the restructuring of global textile industry has been taking place. This restructuring seems to be more pronounced in apparel manufacturing for exports and is expected to be beneficial for Bangladesh.

#### **Risks and concerns**

Risk management is embedded in the Company's operating framework. Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

The pandemic is not just affecting the way people conduct business but also how humankind will live. This is affecting every part of our lives, including the preference for apparel, influencing the manufacture of yarns. Being a discretionary spend, the demand for textile products contracted sharply. As various countries, started unlocking their economies in the latter part of the first quarter of the financial year 20-21, new challenges of reduced demand, under-utilized capacities and cash crunch affected the industry. The implementation of social distancing and lockdowns across countries affected textile export from India and its corresponding consumption across countries. Besides some of the risks that the Company is exposed to are:

#### **Financial risks**

The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company. Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigation strategy to minimize financial and interest cost risks.

#### **Commodity price risks**

Uncertain availability and volatility in prices of key raw materials is the major concern. The Company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with the existence of powerful brand image with a robust marketing network mitigates the impact of price risk.

#### **Regulatory risks**

The Company is exposed to risks attached to various statutes, laws and regulations including the Competition Act. The Company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

#### **Strategic risks**

Emerging businesses, capital expenditure for capacity expansion etc, are normal strategic risks of the Company. However, the Company has well-defined processes and procedures for obtaining approvals for investments in new businesses and capacity expansions.

Any change in government policies related to cotton and yarn, higher raw material cost, competition from peer group, power cost, seasonal fluctuations, non-availability of skilled manpower have impact on spinning industry and are perceived as threats.

#### **A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.**

Particulars	June 30, 2021	June 30, 2020
Cost of goods sold	228,59,31,660 (88.93%)	1,54,73,94,066 (94.22%)
Gross profit	28,44,83,100 (11.07%)	9,49,89,324 (5.78%)
Net profit for the year	10,07,24,349 (3.92%)	(7,82,98,678) (4.77%)

**Related party transactions**

The Company has transactions with its Associate Companies which have been disclosed in related party transaction in note nos. 27 of the notes to the financial statements.

**Variance within the financial year**

There was no event of significant variance between quarterly financial performances during the year under reporting.

**Remuneration of Directors**

The information is incorporated in the notes 21 of the notes to the financial statements on page 68 with reference to the Directors Remuneration mentioning figures concerning the remuneration of the Managing Director.

**Fairness of financial statements**

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987. These statements present fairly the Companies state of affairs, the results of its operations, cash flow and changes in equity.

In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) notification dated August 7, 2012 Managing Director and Chief Financial Officer has given the declaration which is shown on page 41 of the report.

**Books of Accounts**

Proper books of accounts of the company were maintained.

**Accounting Policies**

Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

**Application of BAS and IFRS**

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

**Internal control systems and their adequacy**

Our Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances.

The internal control system includes a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well-structured budgeting process and Internal audit. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

**Environment Protection, Health and Safety**

Environment Protection, Health and Safety Environment Protection, Health and Safety continue to receive highest priority in all operational and functional areas. Adequate safety measures are taken at plant for prevention of any untoward incidents. Various processes required for pollution control and environmental protection are strictly adhered to.

**Going Concern**

The Board, through appropriate enquiries and analysis, ensures that the resources are adequate to support the operation and that sufficient business opportunities exist to qualify the organization as a going concern and the Directors analyses the financial statements to ensure. Accordingly financial statements are prepared on a going concern basis.

## Board of Directors

### i. Composition and size of the Board

On the 30<sup>th</sup> June 2021, there were 7 members on the Board; The Board comprises Chairman, Managing Director, three directors and two Independent directors.

### ii. Board meeting and attendance:

The Board met 7 times during the period from July 01, 2020 to June 30, 2021. Following table shows the attendance of directors in the meeting.

Name of Directors	Number of Board Meeting held during the financial year ended 30.06.2021	Number of Board Meeting attended	Remarks
Mr. S. M. Faisal	7	7	
Engr. Syed Ishtiaq Ahmed	7	7	
Syed Shafqat Ahmed M.B.A	7	7	
Mrs. Yasmin Faisal	7	7	
Mrs. Rio Aziza Salim	7	7	
Mohammad Nazmul Hasan, FCA, (Independent Director)	7	7	
Mr.Tariquzzaman Khan, FCA, FCS, (Independent Director)	7	7	

## DIRECTORS

In terms of Article 115 of the Articles of Association of the Company,

**Engr. Syed Ishtiaq Ahmed** and **Mrs. Yasmin Faisal**, Directors retire by rotation from the Board in the 40<sup>th</sup> Annual General Meeting. Being eligible under Article 117 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

### Disclosure of information of the directors who are willing to be re-elected.

#### Engr. Syed Ishtiaq Ahmed, Director

Engineer Syed Ishtiaq Ahmed son of Mr. Syed Md. Faisal, is the Chairman of Saiham Textile Mills. He has graduated in Engineering from Michigan, USA and is also an MBA with a major in Finance from Institution of Business Administration (IBA) University of Dhaka. He has participated in training on "Industry and Management" in Prato, Italy sponsored by Ministry of Foreign trade, Italy. He is one of the members of the Board of Directors of BTMA. He has represented BTMA on a high level mission of Garment Technology and Textile Processing to IMB cologne in Germany and also visited the London College of Fashion under University of the Arts London sponsored by United Nations Industrial Development Organizations (UNIDO). He has vast experience in technical marketing and financial aspects of business.

### Names of companies in which Engr.Syed Ishtiaq Ahmed holds the directorship:

Interest in other Company:	Designation
Saiham Textile Mills Ltd.	Chairman
Saiham Cotton Mills Ltd.	Managing Director
Faisal Spinning Mills Ltd.	Director
Saiham Knit Composite Ltd.	Director

#### Mrs. Yasmin Faisal, Director

Mrs. Yasmin Faisal wife of Mr. Syed Md. Faisal completed her Masters in History from the Islamabad University, the then West Pakistan. She has long experience in marketing, financial and product development & administration. She traveled more than 30 countries including USA, Europe, Australia, Japan, German and Far-East Asia for business purposes. She is also associated with a member of social and cultural organizations.

### Names of the companies in which Mrs. Yasmin Faisal holds the directorship:

Interest in other Company:	Designation
Faisal Spinning Mills Ltd.	Managing Director
Saiham Textile Mills Ltd.	Director
Saiham Cotton Mills Ltd.	Director

### **Re-appointment of Independent Director**

The Board in its meeting has extended the tenure of Mohammed Nazmul Hossain, FCA as Independent Director of the company for further period of 3 (three) years with effect from September 25, 2021 subject to approval of shareholders in 40th Annual General Meeting of the company.

### **Qualification of Independent Director**

Mohammed Nazmul Hossain, FCA is a professional accountant and has vast experienced in corporate industry. He completed B.Com (Hon's) in Accounting from the University of Rajshahi and also fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB).

### **Role of the Chairman**

The Chairman serves as the primary link between the board and management and works with the Managing Director and Company Secretary to set the agenda of the Board meetings. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities.

### **Role of the Managing Director**

The Managing Director is the key person and is responsible for running the business of the company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and executing the Company's operating plan that is necessary to achieve the company's objectives. He has the overall control on the company's day to day affairs and is accountable to the Board for the financial and operational performance of the company.

### **Role of the Company Secretary**

Company Secretary is responsible for advising the Board through the chairman on all governance matters. He is also responsible for ensuring proper information flow with the Board and its committees and between the management and the non-executive directors. He is also acting as bridge between the regulators/ stakeholders and the company.

### **Remuneration to directors including independent directors**

The Director of the Company is receiving a sum of Taka 5,500/- (Five thousand and five hundred) as board meeting fee.

### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee as a sub-committee of the Board of Director formed as per notification no. BSEC/CMRECD/2006-158/207/ADMIN/80 DATED 3 June, 2018.

The Nomination and Remuneration Committee, as a sub-committee of the Board of Director has been constituted with three board of directors with one Independent director as a chairman. The Company Secretary acts as Secretary to the Committee. The Nomination and Remuneration Committee assists the Board in for mulation 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 of the company. NRC is responsible to the Board of Directors and its roles and responsibilities are clearly set forth.

### **Composition and Size of Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises three Directors including one Independent Director.

Chairman of Nomination and Remuneration Committee (NRC)

Mohammad Nazmul Hossain, FCA independent Director is the Chairman of the Nomination and Remuneration Committee.

### **The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee (NRC)**

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter-alia, includes:

Determine/recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;

Determine/recommend the criteria for qualifications, positive attributes and independence of Director;  
Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc;

Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole.  
Recommend to the Board, all remunerations, in whatever form, payable to Senior Management.

The detailed terms of reference of the Nomination and Remuneration Committee is contained in the 'Corporate Governance Code'

#### **Meeting of the Nomination and Remuneration Committee (NRC)**

The Nomination and Remuneration Committee met (1) one times during the financial year 2020-2021.

#### **External Statutory Auditors**

The BSEC guidelines are being strictly followed in engaging statutory Auditors for the Company.

#### **Website**

The company has been maintaining an official website : [www.saihamtextile.com](http://www.saihamtextile.com) which is linked with website of the stock exchange.

#### **DIVIDEND**

The Board of Directors has recommended 10% cash dividend for the year ended June 30, 2021 (subject to the approval in the forthcoming AGM) whose names will appear in the share register of the Company and/or Depository Register of CDBL as on Record Date, i.e., November 18, 2021.

#### **Interim Dividend**

No interim dividend has been declared for the year June 30, 2021.

#### **Unclaimed Dividend Account**

Company maintained detailed information of unpaid or unclaimed dividend and rational thereof, as per BO account number-wise or name-wise or folio number-wise of the shareholder or unit holder; summary of which disclosed in the annual report note no. 19 of page no. 67 under the head 'Unclaimed Dividend.'

#### **Contribution to the national exchequer**

To contribute the economic development of the country and building up the revenues Saiham Textile Mills Ltd. deducts Income Tax, VAT at source from the employees, suppliers, turnover and deposits the same to the National Exchequer regularly. During the year 2020-2021 the company contributed 15.72 million to the National Exchequer in the form of corporate tax, custom duty, and Value added Tax (VAT).

#### **Report of the Audit Committee**

The Audit committee consists of the following members:

Mr. Nazmul Hasan, FCA Independent Director	: Chairman
Syed Shafqat Ahmed, Director	: Member
Mrs. Rio Aziza Salim, Director	: Member
Md. Neyamat Ullah, Company Secretary	: Member

#### **Scope of work of Audit Committee**

The Committee is authorised to investigate any matter within its terms of reference, access all documents and information of the company, seek information from any director or employee of the Group and co-opt any resources (including external professional assistance) it sees fit in order to fulfill its duties. However, the Committee has no executive function and its primary objective is to review and challenge, rather than assume responsibility for any matters within its remit. The Committee presents a summary of its activities to shareholders and other interested parties by means of this report and the committee Chairman attends all general meetings of the Company's shareholders to answer any questions on the committee's activities.

#### **Review of financial statements by the Audit Committee**

Audit Committee reviewed the annual financial statements for the year June 30, 2021 and placed its recommendation to the Board of Directors.

### **External audit**

Khan Wahab Shafique Rahman & Co. a Chartered Accountant firm registered in Bangladesh acted as the external auditors to the company throughout the year. The external auditors are not engaged on any material non-audit work such as:

- Appraisal or valuation services or fairness opinions;
- Financial information systems design and implementation;
- Book-keeping or other services related to the accounting records or financial statements;
- Broker-dealer services;
- Actuarial services; and
- Internal audit services;

### **Independence of External Auditor**

As a policy, the Committee would not allow the external auditors to perform any work that they may subsequently need to audit, or which might otherwise create a conflict of interests. The Committee also monitors the balance between audit and non-audit related functions to ensure that auditor independence can be shown to be maintained. The Chief Financial Officer is permitted to engage the external auditors on matters that do not create such conflicts. The Audit Committee appraised the expertise, resources, independence and objectivity of external auditor and also reviewed their effectiveness as external auditors before reaching the recommendation to the Board that their re-election should be proposed to shareholders.

### **Resolutions of the Audit Committee meeting:**

The Committee met Four times during last financial year 2020-21 to carry out the following tasks:

- The Audit Committee reviewed the financial statements for the year ended June 30, 2021;
- Reviewed and discussed the Management Letter, by external auditor Khan Wahab Shafique Rahman & Co. for the year ended June 30, 2021 on the annual audit on financial statements of Saiham Textile Mills Ltd;
- The expression of interest sent by the audit firm was reviewed by the Audit Committee and recommended Rahman Mostafa Alam & Co., as auditor of the Company for the year to be ended June 30, 2022;
- Reviewed various reports of Internal Control & Compliance Department on operational, financial procedures and branch activities;

Based on the review and above discussions, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the company and to ensure that its assets are safeguarded properly.

### **Report from the Audit Committee**

Dated: October 17, 2021.

The Board of Directors  
Saiham Textile Mills Ltd.  
House 34, Road # 136  
Gulshan-1, Dhaka

#### **Audit Committee Report**

The Committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observations in their reports on the draft financial statements of the Company initialed by the auditors for the year ended 30 June 2021. The Committee found the statements adequate arrangement to present a true and fair view of the financial status of the Company; and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting and disclosures.

Sd/-

(Md. Nazmul Hasan, FCA)  
Chairman  
Audit Committee  
Saiham Textile Mills Ltd.

### **Environmental Role**

The company is committed to maintain high standard of pollution free environment at mill area. Accordingly tree plantation activities is implementing every year at mill premises.

### **Corporate Social Responsibilities**

Saiham Textile Mills Ltd. always acknowledges its responsibilities for the well-being of the society and takes part in such activities whenever it becomes necessary. The company provides financial support to different social & cultural organizations and to the distressed people of the society. Contribution to CSR programs have been always supported and encouraged by the Board of Directors of the Company. During the year 2020-2021 the company has contributed to the welfare of the community such as donation to Mosque, Madrasha, School also distributed blanket among the poor people in winter season. The company also distributed health kits, including health and hygiene products and food items for patients, health officials and low-income families during the COVID 19 Pandemic period.

### **Code of conduct**

All the employees are bound by our written code of business conduct which is an agreement signed as part of their written contract of employment. The signatory is responsible to comply with the code and also ensure employees reporting to him also comply with the code.

### **APPOINTMENT OF AUDITORS**

Khan Wahab Shafique Rahman & Co. Chartered Accountants will retire at the 40<sup>th</sup> Annual General Meeting as auditors of the Company. As per Bangladesh Securities and Exchange Commission (BSEC) Notification no. SEC/CMRRCD/2009-193/104/Admin dated July 27, 2011 the retiring Auditors Khan Wahab Shafique Rahman & Co. Chartered Accountants are not eligible for reappointment as Statutory Auditors for 2022 because of fulfillment of 3 years period. After receiving expression of interest from Rahman Mostafa Alam & Co. Chartered Accountants Paramount Heights, Box Culvert Road, 65/2/1, Purana Paltan Dhaka-1000. The Audit Committee recommends appointment of Rahman Mostafa Alam & Co. Chartered Accountants at a remuneration of Tk. 3,50,000 (Three lac fifty thousand ) only including Tax but excluding VAT as the auditors of the Company for the year 2021-2022. Therefore the board of directors has proposed Rahman Mostafa Alam & Co. Chartered Accountants to engage as statutory auditors (subject to approval at the 40<sup>th</sup> Annual General Meeting).

### **Appointment of Professional (Chartered Accountants/Chartered Secretaries) firm for the certificate on compliance with the Corporate Governance Code BSEC**

As per notification number BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 the company shall obtain certificate from Professional Accountant/ Chartered Secretary (Chartered Accountants/Cost and Management Accountant/Chartered Secretary) regarding compliance with the condition of Corporate Governance Code of the commission and such certificate shall be disclosed in the Annual Report.

In this regard, Kazi Zahir Khan & Co. Chartered Accountants offered themselves for appointment to issue "Corporate Governance Compliance Certificate". The Board recommended the proposal for appointment of Kazi Zahir Khan & Co. Chartered Accountants at a remuneration of Tk. 30,000 (Thirty thousand) only including Tax but excluding VAT to issue "Corporate Governance Compliance Certificate" of Saiham Textile Mills Limited for the year June 30, 2022 subject to approval of the Shareholders of the company in the 40<sup>th</sup> Annual General Meeting.

### **CORPORATE & FINANCIAL REPORTING:**

The Company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission. It has complied with all the requirements of Corporate Governance and the Directors are pleased to confirm the following:

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of its operations, cash flow and changes in equity.

Proper books of accounts of the Company have been maintained.

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.

The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.

The systems of internal control are sound and have been effectively implemented and monitored.

There are no significant doubts upon the Company's ability to continue as a going concern.

There are no significant deviations in operating result of the business of the company compared to last year.



## Pattern of Shareholding

Name wise details	No. of Shares held
Parent/Subsidiary/Associated Companies and other related parties	Nil
Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:	
Mr. S. M. Faisal - Managing Director	30,82,747
Engr. Syed Ishtiaq Ahmed - Chairman	78,43,920
Mr. Shafqat Ahmed - Director	74,93,503
Mrs. Rio Aziza Salim - Director	76,15,219
Mrs. Yasmin Faisal - Director	20,27,000
Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and minor children:	
Executives	Nil
Shareholders holding ten percent (10%) or more voting interest in the Company:	Nil

### Compliance of Corporate Governance Code

We have complied with the relevant provisions of the BSEC notification no. BSEC/CMRRCD/2006- 158/Admin/80 dated June 03, 2018, set out in Annexure (II) on this report. In addition to established standards of Corporate Governance, the company also considered the Best Governance practice in its activities.

### Key operating and financial data

The summarized key operating financial data of five years is annexed (Annexure : I)

### Corporate Governance Compliance Report

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed (Annexure : II)

On behalf of the Board of Directors.



(Engr. Syed Ishtiaq Ahmed)  
Chairman  
October 17, 2021

# STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

The company has an ongoing risk management process to identify and analyses the risks so that the company can set appropriate risk limits and controls. Risk management policies, procedures and system are reviewed regularly to reflect Changes in market conditions and the company's activities.

The company has exposures to the risks credit risk, liquidity risks,price risks foreign exchange risks etc.

## **Control activities**

Control activities are the policies and the procedures to help ensure that the management directives are carried out and the necessary actions are taken to minimize the risks of failing to meet objectives, policies and procedures are effectively established within the company and continuously reviewed for compliance, adequacy and improvement.

## **Information and Communication**

The company ensure the effective flow of information on internal and external factors across the management lebeles. All individuals recive a clear message from senior management that control responsibilities must be taken seriously.

## **Monitoring**

The system of intenal control is monitored regularly through both ongoing activties and separte evaluations. Ongoing monitoring activities are conducted through regular management activities. An Internal Audit Team has been set up with six members during the year under review. The internal audit function is responsible for providing an objective and independent view of the effectiveness of operational and financial controls and procedures as well as management action in dealing with issues of control. The internal audit function monitors the presence of the components of internal control systems and reports to the audit committee.

# DIRECTOR'S RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Director's of the company are responsible for the integrity and accuracy of the financial statements. The board believes that the financial statement for the year ended on June 30, 2021 have been prepared in conformity with International Accounting Standard (IAS), IFRS, Companies Act, 1994, BSEC guidelines, Stock Exchanges Listing Regulations appropriate in the circumstances. In preparing the financial statements, management with the consultation of the board makes informed judgments and estimates where necessary to reflect the expected effects of events and transactions that have not been completed. The company's disclosure controls and procedures ensure that the material information required to be disclosed is recorded, processed, summarized and communicated to management and reported within the required time periods. In meeting its responsibility for the reliability of the financial statements, managements relies on a system of internal accounting control. The system is designed to provide reasonable assurance that assest are safeguarded and transaction are excuted in accordance with the management's authorization and recorded properly to permit the preparation of financial statements in accordance with IAS/IFRS. The design of this system recognizes that errors or irregularities may occur and the estimates and gudgements are required to assess the relative cost and expected benefits of the controls. Directors believe that the company's internal accounting controls provide reasonable assurance that errors or irregularities that could be material to that financial statements are prevented or would be detected within a timely period. The Audit Committee of the Board of Directors, which is composed solely of independet directors, is responsible for overseeing the Company's financial reporting process. The Audit Committee meets with management and sees the report of the Company's internal auditors periodically to review the work of each and to monitor the discharge by each of its responsibilities. The independent auditors are engaged to express an opinion on the Company's financial statements and on the Company's internal control over financial reporting. Their opinions are based on procedures that they believe to be sufficient to provide reasonable assurance that the financial statements contain no material errors and that the Company's internal controls are effective.

By order of the Board

Saiham Textile Mills Ltd.



( S.M. Faisal )  
Managing Director

## Saiham Textile Mills Ltd.

Annexure : I

The Key Operating and Financial Data :

(Taka in Crore)

### Financial Highlights

Particulars	2021	2020	2019	2018	2017
Turnover	257.04	164.23	259.92	217.81	152.96
Gross profit	28.45	9.49	33.42	26.17	23.16
Net profit after tax	10.07	(7.82)	(8.77)	10.91	9.24
Net cash operating activities	6.17	20.06	10.82	1.33	6.82

**Table: Summary of Balance Sheet**

Particulars	2021	2020	2019	2018	2017
Authorized capital	150.00	150.00	150.00	150.00	150.00
Paid-up capital	90.56	90.56	90.56	90.56	90.56
Reserve and surplus	107.37	88.89	96.79	115.74	113.38
Shareholders' equity	388.59	377.25	392.79	244.34	243.95
Deferred tax liabilities	44.82	46.02	47.15	17.19	16.59
Non-current liabilities	44.82	51.64	54.02	25.31	16.59
Current liabilities	150.20	164.09	136.31	226.82	174.27
Fixed Assets	348.45	363.75	381.12	193.22	187.94
Total Non-current Assets	349.24	363.75	381.12	193.22	187.94
Current Assets	234.37	229.23	202.00	303.25	246.87
Book value per share	10.00	10.00	10.00	10.00	10.00
Earning per share	1.11	(0.86)	(0.97)	1.21	1.02
<b>Dividend per share :</b>					
Cash	10%	-	10%	15%	12%
Stock	-				
Number of shareholders	7,341	4,853	4,379	6,205	7,175

**Table : Ratios**

Particulars	2021	2020	2019	2018	2017
Debt to Equity Ratio	0.50	0.25	0.48	1.03	0.78
Current Ratio	1.56	1.40	1.48	1.34	1.42
Gross profit/Sales (%)	11.07	6.00	12.86	12.02	15.14
Operating profit/Sales (%)	5.70	5.00	5.81	5.51	5.97
Profit after tax/Sales (%)	3.92	(0.50)	(3.37)	5.01	6.04
Return on Asset (%)	2.39	(1.32)	(1.26)	2.74	2.91
Return on Equity (%)	3.67	(2.78)	(4.68)	5.29	4.53



কাজী জহির খান এন্ড কোং  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants  
In Practice Since 1967

Associated firm of  
**EHK Consulting**  
Always auditing with you

**Annexure-B**

[Certificate as per condition No. 1(5) (xxvii)]

**Report to the Shareholders of Saiham Textile Mills Limited on  
Compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Saiham Textile Mills Limited for the year ended on 30 June 2021. This Code relates to the Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80** dated 03 June 2018 issued under section 2CC of the Bangladesh Securities and Exchange Commission.

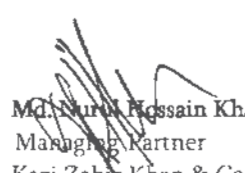
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate 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;
- (b) The Company has complied with the 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.

Dated: November 11, 2021  
Place: Dhaka

  
Md. Nurul Hossain Khan, FCA  
Managing Partner  
Kazi Zahir Khan & Co.  
Chartered Accountants



Head Office: Shamsunnahar & Wazi Complex, 8th Floor, Suite-9B, 31/C/1, Topkhana Road, Segun Bhagicha, Dhaka- 1000.  
Tel: 57160824, Fax: +880-2-57160821, e-mail: kzke48@gmail.com, kzke\_bd@yahoo.com  
Branch Office: 281/3, Jafraabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkebd@gmail.com

**Annexure : II**

"Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:"

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
<b>1</b>	<b>Board of Directors</b>			
<b>1.1</b>	<b>Size of the Board of Directors</b>			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	✓		
<b>1.2</b>	<b>Independent Directors</b>			
1.2(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, any fraction shall be considered to the next integer or hole number for calculating number of independent director(s);	✓		
1.2 (b)	For the purpose of this clause 'independent director' means a director-	✓		
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;	✓		
1.2 (b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	✓		
1.2 (b)(iii)	who has not been an executive of the company 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;	✓		
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;	✓		
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;	✓		
1.2 (b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
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);	✓		
1.2 (b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.2 (c)	Independent director shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1.2 (d)	The post of independent director cannot remain vacant for more than 90 (ninety) days;	✓		
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;	✓		
<b>1.3</b>	<b>Qualification of Independent Director(ID)</b>			
1.3 (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	✓		
1.3 (b)	Independent Director shall have following qualifications			
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	-		N/A
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;	-		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;	-		N/A
1.3 (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		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;	✓		
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1.3 (d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission;			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
<b>1.4</b>	<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 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 non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act No. XVIII of 1994):-	√		
1.5 (i)	An industry outlook and possible future developments in the industry;	√		
1.5 (ii)	The Segment-wise or product-wise performance;	√		
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin;	√		
1.5 (v)	A discussion on continuity of any Extra-Ordinary gain or loss;	√		
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;	√		
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
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)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.5 (x)	A statement of remuneration paid to the directors including independent directors			Independent Directors have not taken any remuneration except meeting fee
1.5 (xi)	A Statement that 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;	✓		
1.5 (xii)	A Statement that proper books of account of the issuer company have been maintained;	✓		
1.5 (xiii)	A Statement that 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;	✓		
1.5 (xiv)	A Statement that International Accounting Standards (IAS) or 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;	✓		
1.5 (xv)	A Statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
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;	✓		
1.5 (xvii)	A Statement that 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;	✓		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			N/A
1.5 (xix)	A Statement that the where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			The Board declared dividend
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 shall be disclosed;	✓		
<b>1.5 (xxiii)</b>	<b>A report on the pattern of shareholding disclosing 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);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
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;	✓		
1.5 (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	✓		
1.5 (xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:	✓		
1.5 (xxiv)(a)	A brief resume of the director;	✓		
1.5 (xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓		
1.5 (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	✓		
<b>1.5 (xxv)</b>	<b>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:</b>			
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 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)	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;	✓		
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;	✓		
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.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
1.6	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).	✓		
<b>1.7</b>	<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.	✓		
<b>2</b>	<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
<b>3</b>	<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>			
<b>3.1</b>	<b>Appointment</b>			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
<b>3.2</b>	<b>Requirement to attend the Board Meetings</b>			
3.2	The MD or CEO, CS, CFO and HIAC of the companies shall attend the meetings of the Board of Directors provided that the CS, CFO and /or the HIAC shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	✓		
<b>3.3</b>	<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 have reviewed financial statements for the year 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;	✓		
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)	This is also certified that 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.	✓		
<b>4</b>	<b>Board of Directors' Committee</b>			
4	For ensuring good governance in the company, the Board shall have at least following subcommittees:	✓		
4 (i)	Audit Committee;	✓		
4 (ii)	Nomination and Remuneration Committee;	✓		
<b>5</b>	<b>Audit Committee</b>			
<b>5.1</b>	<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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
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;	✓		
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.	✓		
<b>5.2</b>	<b>Constitution of Audit Committee</b>			
5.2 (a)	The Audit Committee shall be composed of at least 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 background and 10 (ten) years of such experience;	✓		
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;	✓		
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	Chairman of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the chairperson 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 5(4)(b) and the reason of absence or the regular chairperson shall be duly recorded in the minutes.			No such issue
5.3 (c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
<b>5.4</b>	<b>Meeting of the Audit Committee</b>			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
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.	✓		
<b>5.5</b>	<b>Role of Audit Committee shall include the following:</b>			
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 significant related party transactions submitted by the management;	✓		
5.5 (k)	Review Management Letters/ 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;	✓		
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:			No such issue
<b>5.6</b>	<b>Reporting of the Audit Committee</b>			
<b>5.6 (a)</b>	<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;			No such issue

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.6 (a) (ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			No such issue
5.6 (a) (ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations; and			No such issue
5.6 (a) (ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately			No such issue
<b>5.6 (b)</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.			No such issue
<b>5.7</b>	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by 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.	✓		
<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 subcommittee of the Board;	✓		
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;	✓		
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).	✓		
<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;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such issue
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;			No such issue
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive any remuneration for any advisory role or otherwise, other than Director's fees or honorarium from the company;	✓		
<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;	✓		
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;			No such issue
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	✓		
<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;	✓		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
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);	✓		
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.	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
<b>6.5</b>	<b>Role of the NRC</b>			
6.5 (a)	NRC shall be independent and accountable to the Board and shareholders;	✓		
6.5 (b)	NRC shall oversee, among others, the following matters:	✓		
6.5 (b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, considering the following:	✓		
6.5 (b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6.5 (b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	✓		
6.5 (b)(i)(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;	✓		
6.5 (b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
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;	✓		
6.5 (b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6.5 (b)(v)	Identifying the company's needs for employees at different levels;	✓		
6.5 (b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
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.	✓		
<b>7</b>	<b>External/Statutory Auditors</b>			
7.1	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;	✓		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
7.1 (vi)	Internal audit services or special audit services;	√		
7.1 (vii)	any service that the Audit Committee determines;	√		
7.1 (viii)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 9 (1);	√		
7.1 (ix)	Any other service that creates conflict of interest;			No such issue
7.2	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	√		
7.3	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;	√		
9.3	The directors of the company shall state, in accordance with the <b>Annexure</b> attached, in the directors' report whether the company has complied with these conditions.	√		

# MANAGING DIRECTOR & CFO'S DECLARATION TO THE BOARD OF DIRECTORS

The Board of Directors  
Saiham Textile Mills Ltd.  
Saiham Tower (11th Floor), House # 34  
Road # 136, Gulshan-1, Dhaka-1212

**Subject : Managing Director & CFO's Declaration to the Board of Directors.**

Dear Sir(s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Saiham Textile Mills Limited for the year ended on June 30, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a 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 of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material 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 June 30, 2021 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 together present a 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 transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sincerely yours,



( S.M.Faisal )  
Managing Director



Md. Abu Bakar Siddique  
Chief Financial Officer (CFO)

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## INDEPENDENT AUDITORS' REPORT

### TO THE SHARE HOLDERS OF SAIHAM TEXTILE MILLS LIMITED

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT

#### Opinion

We have audited the financial statements of Saiham Textile Mills Ltd. which comprise the Statement of Financial Position as at 30 June 2021, and Statements of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of Saiham Textile Mills Ltd. as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

We have determined the following key audit matters to communicate in our report.

## Property, plant and equipment

### The key Audit Matter

The company has Tk. 3,484,520,166 as Written down Value (WDV) at Property, Plant and Equipment which stands at 59.84% of its total assets with new acquisitions of Tk. 18,622,876. The management reviews the estimated depreciable lives and the residual value of property, plant and equipment annually. It usually the company policy to charge depreciation when property, plant and equipment become available for use as described in the notes to the financial statements. The management is used judgment to ascertain the timing of depreciation of the property, plant and equipment in few cases.

Property, plant and equipment have been identified as a key audit matter because it requires the management to exercise significant judgment in relation to the estimate the carrying amount of the assets whether to be valued at cost less accumulated depreciation or revalued amount and depreciable lives of the assets considering the nature, timing and likelihood of changes to the technical factors which may affect the useful life expectancy of the assets and therefore it could have a material impact on the depreciation expense for the year.

Please refer to **Note 3.00 “Property, Plant and Equipment”** of the notes to the financial statements for relevant details.

### ***How the scope of our audit responded to the key audit matter:***

Our procedures in relation to the depreciable lives of the property, plant and equipment included:

- a) Testing the key controls over the management’s judgment in relation to the accounting estimates of the depreciable lives of property, plant and equipment;
- b) Verifying whether additions, adjustments, depreciation and other disposals (if any) was made and accounted for in the financial statements in accordance with the relevant standards;
- c) Calculating the results and performing analytical reviews to assess whether proper effects of additions, adjustments, depreciation and other disposals (if any) has been given;
- d) Checking the adequacy of the disclosure of the assets;
- e) Verification and calculation of deferred tax and whether proper treatment has been given for the deferred tax thereon;
- f) Assessing the management’s estimates on the useful lives of property, plant and equipment with reference to: (1) the consistency with the company’s expected

consumption pattern of economic benefits embodied in the respective assets and future operating plans including acquisitions and retirements of property, plant and equipment; (2) the comparison to the policies adopted by other comparable entities operating in this area; and (3) consideration of the company's historical experience.

## **Inventory**

The key Audit Matter

The Company had inventory of Tk. 899,558,892 at 30 June 2021 held in its factory, godowns and across multiple product lines. Inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate values for slow-moving or obsolete items.

Please refer to **Note 5.00 "Inventories"** to the financial statements for relevant disclosures.

### ***How the scope of our audit responded to the key audit matter:***

We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:

- a) Evaluating the design and implementation of key inventory controls operating across the company, including stocks in the factory and in the godowns;
- b) Checking the management's inventory count sheet and reconciling the count results to the inventory listings to test the completeness of data;
- c) Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories;

## **Taxation**

The key Audit Matter

The Statement of Profit & Loss and Other Comprehensive Income shows total profit before tax stands at Tk. 140,684,840 during the year. The company has charged total income tax of Tk. 39,960,491. Furthermore, deferred tax liability of the company has decreased to Tk. 448,203,408 after giving effect of deferred tax on revaluation of asset.

Given the company's exposure to complex tax issues, the high level of management judgment in estimating the amounts of reserve and provision for tax and involvement with regulatory authorities, taxation was considered to be a key audit matter.

Please refer to **Note 12.00 “Deferred Tax Liability”** and **Note 17.00 “Provision for Tax”** to the financial statements for relevant disclosures regarding calculation and disclosure of taxation.

***How the scope of our audit responded to the key audit matter:***

We particularly focused on the impact of whether the tax provision was appropriately recognized; we conducted interviews with the company’s tax personnel in order to assess the taxable income of the company. We re-performed the calculations made by the management regarding tax liabilities to ensure compliance with the provisions of Income Tax Ordinance, 1984 and checked the arithmetical accuracy of the calculations.

We also obtained an understanding, evaluated the design and tested the operational effectiveness of the Company’s key controls over the recognition and measurement of deferred tax liabilities and the assumptions used thereon. We assessed key assumptions, controls, recognition and measurement of deferred tax assets. We also assessed the appropriateness of presentation of disclosures against **“Income Tax”**.

## **Sales**

The Key Audit matter

The company has made net sales of Tk. 2,570,414,760 during the year. Sales have increased due to increase in demand from the customers. Recognition of the revenue of Saiham Textile Mills Ltd. has been considered complex due to several types of contracts based mainly on export sales, as well as high sales volume comparing to last few years’ performances.

Please refer to **“Turnover”** of the financial statements.

***How the scope of our audit responded to the key audit matter:***

We have reviewed the company’s revenue recognition policies, accounting guidelines and disclosures to assess conformity with IFRS 15 “Revenue from Contracts with Customers”. We have tested relevant internal control used to ensure the completeness, accuracy and timing of revenue recognized including sales during the year end to ensure cut off has been properly maintained. We have applied analytical and substantive procedures to establish, whether any revenue had been recognized where no corresponding accounts receivable or proceeds has been recorded in the general ledger.

### **Other Information**

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of director of the company.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by company so far as it appeared from our examination of these books;
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.
- d) the expenditure incurred and payments made were for the purpose of the company's business.



**Dated, Dhaka  
October 28, 2021**

**Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: S M Tanjilur Rahman, ACA  
Partner  
Enrolment No.: 1885  
Firm's Registration No: 11970 E.P.  
DVC : 2111021885AS449198**

**Saiham Textile Mills Ltd.**  
Statement of Financial Position  
As at June 30, 2021

Particulars	Notes	Amount in Taka	
		June 30, 2021	June 30, 2020
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	3.00	3,484,520,166	3,637,570,744
Investment	4.00	7,920,777	7,572,812
<b>Total Non-Current Assets</b>		<b>3,492,440,943</b>	<b>3,645,143,556</b>
<b>Current Assets:</b>			
Inventories	5.00	899,558,892	1,159,780,461
Trade and Other Receivables	6.00	963,643,477	871,875,161
Sundry Receivable	7.00	-	287,386
Advance, Deposits and Pre-payments	8.00	405,856,766	97,683,168
Cash and Cash Equivalents	9.00	74,626,118	155,152,529
<b>Total Current Assets</b>		<b>2,343,685,253</b>	<b>2,284,778,705</b>
<b>Total Assets</b>		<b>5,836,126,196</b>	<b>5,929,922,261</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholder's Equity:</b>			
Share Capital	10.00	905,625,000	905,625,000
Share Premium		727,500,000	727,500,000
Revaluation Surplus	11.00	1,906,570,232	1,978,047,558
Retained Earnings		346,191,285	161,375,965
<b>Total Shareholders Equity</b>		<b>3,885,886,517</b>	<b>3,772,548,523</b>
<b>Non-Current Liabilities:</b>			
Deferred tax liabilities	12.00	448,203,409	460,214,575
Long Term Loan	13.00	-	56,249,987
<b>Total Non-Current Liabilities</b>		<b>448,203,409</b>	<b>516,464,562</b>
<b>Current Liabilities:</b>			
Short Term Loan	14.00	879,169,946	864,396,199
Term Loan Current Maturity	15.00	-	12,500,004
Trade & Other Creditors	16.00	549,759,991	728,861,386
Income tax provision	17.00	24,694,921	-
Payable and Accruals	18.00	39,521,786	26,016,737
Rights Share money Refundable		15,000	15,000
Unclaimed Dividend	19.00	8,874,627	9,119,848
<b>Total Current Liabilities</b>		<b>1,502,036,270</b>	<b>1,640,909,174</b>
<b>Total Liabilities</b>		<b>1,950,239,679</b>	<b>2,157,373,736</b>
<b>Total Equity and Liabilities</b>		<b>5,836,126,196</b>	<b>5,929,922,261</b>
<b>Net Assets Value per Share</b>	<b>26.00</b>	<b>42.91</b>	<b>41.66</b>


The annexed notes 1 to 38 and annexure A to D form an integral part of these financial statements.

  
Managing Director

  
Director

  
Company Secretary

Signed in terms of our separate report of even date.

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: S M Tanjilur Rahman, ACA  
Partner  
Enrolment No.: 1885  
Firm's Registration No: 11970 E.P.  
DVC : 2111021885AS449198

Dated, Dhaka  
October 28, 2021

**Saiham Textile Mills Ltd.**  
Statement of Profit or Loss and Other Comprehensive Income  
For the year ended June 30, 2021

Particulars	Notes	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
Turnover		2,570,414,760	1,642,383,390
Cost of goods sold	20.00	(2,285,931,660)	(1,547,394,066)
<b>Gross Profit</b>		<b>284,483,100</b>	<b>94,989,324</b>
Administrative and marketing expenses	21.00	(68,447,152)	(78,659,352)
Financial expenses	22.00	(69,511,445)	(90,180,878)
<b>Operating Profit</b>		<b>146,524,503</b>	<b>(73,850,906)</b>
Non-operating income/(Loss)	23.00	(243,923)	510,629
Other income	24.00	1,438,502	2,278,553
<b>Operating Profit Before WPPF &amp; WWF</b>		<b>147,719,082</b>	<b>(71,061,725)</b>
Expenses for WPPF & WWF		(7,034,242)	-
Unrealized gain/(loss) for change in exchange rate of foreign currency		-	1,057,470
<b>Profit before Tax</b>		<b>140,684,840</b>	<b>(70,004,255)</b>
<b>Provision for Tax</b>		<b>(39,960,491)</b>	<b>(8,294,424)</b>
Current Tax	17.00	(35,310,459)	(6,126,317)
Prior Year Tax		(4,047,553)	-
Deferred Tax	12.1.1	(602,479)	(2,168,107)
<b>Net Profit after Tax</b>		<b>100,724,349</b>	<b>(78,298,678)</b>
<b>Other Comprehensive Income/(Loss)</b>		<b>12,613,646</b>	<b>13,469,971</b>
Deferred Tax Adjustment		12,613,646	13,469,971
<b>Total Comprehensive Income for the year</b>		<b>113,337,995</b>	<b>(64,828,707)</b>
<b>Earnings Per Share (EPS)</b>	<b>25.00</b>	<b>1.11</b>	<b>(0.86)</b>

The annexed notes 1 to 38 and annexure A to D form an integral part of these financial statements.

  
Managing Director

  
Director

  
Company Secretary

Signed in terms of our separate report of even date.



**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants  
Signed by: S M Tanjilur Rahman, ACA  
Partner  
Enrolment No.: 1885  
Firm's Registration No: 11970 E.P.  
DVC : 2111021885AS449198

Dated, Dhaka  
October 28, 2021

**Saiham Textile Mills Ltd.**  
Statement of Changes in Equity  
For the year ended June 30, 2021

Particulars	Share capital	Share premium of Rights Share	Revaluation surplus	Retained earnings	Total equity
<b>Balance as at July 01, 2020</b>	<b>905,625,000</b>	<b>727,500,000</b>	<b>1,978,047,558</b>	<b>161,375,965</b>	<b>3,772,548,523</b>
<b>Net Profit after Tax</b>	-	-	-	100,724,349	100,724,349
Adjustment for depreciation on revalued assets	-	-	(84,090,971)	84,090,971	-
Adjustment for revaluation of P.P.E and deferred tax	-	-	12,613,646	-	12,613,646
<b>Balance as at June 30, 2021</b>	<b>905,625,000</b>	<b>727,500,000</b>	<b>1,906,570,232</b>	<b>346,191,285</b>	<b>3,885,886,517</b>

Particulars	Share capital	Share premium of Rights Share	Revaluation surplus	Retained earnings	Total equity
<b>Balance as at July 01, 2019</b>	<b>905,625,000</b>	<b>727,500,000</b>	<b>2,054,377,395</b>	<b>240,437,335</b>	<b>3,927,939,730</b>
<b>Net Profit after Tax</b>	-	-	-	(78,298,678)	(78,298,678)
Adjustment for depreciation on revalued assets	-	-	(89,799,808)	89,799,808	-
Adjustment for revaluation of P.P.E and deferred tax	-	-	13,469,971	-	13,469,971
Cash Dividend paid for the year (2018-2019)	-	-	-	(90,562,500)	(90,562,500)
<b>Balance as at June 30, 2020</b>	<b>905,625,000</b>	<b>727,500,000</b>	<b>1,978,047,558</b>	<b>161,375,965</b>	<b>3,772,548,523</b>



Managing Director



Director


  
Company Secretary

*Khan Wahab Shafique Rahman & Co.*  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: S M Tanjilur Rahman, ACA  
Partner  
Enrolment No.: 1885  
Firm's Registration No: 11970 E.P.  
DVC : 2111021885AS449198

Dated, Dhaka  
October 28, 2021

**Saiham Textile Mills Ltd.**  
Statement of Cash Flows  
For the year ended June 30, 2021

Particulars	Notes	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
<b>A. Cash Flows From Operating Activities</b>			
Collection from customers	36.00	2,478,646,443	1,518,248,047
Collection from non-operating income & other income	37.00	2,137,803	551,763,926
Payment for cost and expenses	38.00	(2,404,429,034)	(1,863,187,561)
Income tax paid		(14,663,091)	(6,126,317)
<b>Net cash used in operating activities</b>		<b>61,692,121</b>	<b>200,698,094</b>
<b>B. Cash Flows From Investing Activities</b>			
Acquisition of property, plant and equipment		(18,622,876)	(8,502,594)
Sale of property, plant and equipment		240,000	-
Investment in FDR		(347,965)	(788,429)
<b>Net cash flows from investing activities</b>		<b>(18,730,842)</b>	<b>(9,291,023)</b>
<b>C. Cash Flows From Financing Activities</b>			
Short-term loan		14,773,746	110,930,754
Term Loan		(68,749,991)	-
Interest paid on borrowings		(69,511,445)	(90,180,878)
Dividend paid		-	(90,562,500)
<b>Net cash flows from financing activities</b>		<b>(123,487,690)</b>	<b>(69,812,624)</b>
<b>D. Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(80,526,411)</b>	<b>121,594,447</b>
Cash & Cash Equivalents at beginning of the year		155,152,529	33,558,082
<b>Cash &amp; Cash Equivalents at end of the year</b>		<b>74,626,118</b>	<b>155,152,529</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>		<b>0.68</b>	<b>2.22</b>

  
Managing Director

  
Director

  
Company Secretary

**Saiham Textile Mills Limited**  
**Notes to the Financial Statements**  
As at and for the year ended June 30, 2021

**1 Status and Activities:**

**1.1 Legal form of the Enterprise:**

**Saiham Textile Mills Limited** was incorporated in Bangladesh on March 27, 1981 as a Public Limited Company under the Companies Act, 1913 (Subsequently repealed by the Companies Act, 1994) and listed with Dhaka Stock Exchange in the month of August, 1988. Head Office of the company is situated at Noyapara, Saiham Nagar, Habigonj and Dhaka office is situated at house # 34, Road # 136, Gulshan-01, Dhaka-1212.

**1.2 Issue of Rights Share:**

**Saiham Textile Mills Limited** had issued 5,00,00,000 Rights Share of Tk. 10/= each at Tk. 25/= each including Premium of Tk. 15/= per share to general public in the ratio of 2:1 Rights Share (two Rights Share for each existing one share) against present 2,50,00,000 Ordinary Shares after obtaining consent from Bangladesh Securities & Exchange Commission (BSEC) vide their letter no SEC/CI/RI-65/2011/905 dated: December 20, 2011.

The purpose of issuance of Rights Share was to expand the companies business by establishing a new and modernized Melange Spinning Unit having 30,960 spindles.

Accordingly, the Melange Spinning unit of Saiham Textile Mills Ltd. started commercial production on 16<sup>th</sup> July 2013 and it is now running smoothly.

**1.3 Nature of Business Activities:**

The company produces various counts of quality yarn in both Spinning & Melange unit.

**2. Significant Accounting Policies and basis of preparation of the Financial Statements:**

**2.1 Statement of Compliance:**

The Financial Statements have been prepared and disclosures of information made in accordance with the requirements of the Company Act 1994, the Bangladesh Securities and Exchange Rules 1987, and International Financial Reporting Standards (IFRS).

**2.2 Basis of Preparation:**

The Financial Statements of the company have been prepared Going Concern basis based on the accrual basis except interest on FDR of accounting following under the historical cost convention.

**2.3 Basis of Reporting:**

Financial Statements are prepared and presented for external users by the enterprise in accordance with identified reporting framework. Presentation has been made in compliance with the standards adopted by the ICAB for reporting, IAS- 1 Presentation of Financial Statements.

## 2.4 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Companies complied, as per Para 12 of Securities & Exchange Rule 1987, with the following International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Company subject to departure where we have followed:

Sl. No.	Standard Number	Title of Standards	Compliance Status
01	IAS 01	Presentation of Financial Statements	Complied
02	IAS 02	Inventories	Complied
03	IAS 07	Statement of Cash Flows	Complied
04	IAS 10	Events after the Reporting Period	Complied
05	IAS 12	Income Taxes	Complied
06	IAS 16	Property, Plant & Equipment	Complied
07	IAS 23	Borrowing Costs	Complied
08	IAS 24	Related Party Disclosures	Complied
09	IAS 33	Earnings per Share	Complied
10	IFRS 09	Financial Instruments	Complied
11	IFRS 15	Revenue from Contracts with Customers	Complied

## 2.5 Use of Estimates and Judgments:

In the preparation of the Financial Statements management required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any year affected.

## 2.6 Going Concern:

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of existing business.

## 2.7 Components of the Financial Statements:

According to the IAS – 1 “Presentation of Financial Statements” the complete set of the Financial Statements includes the following components:

- i) The Statement of Financial Position for the Period ended June 30, 2021;
- ii) The Statement of Profit or Loss & Other Comprehensive Income for the Period ended June 30, 2021;
- iii) The Statement of Cash Flows for the Period ended June 30, 2021;
- iv) Statement of Changes in Equity for the Period ended June 30, 2021; and
- v) Accounting Policies and explanatory notes the Financial Statements for the Period ended June 30, 2021.



## 2.8 Regulatory and Legal Compliance:

The Company complied with the requirements of the following regulatory and legal authorities:

- i) The Companies Act, 1994;
- ii) The Income Tax Ordinance, 1984;
- iii) Bangladesh Securities and Exchange Rules, 1987;
- iv) The VAT Act, 1991 and
- v) Other applicable Rules and Regulation.

## 2.9 Property, Plant and Equipments (PPE):

Property, Plant and Equipments are stated at their cost / revalued value less accumulated depreciation in accordance with IAS 16 “Property, Plant and Equipment”. Cost represents cost of acquisition or construction and includes purchase price and other directly attributable cost of bringing the asset to working conditions for its intended use.

Expenditure on repairs and maintenance of Property, Plant and Equipments is treated as expenses 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.

### Depreciation of Property, Plant and Equipments

Depreciation has been charged when the asset is available for use and depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS-5 and the date that the asset is derecognized.

No depreciation has been charged on Land and Land development considering the unlimited useful life. The rates of depreciation at the following rates are on PPE under reducing balance method.

Name of assets	Rates
Factory Building and Others Construction	5%
Building office space	5%
Plant and Machineries	7.5%
Furniture and Fixtures	10%
Motor Vehicles	15%
Sundry Assets	10%
Office Equipments	10%

Depreciation has been charged to factory overhead & administrative expenses consistently in proportionate basis.

## 2.10 Inventories:

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or Net Realizable Value. Costs including an appropriate portion of fixed and variable overhead expenses are assigned to inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make it salable. In compliance with the requirements with IAS - 2 “Inventories” consist of Raw materials; WIP & Finished Goods are valued at the lower of average cost or the Net Realizable Value. Item wise valuation methods are as follows:

Raw Cotton	At lower of weighted average cost or net realizable value
Polyester Staple Fiber PSF	At lower of weighted average cost or net realizable value
Stores & Spares	At lower of weighted average cost or net realizable value
Packing Materials	At lower of weighted average cost or net realizable value
Work-in-Process	100% Materials plus portion of labour charges, Gas charges, Electric charges.
Finished Goods (Yarn)	At lower of weighted average cost or net realizable value.

## Revaluation of property, plant and equipment

### Basis of valuation:

**Land and land development:** Present valuation of the Land and land Development has been arrived by consideration of the location and the market price of recent Transfer Price of the assets. Information and explanation from local people and Mouza Value has been considered to assess an average current transfer/market rate of land.

**Building and civil engineering:** Factory building, Generator and other buildings / structure has been valued taking into consideration of present cost of construction materials technical and non technical labor cost workman shop and cost of transportation etc. as the valuer have taken into consideration the materials used for the construction of the buildings / structure and financial work and arrive at a fair and reasonable value of the same.

**Plant and machinery:** Plant and machineries has been arrived at by taking into consideration the current replacement cost. Beside, Information from C&F and other reliable source has been considered.

### 2.11 Revenue Recognition:

In compliance with the requirements of IFRS - 15 “Revenue from contracts with customers”, revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding discounts, rebates, and sale taxes.

Revenue from the sale of goods is recognized when the following conditions are satisfied:

- i) the enterprise has transferred to the buyer the significant risk and rewards of ownership of the goods;
- ii) the enterprise retains neither continuing managerial involvement to the degree usually associated with ownership of the goods;
- iii) the amounts of revenue can be measured reliably ;
- iv) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- v) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

## **2.12 Functional and Presentation Currency and level of precision:**

These Financial Statements are presented in Bangladeshi Taka which is both functional currency and presentation currency of the Company.

## **2.13 Earnings Per Share (EPS):**

Earnings Per Share (EPS) are calculated in accordance with the IAS – 33 “Earnings Per Share” which has been shown on the face Statement of Comprehensive Income.

### **i) Basic Earnings Per Share**

Basic Earnings Per Share are calculated by dividing the net profit or loss for the year attributable to the Ordinary Shareholders by the weighted average number of shares during the year.

### **ii) Diluted Earnings Per Share**

No diluted Earnings Per Share are required to be calculated for the year as there was no scope for dilution during the year under review.

## **2.14 Cash & Cash Equivalents:**

According to IAS – 7 “Cash Flow Statements” cash comprises of Cash in hand and Cash at Bank and demand deposits (FDR). Considering the provisions of IAS – 7 Cash in hand and Bank balances and FDRs have been considered as Cash and Cash Equivalents.

## **2.15 Statement of Cash Flows:**

Statement of Cash Flows is prepared principally in accordance with IAS – 7 “Statement of Cash Flows” and in the Cash Flows the operating activities have been presented in direct method as prescribed by the Bangladesh Securities and Exchange Rule 1987.

## **2.16 Liabilities for Expenses and Other Finance:**

While the provision for certain standing charges and known liabilities is made at the Financial Position date based on estimate, the difference arising there from on receipts of bills or actual payments is adjusted in the subsequent year when such liabilities are settled.

## **2.17 Foreign Currency Translation:**

Transactions in foreign currencies are translated in to BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated in to BDT at the rate of exchange ruling at the Financial Position date.

## **2.18 Borrowing cost:**

In compliance with the requirement of IAS – 23 “Borrowing cost” borrowing cost relating to operational period on long term loans, short term loans and overdraft facilities was charged to revenue account as an expense as incurred.

## **2.19 Revaluation Reserve:**

When an assets carrying amount is increased as a result of a revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus /reserve as per IAS-16: Property, Plant and Equipment. The company revalued the assets of land and land development, Factory Building and Other Construction, Building Office Space, Plant and Machineries and Motor vehicle which has absolutely owned by the company and the increase amount transferred to revaluation reserve. The tax effects on revaluation gain are measured and recognized in the Financial Statements as per IAS-12: Income Taxes.

## **2.20 Taxation:**

### **Current Tax:**

Provision for current tax has been made in the Financial Statements on taxable profit at the rate of 15% as per SRO No. 193/Law/income tax/2015 dated 30.06.15 of Income Tax Ordinance 1984.

### **Deferred Tax:**

Deferred tax is recognized on difference between the carrying amount of assets and a liability in the financial statements and the corresponding tax based used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liability are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the profit will be available against which deductible temporary difference, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit. Considering the practices generally followed in Bangladesh the company have been reserved deferred tax assets or deferred tax liability in accordance with IAS- 12 “Income Taxes.”

## **2.21 Trade Debtors:**

Trade debtors for export of yarn are stated at their real value and trade receivable has mostly arisen from export sales which are usually received within the tenure under LC terms. As such, no expected credit loss has arisen during the year.

## **2.22 Provision for Worker's Profit Participation Fund:**

The company has provided @ 5% of net profit before tax after charging the contribution to WPPF as per provision of the Workers Profit Participation Act 1968 and is payable to workers as delivered in the said Act.

## **2.23 Responsibility for Preparation and Presentation of Financial Statements:**

The Management is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per provision of “The Framework for the Preparation and Presentation of Financial Statements” issued by the International Accounting Standard Committee (IASC).

## **2.24 Related Party Disclosures:**

As per IAS-24 parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company has carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with related parties.

## **2.25 Reporting period:**

These Financial Statements cover the period from July 01, 2020 to June 30, 2021.

## **2.26 Event after the reporting period:**

In compliance with the requirements of IAS – 10 “Events after the reporting period”, post Statement of Financial Position events that provide additional information about the company’s position at the Statement of Financial Position date are reflected in the Financial Statements and events after the Statement of Financial Position date that are not adjusting event are disclosed in the notes when material.

## **2.27 Reclassification**

Maturity period of fixed deposit is one year hence fixed deposits are not shown under cash and cash equivalent.

## **2.28 General:**

- i) Figures appearing in these Financial Statements have been rounded off to the nearest Bangladesh Taka.
- ii) These notes form an integral part of the annexed Financial Statements and accordingly are to be read in conjunction therewith.
- iii) The company has not incurred any expenditure in foreign currency against royalties and technical fees.
- iv) Previous year's figures have been re-arranged if necessary to confirm to current year's presentation.

		Amount in Taka	
		June 30, 2021	June 30, 2020
<b>3.00</b>	<b>Property, Plant and Equipment</b>		
	Spinning	3.01	1,241,484,844
	Melange	3.02	2,243,035,321
		<b>3,484,520,166</b>	<b>3,637,570,744</b>
<b>3.01</b>	<b>Property, Plant and Equipment-Spinning</b>		
	This is arrived as follows:		
	Balance as on July 01, 2020	2,108,431,839	2,102,127,045
	Addition during the year	650,345	6,304,794
	Adjustment during the year	(3,000,000)	-
	<b>Total as on June 30, 2021</b>	<b>2,106,082,184</b>	<b>2,108,431,839</b>
	Accumulated Depreciation	(815,698,653)	(761,954,149)
	<b>Depreciation value</b>	<b>1,290,383,531</b>	<b>1,346,477,690</b>
	Depreciation charged during the year	(51,002,849)	(53,744,504)
	Depreciation Adjustment during the year	2,104,162	-
	<b>Written down value as on June 30, 2021</b>	<b>1,241,484,844</b>	<b>1,292,733,187</b>
<b>3.02</b>	<b>Property, Plant and Equipment-Melange</b>		
	This is arrived as follows:		
	Balance as on July 01, 2020	2,995,513,356	2,993,315,556
	Addition during the year	17,972,531	2,197,800
	<b>Total as on June 30, 2021</b>	<b>3,013,485,887</b>	<b>2,995,513,356</b>
	Accumulated Depreciation	(650,675,800)	(522,203,416)
	<b>Depreciation value</b>	<b>2,362,810,088</b>	<b>2,473,309,940</b>
	Depreciation charged during the year	(119,774,766)	(128,472,383)
	<b>Written down value as on June 30, 2021</b>	<b>2,243,035,321</b>	<b>2,344,837,557</b>

(a) The details of the Property, Plant and equipment have been shown in **Annexure - A1 & A2 and B1 & B2**.

(b) The assets have been revalued on 28 April, 2019.

#### 4.00 Investment

##### Fixed Deposit Receipts

Name of Banks	Purpose		
FDR with Bank Asia Ltd	Bank Gaurantee	3,834,142	3,666,443
FDR with Dhaka Bank Ltd	Bank Gaurantee	4,086,635	3,906,369
		<b>7,920,777</b>	<b>7,572,812</b>

Taka 79,20,777 Fixed deposit receipts are under lien with Bank Asia Ltd. & Dhaka Bank Ltd. against Bank guarantee.

#### 5.00 Inventories

This represents as follows:

	Quantity	Amount in Tk.	Amount in Tk.
Raw Materials	12,562,466 Lbs	806,303,500	974,038,180
Work in Process	135,556 Kgs	22,829,968	16,246,716
Finished Goods	148,112 Kgs	30,982,219	124,797,782
Stores & Spare Parts	N/A	39,106,379	42,855,705
Packing Materials	N/A	336,825	1,842,078
		<b>899,558,892</b>	<b>1,159,780,461</b>

Inventories are valued at lower of cost or net realizable value. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale .

#### 6.00 Trade and other receivables

Aging of Trade Debtors

Trade debtors aged upto 90 days	398,358,375	648,654,878
Trade debtors aged upto 180 days	435,920,857	176,803,878
Other receiveables	129,364,246	46,416,405
	<b>963,643,477</b>	<b>871,875,161</b>

Details of Trade Debtors and Other Receivables shown in **Annexure - C1 & C2**.

Amount in Taka	
June 30, 2021	June 30, 2020

- a) Trade receivable has mostly arisen from export sales which are usually received within the tenure under LC terms. As such, no expected credit loss has arisen during the year.
- b) There is no such debt due by or to directors or other officers of the Company.

I. Receivable considered good in respect of which the company is fully secured.	761,068,535	756,952,054
II. Receivable considered good in respect of which the company holds no security other than the debtors personal security	-	-
III. Receivable considered doubtful or bad.	-	-
IV. Receivable due by any director or other officer of the company.	-	-
V. Receivable due by common management.	202,574,942	114,923,107
VI. The maximum amount of receivable due by any director or other officer of the company.	-	-
<b>Total</b>	<b>963,643,477</b>	<b>871,875,161</b>

#### 7.00 Sundry Receivable

Office Rent (Sky view)	-	287,386
	<b>-</b>	<b>287,386</b>

#### 8.00 Advance, Deposits and Prepayments

Security Deposit with Jalalabad Gas	8.01	13,813,334	21,066,574
Security Deposit with Hobigonj Palli Biddut		1,063,555	1,053,355
Security deposit with Saiham Sky View Tower		60,000	60,000
Deposit against VAT		393,309	393,309
Advance against salary & wages		956,185	1,363,685
Advance against local suppliers		285,000	186,500
Advance against L/C Margin and commission		389,285,383	69,837,366
Advance Income Tax	8.02	-	3,722,379
		<b>405,856,766</b>	<b>97,683,168</b>

#### 8.01 Security Deposit with Jalalabad Gas

Opening Balance as at July 01, 2020	21,066,574	21,066,574
Add: Addition during the year	1,541,442	-
	<b>22,608,016</b>	<b>21,066,574</b>
Less: Adjustment made during the year	(8,794,682)	-
Closing Balance as on June 30, 2021	<b>13,813,334</b>	<b>21,066,574</b>

#### 8.02 Advance Income Tax

<b>Opening Balance</b>	<b>3,722,379</b>	<b>3,654,569</b>
<b>Advance tax paid during the year:</b>		
Tax at source on FDR	39,346	41,509
Tax at source on Export	10,061,419	5,787,954
Tax at source on Office Rent	92,373	99,552
Tax at source on Transport	220,000	187,500
Tax at source on Import	200,011	-
Tax at source on Bank Interest	2,389	9,802
<b>AIT Paid during the year</b>	<b>10,615,538</b>	<b>6,126,317</b>
<b>Total Advance tax paid</b>	<b>14,337,917</b>	<b>9,780,886</b>
Less : Tax paid for last year	(3,722,379)	(130,417)
Less: Adjustment with Current Year Tax	(10,615,538)	(5,928,090)
<b>Closing Balance</b>	<b>-</b>	<b>3,722,379</b>

- (a) All the advances and deposits amount are considered good and recoverable;

Amount in Taka	
June 30, 2021	June 30, 2020

- (b) Advance due from staffs and workers are regularly being realized through their salaries;
- (c) There is no amount due from Directors or Officers of the Company under any agreement;
- (d) Advance against suppliers due mainly to advances given to suppliers for packing materials, spare parts etc.
- (e) L/C Margin deposit against various import L/C represent margin and commission of Raw Textile, Spare Parts, Packing Materials.

#### 9.00 Cash and Cash Equivalents

This consists of :

Cash in Hand	9.01	1,390,777	811,259
Cash at Banks	9.02	73,235,341	154,341,270
		<b>74,626,118</b>	<b>155,152,529</b>

#### 9.01 Cash in Hand

Head office		317,974	630,988
Factory Office		1,072,803	180,271
		<b>1,390,777</b>	<b>811,259</b>

#### 9.02 Cash at Banks

Janata Bank Ltd. (A/C No. 023733002322)		49,074	49,764
Janata Bank Ltd.(A/C No. 0340-0210001941)		1,122,954	537,540
Dutch Bangla Bank Ltd.(A/C No. 0116110000006828)		70,833	196,614
Dutch Bangla Bank Ltd.SND (A/C No. 291-120-48)		75,395	133,460
Dhaka Bank Ltd.(A/C No. 215150000001464)		221,962	126,811
Dhaka Bank Ltd. (Dividend Account - 215150000001554)		4,051,108	3,918,933
HSBC Ltd. Dividend Account -001-145-457-012		634,381	634,881
HSBC Ltd. Dividend Account -001-145-457-013		3,007,528	3,011,218
HSBC Ltd. Dividend Account -001-145-457-014		846,640	847,830
HSBC Ltd. Dividend Account -001-145-457-015		334,971	706,987
HSBC Ltd. CD A/C# 001-145-457-011		-	20,395,988
Eastern Bank Ltd. CC A/C No. 1012040326949		-	102,882,277
Standard Chartered Bank CC A/C# 01118413501		1,522,079	7,512,319
Bkash Account A/C 806446003		163,669	302,584
Premier Bank Ltd (A/C no-014913100000040)		39,086	39,469
Eastern Bank Ltd A/C no-101106032929		234	234
Eastern Bank Ltd A/C no-1041060265553		114,100	115,538
Prime Bank LTD A/C-2118119019656		10,124	101,889
Midland Bank Gulhsan Branch A/C # 0011-1050005211		424,345	-

#### F.C Account

Eastern Bank Ltd ERQ A/C-1013100350441		740,722	226,167
Standard Chartered Bank ERQ A/C-42118413501		1,818,997	1,890,887
Standard Chartered Bank A/C -46118413501		4,160	-
Dhaka Bank Ltd .F.C A/C-21413000000056		61,005	1,646
HSBC Ltd. F.C Margin A/C no-001-145457-091		46,840,325	8,148,259
Eastern Bank Ltd F.C. A/C-1013100350441		8,118,697	2,559,978
Midland Bank Gulhsan Branch Margin A/C # 0011-131000581		2,962,953	-

<b>73,235,341</b>	<b>154,341,270</b>
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#### 10.00 Share Capital

This represents:

##### Authorized capital

15,00,00,000 Ordinary Shares @ of Tk. 10/- each	<b>1,500,000,000</b>	<b>1,500,000,000</b>
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##### Issued, Subscribed & Paid up Capital:



	Amount in Taka	
	June 30, 2021	June 30, 2020
12,500,000 Ordinary Shares @ Tk. 10 each fully paid up in cash	125,000,000	125,000,000
12,500,000 Ordinary Shares @ Tk. 10 each fully paid up other than cash	125,000,000	125,000,000
50,000,000 Right Ordinary Shares @ Tk. 10 each fully paid up in cash	500,000,000	500,000,000
11,250,000 Stock Dividend Issued@10 each	112,500,000	112,500,000
43,12,500 Stock Dividend Issued@10 each	43,125,000	43,125,000
<b>9,05,62,500 Ordinary Shares</b>	<b>905,625,000</b>	<b>905,625,000</b>

Percentage of shareholding position of different shareholders are as follows:

Name of the Shareholders	30.06.2021		30.06.2020	
	No. of shares	% of holding	No. of shares	% of holding
Sponsors	30,519,745	33.70	30,519,745	33.70
Institutions	29,579,238	32.66	41,296,541	45.60
General Public	30,463,517	33.64	18,746,214	20.70
	<b>90,562,500</b>	<b>100.00</b>	<b>90,562,500</b>	<b>100.00</b>

Classification of Shareholders by holding:

The number of shareholders and shareholding position as at June 30, 2021 are given below:

Holdings	30.06.2021		30.06.2020	
	Number of Share Holders	% of holding	Number of Share Holders	% of holding
Up to 5,000 shares	6,148	6.98	4432	3.63
5,001 to 50,000 shares	1,083	18.20	362	5.37
50,001 to 1,00,000 shares	56	4.63	20	1.73
1,00,001 to 2,00,000 shares	28	4.16	11	1.88
2,00,001 to 3,00,000 shares	8	2.13	6	2.15
3,00,001 to 4,00,000 shares	2	0.74	3	1.54
4,00,001 to 5,00,000 shares	1	0.45	1	1.07
5,00,001 to above	15	62.71	18	88.18
<b>Total</b>	<b>7,341</b>	<b>100</b>	<b>4,853</b>	<b>100</b>

#### 11.00 Revaluation Surplus

This calculation is arrived as follows:

Opening Balance	1,978,047,558	2,054,377,395
Less: Adjustment for provision of deferred tax	12,613,646	13,469,971
Adjustment for depreciation on revalued assets	(84,090,971)	(89,799,808)
<b>Closing Balance</b>	<b>1,906,570,232</b>	<b>1,978,047,558</b>

The revaluation of assets of Saiham Textile Mills Limited was made on 28 April, 2019 by Ata Khan & Co., Chartered Accountants, an Independent Qualified Valuer, on Land and Land Development, Factory Building and Other Construction, Building Office Space and Plant and Machineries. The revaluation was made for both Spinning and Melange units revaluation surplus for which comes at Tk. 2,002,616,203. The result of such revaluation was incorporated in these financial statements from its effective date which is 01 May, 2019. The surplus arising from the revaluation was transferred to revaluation reserve. Effect of deferred tax on the revaluation has been shown under **Note 12.00 "Deferred Tax Liabilities"**.

Present valuation of the Land and land Development, Building Office Space has been arrived at by taking into consideration the location and the market price of recent transfer of the assets. Present valuation of Factory building and other construction, Plant and machineries has been arrived at by taking into consideration the current replacement cost.

#### 12.00 Deferred tax Liabilities

This is arrived as follows:

Opening Balance		460,214,575	471,516,439
Add: Deferred Tax expenses for the year	12.1.1	602,479	2,168,107
Add: Deferred tax on Revalued Asset		(12,613,646)	(13,469,971)
<b>Closing Balance</b>		<b>448,203,409</b>	<b>460,214,575</b>

		Amount in Taka	
		June 30, 2021	June 30, 2020
<b>12.01</b>	<b>Deferred tax liability for the period/year is arrived as follows:</b>		
	<b><u>A. Property, plant and equipment</u></b>		
	Carrying amount	1,241,496,363	1,310,455,968
	Tax base amount	491,245,880	565,704,799
	Taxable temporary difference	<b>750,250,484</b>	<b>744,751,169</b>
	Tax rate	15%	15%
	<b>Deferred tax liability</b>	<b>112,537,573</b>	<b>111,712,675</b>
	<b><u>B. Calculation of deferred tax on revaluation of property, plant and equipment:</u></b>		
	Revalued value of land	945,344,449	945,344,449
	Revalued value of other than land	1,297,679,353	1,381,770,325
	<b><u>Tax Rate</u></b>		
	On land	15%	15%
	On other than land	15%	15%
	<b><u>Deferred tax liabilities</u></b>		
	For land	141,801,667	141,801,667
	For other than land	194,651,903	207,265,549
		<b>336,453,570</b>	<b>349,067,216</b>
	<b><u>C. Deferred Tax on Gratuity Provision</u></b>		
	Provision for Gratuity as at June 30, 2021	5,251,563	3,768,778
	Company tax rate	15%	15%
	<b>Deferred tax asset</b>	<b>(787,734)</b>	<b>(565,317)</b>
	<b>Total (A+B+C)</b>	<b>448,203,408</b>	<b>460,214,575</b>
	<b><u>Calculation of deferred tax:</u></b>		
	Deferred tax liability as on June 30, 2021	<b>448,203,408</b>	<b>460,214,575</b>
	Deferred tax liability as on June 30, 2020	460,214,575	471,516,439
	<b>Deferred tax increased during the year</b>	<b>(12,011,167)</b>	<b>(11,301,864)</b>
	<b>12.1.1</b>		
	<b>12.1.1</b> Deferred tax liability other than revalued assets as at June 30, 2021	112,537,573	111,712,675
	Deferred tax liability other than revalued assets as at June 30, 2020	111,712,675	109,252,655
	Net increased in deferred tax expenses for other than revalued assets for the year	<b>824,897</b>	<b>2,460,020</b>
	Deferred tax asset on gratuity provision as at June 30, 2021	(787,734)	(565,317)
	Deferred tax asset on gratuity provision as at June 30, 2020	(565,317)	(273,403)
	Net increase/(decrease) in deferred tax expenses for gratuity provision	<b>(222,418)</b>	<b>(291,914)</b>
	<b>Total deferred expenses for the year</b>	<b>602,479</b>	<b>2,168,107</b>
	<b>Adjustment of revaluation surplus for deferred tax</b>		
	Deferred tax liability for revaluation as on June 30, 2021	336,453,570	349,067,216
	Deferred tax liability for revaluation as on June 30, 2020	349,067,216	362,537,187
	<b>Adjustment of revaluation surplus for deferred tax</b>	<b>(12,613,646)</b>	<b>(13,469,971)</b>
		<b>(12,011,166)</b>	<b>(11,301,864)</b>
<b>13.00</b>	<b>Long Term Loan</b>		
	This is arrived as follows:		
	Opening Balance as on July 01, 2020	68,749,991	81,249,995
	Adjusted/Payment during the year	(68,749,991)	(12,500,004)
	<b>Closing Balance as on June 30,2021</b>	<b>-</b>	<b>68,749,991</b>
	Less: Long Term Loan Current Maturity	-	(12,500,004)
		<b>-</b>	<b>56,249,987</b>
	<b>Terms and conditions of the loan:</b>		
	The company availed the loan facility from Prime Bank Limited on December 04, 2017 with approved amount of Tk. 100,000,000. The repayment term loan was in equal monthly installments. Repayment has started from December 2017 and would be completed by 2025. However, company has adjusted the full loan as on 21.06.2021.		

Amount in Taka	
June 30, 2021	June 30, 2020

**Security details:**

Registered mortgage of 5,104.17 sft on the 11<sup>th</sup> floor (west side) and 02 nos. of car parking space of a 14 storied building under name and style of Saiham Tower along with undivided and undemarcated share of land measuring 1.188 decimal out of total land measuring 33.10 decimal, situated at House # 34, Road# 136, Gulshan-1, Dhaka. As the company has repaid the loan in full the mortgages subject to the loan has been released by the bank.

**14.00 Short Term Loan**

Bank Loan and Overdraft	<b>14.01</b>	861,669,946	846,896,199
Mrs. Momena Begum		17,500,000	17,500,000
		<b>879,169,946</b>	<b>864,396,199</b>

**14.01 Bank Loan and Overdraft**

This consists of as follows:

Short Term Loan-HSBC	-	20,000,000
Short Term Loan (USD) -HSBC	-	92,895,000
Short Term Loan-EBL	-	98,000,000
Lanka Bangla Finance	-	3,400,304
IDBP- HSBC Ltd.	-	21,000,470
IDBP-Eastern Bank Ltd.	-	49,022,770
EDF loan against Import of Raw Cotton	789,713,417	562,577,655
CC A/C with Eastern Bank Ltd.	1,004,226	-
SP A/C with Eastern Bank Ltd.	40,150,953	-
SP A/C with Standard Chartered Bank	30,000,000	-
CC A/C with HSBC Ltd.	801,349	-
	<b>861,669,946</b>	<b>846,896,199</b>

The cash credit facilities secured by the hypothecation of stock of raw cotton, work in process, finished goods, trade debtors and Directors personal security and gaurantee.

**15.00 Current Portion of Long Term Loan**

Prime Bank Ltd	-	12,500,004
	<b>-</b>	<b>12,500,004</b>

According to International Accounting Standard (IAS)-1 "Presentation of Financial Statements" Current Portion of Long Term Loan that due to the settlement within twelve months after the financial Position date are current liabilities. Therefore the above amount has been shown in current liabilities.

**16.00 Trade and Other Creditors**

Against Local materials	73,388,390	6,039,057
Against Capital Machinery	-	4,030,507
Against Raw Materials	476,371,600	718,791,822
	<b>549,759,991</b>	<b>728,861,386</b>

Details of Trade & Other Creditors has been shown in Annexure- D1 & D2.

**17.00 Income Tax Provision**

Opening Balance	-	-
Add: Provision made during the year	35,310,459	6,126,317
	<b>35,310,459</b>	<b>6,126,317</b>
Less: Adjusted with advance income tax	(10,615,538)	(6,126,317)
<b>Closing Balance</b>	<b>24,694,921</b>	<b>-</b>

		Amount in Taka	
		June 30, 2021	June 30, 2020
<b>17.01</b>	<b>Current Tax</b>	<b>35,310,459</b>	<b>6,126,317</b>
	<b>(Higher of i, ii, iii)</b>		
	<b>i) Regular Tax</b>		
	<b>Profit before Tax</b>	<b>140,684,840</b>	<b>(70,004,255)</b>
	Accounting Depreciation	170,777,615	182,216,887
	Capital Allowance	(76,656,720)	(108,817,215)
	Other income	(1,438,502)	(2,278,553)
	Non operating income	(411,915)	(510,629)
	<b>Income/(loss) from business</b>	<b>232,955,318</b>	<b>606,235</b>
	Tax on business income @ 15%	34,943,298	90,935
	<b>Tax on Non operating income:</b>		
	Tax on Interest of FDR 10%	39,346	103,772
	Tax on Bank Interest @22.5% 22.5%	4,152	23,885
	Tax on Other income @ 22.5% 22.5%	323,663	569,638
	<b>Total tax liability</b>	<b>35,310,459</b>	<b>788,231</b>
	<b>ii) Minimum tax U/S-82C(2)</b>		
	<b>Tax deducted at source</b>	<b>10,103,154</b>	<b>6,126,317</b>
	<b>iii) Minimum tax U/S-82C(4)</b>		
	Turnover 0.40%	10,281,659	5,912,580
	Non-operating income 0.40%	1,648	1,838
	Other income 0.60%	8,631	13,671
		<b>10,291,938</b>	<b>5,928,089</b>
<b>18.00</b>	<b>Payable and Accruals</b>		
	This is arrived as follows:		
	Gas charges	10,815,514	8,830,600
	Security Deposit with Saiham Sky view	395,050	1,119,690
	Auditor Fees	437,000	437,000
	Provision for Salary & wages officer staff F/O	10,007,420	9,049,273
	Provision for Gratuity 18.02	5,251,563	3,768,778
	Provision for C& F Charges	3,678,178	1,170,493
	Provision for Board Meeting Fee	-	23,000
	Vat Deduction at Source	23,100	-
	Tax Deduction at Source	3,300	-
	Provision for provident fund	193,762	233,518
	Provision for remuneration	72,000	72,000
	Provision for Financial Charges	195,000	-
	Provision for Utility Bill	28,272	-
	Provision For Credit Rating Fees	75,000	-
	WPPF 18.01	8,346,627	1,312,385
		<b>39,521,786</b>	<b>26,016,737</b>
<b>18.01</b>	<b>Workers Profit Participation Fund (WPPF)</b>		
	This is arrived as follows:		
	Opening Balance	1,312,385	1,312,385
	Provision made during the year	7,034,242	-
		<b>8,346,627</b>	<b>1,312,385</b>
	Payment made during the year	-	-
	<b>Closing Balance</b>	<b>8,346,627</b>	<b>1,312,385</b>
<b>18.02</b>	<b>Provision for Gratuity</b>		
	This is arrived as follows:		
	Opening Balance	3,768,778	1,822,687
	Provision made during the year	8,237,024	2,401,018

		Amount in Taka	
		June 30, 2021	June 30, 2020
	Payment made during the year	12,005,802	4,223,705
		(6,754,239)	(454,927)
	<b>Closing Balance</b>	<b>5,251,563</b>	<b>3,768,778</b>
<b>19.00</b>	<b>Unclaimed Dividend</b>		
	This is arrived as follows:		
	<b>Dividend Account No</b>	<b>Type of Account</b>	<b>Year of Dividend</b>
	Dhaka Bank Ltd. Dividend Account - 21515000001554	STD	Up to 2015
	HSBC Ltd. Dividend Account -001-145-457-012	Current Account	2015-2016
	HSBC Ltd. Dividend Account -001-145-457-013	Current Account	2016-2017
	HSBC Ltd. Dividend Account -001-145-457-014	Current Account	2017-2018
	HSBC Ltd. Dividend Account -001-145-457-015	Current Account	2018-2019
	<b>Total Unclaimed dividend</b>	<b>8,874,627</b>	<b>9,119,848</b>
<b>20.00</b>	<b>Cost of Goods Sold</b>		
	This is made up as follows:		
	<b>Materials Consumption</b>		
	Raw Materials	20.01	
	Packing Materials	20.02	
	Stores and Spares	20.03	
	<b>Total materials consumption</b>		
		<b>1,804,669,767</b>	<b>1,187,136,217</b>
	Direct Wages and Salaries		
		103,501,556	112,616,828
	<b>Prime cost</b>		
		<b>1,908,171,323</b>	<b>1,299,753,045</b>
	Add: Factory Overhead	20.04	
	<b>Total manufacturing cost</b>		
		<b>2,198,699,349</b>	<b>1,593,576,661</b>
	Add: Opening Work-in-process		
		16,246,716	17,279,833
	<b>Cost of goods available for use</b>		
		<b>2,214,946,065</b>	<b>1,610,856,494</b>
	Less: Closing Work-in-process		
		22,829,968	16,246,716
	<b>Cost of Production</b>		
		<b>2,192,116,097</b>	<b>1,594,609,778</b>
	Add: Opening Stock of Finished Goods		
		124,797,782	77,582,070
	<b>Cost of goods available for sales</b>		
		<b>2,316,913,879</b>	<b>1,672,191,848</b>
	Less: Closing Stock of Finished Goods		
		30,982,219	124,797,782
	<b>Cost of Goods Sold</b>	<b>2,285,931,660</b>	<b>1,547,394,066</b>
<b>20.01</b>	<b>Raw Materials</b>		
	This is arrived as follows:		
	Opening Stock of Raw Materials		
		974,038,180	508,089,908
	Add: Purchase during the year		
		1,584,988,840	1,593,694,088
	Less: Short Weight Claim		
		(1,758,549)	-
	Add: Gain/(Loss) on dollar fluctuation		
		(2,847,518)	(6,408,370)
	<b>Raw Textile available for use</b>		
		<b>2,554,420,953</b>	<b>2,095,375,626</b>
	Less: Closing Stock of Raw Materials		
		806,303,500	974,038,180
	<b>Consumption during the year</b>	<b>1,748,117,453</b>	<b>1,121,337,446</b>
<b>20.02</b>	<b>Packing Materials</b>		
	This is arrived as follows:		
	Opening Stock of Packing Materials		
		1,842,078	2,446,220

		Amount in Taka	
		June 30, 2021	June 30, 2020
	Add: Purchase during the year	20,511,445	24,341,320
	<b>Packing Materials available for use</b>	<b>22,353,523</b>	<b>26,787,540</b>
	Less: Closing Stock of Packing Materials	336,825	1,842,078
	<b>Consumption during the year</b>	<b>22,016,698</b>	<b>24,945,462</b>
<b>20.03</b>	<b>Stores and Spares</b>		
	This is arrived as follows :		
	Opening Stock	42,855,705	24,601,424
	Add: Purchase during the year	30,786,290	59,107,590
	<b>Stores and Spares available for use</b>	<b>73,641,995</b>	<b>83,709,014</b>
	Less: Closing Stock	39,106,379	42,855,705
	<b>Consumption during the year</b>	<b>34,535,616</b>	<b>40,853,309</b>
<b>20.04</b>	<b>Factory Overhead</b>		
	Electric Charges	-	674,790
	Gas Charges	111,988,612	104,547,311
	Covered Van and Lorry expenses	5,297,858	5,197,607
	Insurance Premium	7,151,680	4,375,448
	Factory Repair & Maintenance of Capital Assets	3,460,604	1,897,415
	Fuel & Lubricants	3,421,750	7,392,103
	Staff Quarter Expenses	739,182	-
	Misc. Expenses	602,860	-
	VAT/Excise Duty	445,375	1,132,954
	Depreciation (Annexure- A)	157,420,106	168,605,988
		<b>290,528,027</b>	<b>293,823,616</b>
<b>21.00</b>	<b>Administrative and Marketing Expenses</b>		
	This consists of as follows:		
	Directors' Remuneration	960,000	960,000
	Salary & Allowances	29,939,229	31,745,279
	Festival Bonus	1,153,375	-
	Provident fund	1,074,875	2,869,674
	Rest House Expenses	2,000	-
	Gratuity	8,237,024	2,401,018
	Postage & Stamp	27,325	27,480
	Printing & Stationery	535,671	143,929
	Maintenance of Vehicle	290,875	1,088,913
	Traveling & Conveyance	417,905	622,886
	Rent a car fare	1,395,985	-
	Entertainment	585,598	993,319
	AGM Expenses	302,467	1,132,132
	Paper & Periodicals	73,910	-
	Advertisement	246,620	252,925
	Donation & Subscription	217,850	1,160,963
	Business Development Exp.	115,672	-
	Insurance Premium	399,332	4,796,032
	Form, Fees & Others	2,977,600	3,108,774
	Board Meeting Fees	254,100	253,000
	Medical Expenses	-	307,500
	Welfare Expenses	60,000	1,527,889
	Electric Expenses	212,503	674,790

	Amount in Taka	
	June 30, 2021	June 30, 2020
Utilities expenses	72,205	202,648
Miscellaneous Expenses	321,657	883,611
Selling & Distribution	2,000	1,254,935
Bad Debts	-	4,914,244
Fuel & Gas	1,875,878	1,428,760
Office Maintenance	140,358	465,721
Uniform & Upkeep	3,099	-
Telephone, Telex & Fax	181,249	212,791
Water & Sewerage Charges	-	37,360
IT Expenses	1,845,600	874,880
Auditors' Fees	437,000	437,000
Credit Rating Fee	150,000	-
Annual Listing Fee	578,829	-
CSR Activities	1,850	-
Consultancy fees	-	270,000
Depreciation (Annexure- A)	13,357,509	13,610,899
	<b>68,447,152</b>	<b>78,659,352</b>

#### 22.00 Financial Expenses

The above amount comprise of as follows:

Interest on Short Term Loan - SCB	445,750	5,257,918
Interest on Cash Credit- SCB	549,575	3,061,126
Interest on Short Term Loan-HSBC	4,102,545	8,665,278
Interest on Cash Credit-HSBC	1,010,463	1,517,751
Finance Charge-EDF	42,049,284	37,257,867
Interest on Cash Credit- EBL	1,190,100	2,451,928
Interest on CC (SP)-EBL	4,281,532	-
Interest on Short Term Loan-DBL	-	3,966,667
Interest on Long Term Loan-Prime Bank	5,468,525	8,101,274
Interest on Short Term Loan-EBL	3,075,477	4,557,654
Overdue Interest	-	11,181,682
Interest on Lanka Bangla Finance Ltd.	265,208	-
Bank Charges & Commission	7,072,987	4,161,733
	<b>69,511,445</b>	<b>90,180,878</b>

The financial expenses have been increased during the year due to increase of EDF loan facility for import of raw materials.

#### 23.00 Non operating income /(Loss)

Interest on FDR	393,461	415,088
Interest on saving A/C	18,453	95,541
Gain/(Loss) on Sale of Capital Assets	(655,838)	-
	<b>(243,923)</b>	<b>510,629</b>

#### 24.00 Other income

Office Rent	1,438,502	2,278,553
	<b>1,438,502</b>	<b>2,278,553</b>

#### 25.00 Earnings per share (EPS)

The computation of EPS is given below:

Net profit after tax	100,724,349	(78,298,678)
Number of total outstanding shares	90,562,500	90,562,500
<b>Earnings per share (EPS)</b>	<b>1.11</b>	<b>(0.86)</b>

	Amount in Taka	
	June 30, 2021	June 30, 2020
<b>26.00 Net Assets value (NAV) per share</b>		
Total assets	5,836,126,196	5,929,922,261
Total outside liabilities	1,950,239,679	2,157,373,736
<b>Net assets</b>	<b>3,885,886,518</b>	<b>3,772,548,525</b>
Divided by number of ordinary shares	90,562,500	90,562,500
<b>Net assets value (NAV) per share</b>	<b>42.91</b>	<b>41.66</b>

#### 27.00 Related Party Transactions

a) During the year under review, the company carried out a number of transactions with related party in the normal course of business. The name of the related parties, nature of business and their value have been set out below in accordance with the provisions of IAS-24 "Related Party Disclosures".

b) To comply with BSEC notification No. SEC/CMRRCD/2008-183/Admin/03-30 dated June 1, 2009 and BSEC notification No. SEC/CMRRCD/2006-159/Admin/02-10 dated September 1, 2006 the company has taken approval in its 39th AGM on 30 December, 2020 for supply of goods and materials amounting 1% or above of the revenue for the immediate preceding financial year with its related parties.

Name of Party	Nature of Transaction	Relationship	30.06.2021	30.06.2020
Faisal Spinning Mills Ltd.	Trade & other Receivable/Payable	Common Director	129,364,246	-
Saiham Cotton Mills Ltd.	Trade & Other Creditors	Common Director	66,642,242	46,416,405
Saiham Knit Composite Ltd.	Trade & Other Receivable	Common Director	73,210,696	68,506,702
Mrs. Momena Begum	Short term loan	Sponsor Share holder	17,500,000	17,500,000
Director Remuneration	Remuneration	Managing Director	960,000	960,000
Board Meeting Fee	Meeting Fee	Directors	254,100	253,000

#### 28.00 Disclosures as per requirement of Schedule XI, part II of the Companies Act 1994:

##### Attendance Status of Board Meeting of Director

During the period/year the following Board Meeting were held.

The attendance status of all meeting is as follows :

Name of Director	Position	2020-2021		2019-2020
		Meeting Held	Attended	Attended
S.M. Faisal	Managing Director	7	7	6
Syed Ishtiaq Ahmed	Director	7	7	6
Syed Shafqat Ahmed	Director	7	7	6
Mrs. Yasmin Faisal	Director	7	7	6
Rio Aziza Salim	Director	7	7	6
Md. Tariquzzaman Khan	Independent Direct	7	7	6
Mohammad Nazmul Hossain	Independent Direct	7	7	6

#### 29.00 Disclosures as per requirement of Schedule XI, part II of the Companies Act 1994:

##### A. Disclosure as per requirement of schedule XI, part II, Note 5 of Para 3

Number of Employees for the period ended June 30,2021

Salary Range (Monthly)	Officer & Staff		Worker	Total Employees
	Head Office	Factory		
Below 4,100	-	-		-
Above 4,100	25	202	936	1,163
<b>Total</b>	<b>25</b>	<b>202</b>	<b>936</b>	<b>1,163</b>



**Disclosure as per requirement of schedule XI, part II , para 4**

Name	Designation	Amount in Taka	
		June 30, 2021 Remuneration	June 30, 2020 Remuneration
Mr. S. M. Faisal	Managing Director	960,000	960,000
<b>Total</b>		<b>960,000</b>	<b>960,000</b>

**B. Disclosure as per requirement of schedule XI, Part II , Para 7**

Details of production capacity & utilization

Year	Installed capacity p.a in kgs	Actual Production p.a in kgs	% of Capacity Utilization	%of Shortage
June 30, 2021	10,650,000	10,476,149	98	2
June 30, 2020	9,400,000	8,338,000	89	11

**C. Disclosure as per requirement of schedule XI, Part II, para 8**

Value of Raw Textile, Packing Materials and Stores and Spares for the period ended June 30,2021.

Particulars	Local Purchase	Import	Total purchase	Consumption
Raw Materials	6,656,078	1,578,332,761	1,584,988,840	1,748,117,453
Packing Material	20,511,445	-	20,511,445	22,016,698
Spares parts	30,786,290	-	30,786,290	34,535,616

**Schedule XI, Part II, Para 8(b) & para 8(d) Foreign currencies remitted during the period :**

During this period, the company did not remit any amount as dividend, technical know-how, royalty, professional consultation fees, interest and other matters either its shareholder or others.

**30.00 Contingent Liability****Nature of contingent liability**

Bank Guarantee - Jalalabad Gas T & D System Ltd.	7,275,252	7,275,252
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,307,059	2,307,059
Bank Guarantee - Jalalabad Gas T & D System Ltd.	1,972,148	1,731,136
Bank Guarantee - Jalalabad Gas T & D System Ltd.	177,602	33,801
Bank Guarantee - Jalalabad Gas T & D System Ltd.	29,745	16,800
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,996,037	-
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,193,018	-
Bank Guarantee - Jalalabad Gas T & D System Ltd.	7,362,260	-
Bank Guarantee - Jalalabad Gas T & D System Ltd.	3,082,884	-
Bank Guarantee - Jalalabad Gas T & D System Ltd.	78,557	-
	<b>27,474,562</b>	<b>11,364,048</b>

**31.00 Contingent Assets**

There was no Contingent Assets as on June 30, 2021.

**32.00 Claim against the Company**

There was no claim against the company which is to be acknowledged as debt as on June 30, 2021.

**33.00 Event after reporting period**

The Board of Directors at their board meeting held on October 28, 2021 recommended to the shareholders 10 % cash dividend for the year ended June 30, 2021. This will be considered for approval by the shareholders at the next Annual General Meeting (AGM).

Except the fact stated above, no circumstances have arisen since the balance sheet date, which would require adjustment to or disclosure in the financial statement or notes thereto.

**34.00 General Comments & Observations**

- (a) There was no preference share issued by the company.
- (b) The company has not incurred any expenditure in foreign currency against royalties and technical fees.
- (c) Auditors are paid only statutory audit fees.

Amount in Taka	
June 30, 2021	June 30, 2020

(d) No foreign exchange remitted to the any shareholders during the period.

(e) No amount of money was expended by the company for compensating any members of the Board for special service rendered.

**35.00 Reconciliation of cash flows from operating activities under indirect method**

Profit before Tax	140,684,840	(70,004,255)
<b>Adjustment to Reconcile Profit before Tax provided by operating activities:</b>		
Less: Depreciation	170,777,615	182,216,887
Less: Finance Expenses	69,511,445	90,180,878
Less: Unrealized gain/(loss) for change in exchange rate of foreign currency	-	1,057,470
Add/(Less): Realized Loss/Gain on dollar fluctuation	-	-
Gain on Sale of Vehicle	655,838	-
<b>Changes in current assets and liabilities:</b>		
Increase / (Decrease) Inventories	(91,768,317)	(529,781,006)
Increase / (Decrease) Advance, deposits & prepayments	(308,173,598)	(44,991,071)
Income Tax Paid	(14,663,091)	(6,126,317)
Increase / (Decrease) Trade Receivable	260,221,569	424,839,401
Increase / (Decrease) Trade Receivable	287,386	-
Increase/ (Decrease) In trade creditos	(179,101,395)	148,946,113
Increase / (Decrease) payables & Accruals	13,505,049	3,667,078
Increase / (Decrease) unclaimed Dividend	(245,221)	692,914
<b>Net cash flow from operating activities</b>	<b>61,692,121</b>	<b>200,698,094</b>

**36.00 Collection from customer**

Opening receivable	871,875,161	747,739,818
Add: Sales during the year	2,570,414,760	1,642,383,390
	<b>3,442,289,921</b>	<b>2,390,123,208</b>
Less: Closing Receivable	(963,643,477)	(871,875,161)
Add: Unrealized gain		
<b>Collection from sales</b>	<b>2,478,646,443</b>	<b>1,518,248,047</b>

**37.00 Collection from non-operating income & Other Income**

Opening receivables	287,386	549,262,130
Add: Income during the year	1,850,417	2,789,182
	<b>2,137,803</b>	<b>552,051,312</b>
Closing sundry Receivables	-	(287,386)
	<b>2,137,803</b>	<b>551,763,926</b>

**38.00 Payment for cost and expenses**

Cost of goods sold	(2,285,931,660)	(1,547,394,066)
Operating expenses	(68,447,152)	(78,659,352)
Depreciation	170,777,615	182,216,887
Inventories	260,221,569	(529,781,006)
Advances, deposits and pre-payments	(308,173,598)	(44,991,071)
WPPF	(7,034,242)	-
Payables & Accruals	13,505,049	4,359,993
Unclaimed Dividend	(245,221)	692,914
Trade creditors	(179,101,395)	149,310,669
Add/(Less): Unrealized Loss	-	1,057,470
	<b>(2,404,429,034)</b>	<b>(1,863,187,561)</b>

**Saiham Textile Mills Limited**  
Property, Plant and Equipment (Spinning unit)  
As at June 30, 2021

Annexure - A-1

Particulars	Cost			Rate of dep. (%)	Depreciation			W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year		Balance as on 30.06.2021	Charged during the year	Adjustment during the year	
Land & Land Development	10,139,142	-	-	-	-	-	-	10,139,142
Factory Building & Other Construction	56,693,122	135,750	-	5	56,828,872	1,045,195	-	19,983,144
Building Office Space	144,715,490	-	-	5	144,715,490	6,096,645	-	115,836,250
Plant & Machineries	628,990,793	-	-	7.5	628,990,793	11,207,365	-	138,224,168
Furniture & Fixtures	3,940,116	-	-	10	3,940,116	58,345	-	525,109
Motor Vehicles	25,984,684	-	(3,000,000)	15	22,984,684	1,879,295	(2,104,162)	9,753,500
Sundry Assets	9,585,905	21,420	-	10	9,607,325	123,881	-	1,134,568
Office Equipments	9,278,417	493,175	-	10	9,771,592	490,014	-	4,862,205
<b>Sub-Total (a)</b>	<b>889,327,669</b>	<b>650,345</b>	<b>(3,000,000)</b>		<b>886,978,014</b>	<b>20,900,741</b>	<b>(2,104,162)</b>	<b>300,458,085</b>

**(b) Revaluation:**

Particulars	Cost			Rate of dep. (%)	Depreciation			W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year		Balance as on 30.06.2021	Charged during the year	Adjustment during the year	
Land & Land Development	456,315,538	-	-	-	456,315,538	-	-	456,315,538
Factory Building & Other Construction	348,798,084	-	-	5	348,798,084	13,991,785	-	265,843,922
Building Office Space	76,081,074	-	-	5	76,081,074	3,064,227	-	58,220,321
Plant & Machineries	336,855,612	-	-	7.5	336,855,612	13,007,866	-	160,430,345
Motor Vehicles	1,053,862	-	-	15	1,053,862	38,229	-	216,632
<b>Sub-Total (b)</b>	<b>1,219,104,170</b>	<b>-</b>	<b>-</b>		<b>1,219,104,170</b>	<b>30,102,108</b>	<b>-</b>	<b>941,026,759</b>
<b>Grand Total (a+b)</b>	<b>2,108,431,839</b>	<b>650,345</b>	<b>(3,000,000)</b>		<b>2,106,082,184</b>	<b>51,002,849</b>	<b>(2,104,162)</b>	<b>1,241,484,844</b>

**Depreciation Charge to :**

Cost of Production  
Administrative Expenses

**Total**

39,252,211  
11,750,637  
**51,002,849**

**Saiham Textile Mills Limited**  
Property, Plant and Equipment (Melange unit)  
As at June 30, 2021

Annexure - A-2

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Land & Land Development	53,959,490	-	-	53,959,490	-	-	-	-	-	53,959,490
Factory Building & Other Construction	280,359,043	8,959,982	-	289,319,025	5	10,321,703	-	-	84,993,353	204,325,672
Plant & Machineries	1,214,527,307	9,011,049	-	1,223,538,356	7.5	53,857,328	-	-	551,037,852	672,500,504
Furniture & Fixtures	415,575	1,500	-	417,075	10	23,221	-	-	206,710	210,365
Motor Vehicles	17,837,434	-	-	17,837,434	15	1,263,183	-	-	10,679,397	7,158,037
Sundry Assets	2,195,487	-	-	2,195,487	10	153,550	-	-	813,533	1,381,954
Office Equipments	2,766,100	-	-	2,766,100	10	166,917	-	-	1,263,843	1,502,257
<b>Sub-Total (a)</b>	<b>1,572,060,436</b>	<b>17,972,531</b>	<b>-</b>	<b>1,590,032,967</b>		<b>65,785,903</b>	<b>-</b>	<b>-</b>	<b>648,994,689</b>	<b>941,038,278</b>

**(b) Revaluation:**

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Land & Land Development	489,028,911	-	-	489,028,911	-	-	-	-	-	489,028,911
Factory Building & Other Construction	468,447,353	-	-	468,447,353	5	22,065,822	-	-	49,196,731	419,250,622
Plant & Machineries	465,976,656	-	-	465,976,656	7.5	31,923,041	-	-	72,259,145	393,717,511
<b>Sub-Total (b)</b>	<b>1,423,452,920</b>	<b>-</b>	<b>-</b>	<b>1,423,452,920</b>		<b>53,988,864</b>	<b>-</b>	<b>-</b>	<b>121,455,877</b>	<b>1,301,997,043</b>
<b>Grand Total (a+b)</b>	<b>2,995,513,356</b>	<b>17,972,531</b>	<b>-</b>	<b>3,013,485,887</b>		<b>119,774,766</b>	<b>-</b>	<b>-</b>	<b>770,450,566</b>	<b>2,243,035,321</b>

Depreciation Charge to :

Cost of Production	118,167,894
Administrative Expenses	1,606,872
<b>Total</b>	<b>119,774,766</b>

**Saiham Textile Mills Limited**  
Property, Plant and Equipment (Spinning unit)  
As at June 30, 2020

**Annexure - B-1**

Particulars	Cost			Rate of dep. (%)	Depreciation			W.D.V. as at 30.06.2020
	Balance as on 01.07.2019	Addition during the year	Adjustment during the year		Balance as on 30.06.2020	Charged during the year	Adjustment during the year	
Land & Land Development	10,126,662	12,480	-	-	-	-	-	10,139,142
Factory Building & Other Construction	55,933,122	760,000	-	5	56,693,122	1,062,943	-	20,892,589
Building Office Space	144,715,490	-	-	5	144,715,490	6,417,521	-	121,932,894
Plant & Machineries	628,983,403	7,390	-	7.5	628,990,793	12,115,521	-	149,431,533
Furniture & Fixtures	3,940,116	-	-	10	3,940,116	64,828	-	583,455
Motor Vehicles	20,925,782	5,058,902	-	15	25,984,684	1,392,583	-	12,528,633
Sundry Assets	9,581,405	4,500	-	10	9,585,905	136,989	-	1,237,030
Office Equipments	8,816,895	461,522	-	10	9,278,417	492,887	-	4,859,044
<b>Sub-Total (a)</b>	<b>883,022,875</b>	<b>6,304,794</b>	<b>-</b>		<b>889,327,669</b>	<b>21,683,273</b>	<b>-</b>	<b>321,604,319</b>

**(b) Revaluation:**

Particulars	Cost			Rate of dep. (%)	Depreciation			W.D.V. as at 30.06.2020
	Balance as on 01.07.2019	Addition during the year	Adjustment during the year		Balance as on 30.06.2020	Charged during the year	Adjustment during the year	
Land & Land Development	456,315,538	-	-	-	456,315,538	-	-	456,315,538
Factory Building & Other Construction	348,798,084	-	-	5	348,798,084	14,728,195	-	279,835,708
Building Office Space	76,081,074	-	-	5	76,081,074	3,225,503	-	61,284,548
Plant & Machineries	336,855,612	-	-	7.5	336,855,612	14,062,558	-	173,438,211
Motor Vehicles	1,053,862	-	-	15	1,053,862	44,976	-	254,861
<b>Sub-Total (b)</b>	<b>1,219,104,170</b>	<b>-</b>	<b>-</b>		<b>1,219,104,170</b>	<b>32,061,231</b>	<b>-</b>	<b>971,128,867</b>
<b>Grand Total (a+b)</b>	<b>2,102,127,045</b>	<b>6,304,794</b>	<b>-</b>		<b>2,108,431,839</b>	<b>53,744,504</b>	<b>-</b>	<b>1,292,733,187</b>

**Depreciation Charge to :**

Cost of Production  
Administrative Expenses

41,969,217  
11,775,287

**Total**

**53,744,504**

Saiham Textile Mills Limited

Property, Plant and Equipment (Melange unit)

As at June 30, 2020

Annexure - B-2

Particulars	Cost			Rate of dep. (%)	Depreciation			W.D.V. as at 30.06.2020
	Balance as on 01.07.2019	Addition during the year	Adjustment during the year		Balance as on 30.06.2020	Charged during the year	Adjustment during the year	
Land & Land Development	53,959,490	-	-	-	-	-	-	53,959,490
Factory Building & Other Construction	278,478,843	1,880,200	-	5	10,734,941	-	74,671,650	205,687,393
Plant & Machineries	1,214,527,307	-	-	7.5	58,163,253	-	497,180,525	717,346,782
Furniture & Fixtures	415,575	-	-	10	25,787	-	183,489	232,086
Motor Vehicles	17,837,434	-	-	15	1,486,098	-	9,416,215	8,421,219
Sundry Assets	2,195,487	-	-	10	170,612	-	659,983	1,535,504
Office Equipments	2,448,500	317,600	-	10	153,116	-	1,096,926	1,669,174
<b>Sub-Total (a)</b>	<b>1,569,862,636</b>	<b>2,197,800</b>	<b>-</b>		<b>70,733,806</b>	<b>-</b>	<b>583,208,787</b>	<b>988,851,650</b>

(b) Revaluation:

Particulars	Cost			Rate of dep. (%)	Depreciation			W.D.V. as at 30.06.2020
	Balance as on 01.07.2019	Addition during the year	Adjustment during the year		Balance as on 30.06.2020	Charged during the year	Adjustment during the year	
Land & Land Development	489,028,911	-	-	-	-	-	-	489,028,911
Factory Building & Other Construction	468,447,353	-	-	5	23,227,181	-	27,130,909	441,316,444
Plant & Machineries	465,976,656	-	-	7.5	34,511,396	-	40,336,104	425,640,552
<b>Sub-Total (b)</b>	<b>1,423,452,920</b>	<b>-</b>	<b>-</b>		<b>57,738,577</b>	<b>-</b>	<b>67,467,013</b>	<b>1,355,985,907</b>
<b>Grand Total (a+b)</b>	<b>2,993,315,556</b>	<b>2,197,800</b>	<b>-</b>		<b>128,472,383</b>	<b>-</b>	<b>650,675,800</b>	<b>2,344,837,557</b>

Depreciation Charge to :

Cost of Production  
Administrative Expenses

126,636,771  
1,835,612  
**128,472,383**

Total

**Saiham Textile Mills Ltd.**  
Statement of Trade and Other Receivables  
As at June 30, 2021

**Annexure - C-1**

Name of Party	Amount in Taka
5F Apparels Ltd	2,049,220
Abanti Colour Tex Ltd	12,854,844
Advanced Composite Textile Ltd.	14,053,230
Akh Knitting & Dyeing Ltd	5,037,000
Alim Knit (Bd) Ltd	725,328
Amex Knitting & Dyeing Inds. Ltd. ( Unit -2 )	67,589,824
A-One Polar Ltd.	25,873,390
Apparel Village Ltd	431,083
B.S Syndicate	1,057,699
Base Fashions Limited.	3,349,605
Base Textile Ltd.	8,217,656
Ca Knitwear Ltd.	17,868,758
Conway Knitwear Ltd.	5,039,519
Cotton Club (Bd) Ltd	1,598,408
Elham Fashion Ltd	16,383,682
Epyllion Fabrics Ltd.	9,939,680
Epyllion Knitex Ltd.	14,976,680
Eurotex Knitwear Ltd.	8,041,151
Fabrica Knit Composite Ltd.	19,461,289
Faisal Spinning Mills Ltd	129,364,246
Fakir Apparels Ltd.	21,681,137
Famkam Fashion Ltd.	1,012,857
Flamingo Fashions Ltd.	31,682,730
Gimex Clothing Ltd	821,031
Glare Fashion Ltd	434,441
Grameen Fabrics And Fashions Ltd.(Composite Knitwear Unit)	19,154,452
Hdf Apparels Ltd.	5,802,624
Impress- Newtex Composite Textiles Ltd	5,186,641
Iris Fabrics Ltd.	4,785,150
Karooni Fashions Ltd	1,724,979
Khantex Fashions Ltd.	11,597,693
Liberty Knitwear Ltd.	72,879,427
Logos Apparels Ltd.	16,999,875
Meghna Knit Composite Ltd	3,701,146
Mouchak Knit Composite Ltd	685,032
Muazuddin Textile Ltd.	17,261,799

<b>Name of Party</b>	<b>Amount in Taka</b>
N.A.Z Bangladesh Ltd.	33,096,868
Nemcon Design	3,359,679
Newage Textiles Ltd	1,184,325
Northern Fashion Ltd.	20,110,223
Pakiza Knit Composite Ltd.	7,813,814
Paramount Textile Ltd.	6,170,325
Plummy Fashions Ltd	1,859,493
R.S. Knit Fashion Ltd.	4,489,856
Rupashi Knit Wears Ltd	7,895,498
S.M Knitwear Ltd	5,346,398
Sabah Designers Ltd.	805,920
Sadma Fashion Wear Ltd.	6,192,152
Safia Apparels Ltd	7,444,896
Saiham Knit Composite Ltd.	73,210,696
Seacotex Fabrics Ltd.	16,983,085
Showan Knit Composite Ltd.	67,182,667
Silver Apparels Ltd.	27,178,267
Square Denims Ltd.	41,181,391
Texeurop (Bd) Ltd.	47,139,184
Unique Designers Ltd.	1,023,351
Unity Fabric Industries Ltd.	4,652,089
<b>Grand Total</b>	<b>963,643,477</b>



**Saiham Textile Mills Ltd.**  
Statement of Trade and Other Receivables  
As at June 30, 2020

**Annexure - C-2**

Name of Party	Amount in Taka
5F Apparels Ltd	21,312,953
Abc Bangla Apparels Ltd.	9,483,296
Abiko Knit Composite Ltd	21,153,301
Advanced Composit Textile Ltd	525,544
Amena Textile Ltd	3,504,283
Apparel Today Ltd	13,401,988
Apparel-21 Ltd	37,244,208
Astro Stich Art Ltd.	465,503
Aswad Composite Mills Ltd	3,444,103
Aswad Composite Mills Ltd.	650,546
Base Fashions Limited.	21,316,464
B.S Syanicate	30,025,261
Chaity Composite Ltd	11,425,385
Crossline Knit Fabrics Ltd	599,189
Dal Knitware Ltd	682,304
Dalas Fashions Ltd	7,509,537
Dhaka Socks Manufacturing Company Ltd.	1,846,900
Dress Up Ltd	9,654,250
Essential Clothing Ltd	6,619,764
Eurotex Knitwear Ltd	3,814,268
Saiham Cotton Mills Ltd.	46,416,405
Fakir Fashion Ltd.	4,323,425
Famkam Fashion Ltd.	30,159,877
Fariha Knit Tex Ltd	1,252,716
Frm Fashion House Ltd	8,476,515
Generation Next Fashion Ltd	2,776,856
G.K Fashion	3,750,000
Haseen Knit Composite Ltd.	6,611,063
Hdf Apparels Ltd.	727,217
Impress- Newtex Composite Textiles Ltd	3,201,853
J.K Knit Composite Ltd	583,033
Karoni Knit Composite Ltd	252,480
Knit Concept Ltd.	2,291,667
Knit Export ( Bd ) Ltd.	1,520,544
Knit Horizon Ltd	3,679,277
Kushiara Composite Knit Ind. Ltd.	84,090,599
Lantabur Apparels Ltd	20,681,934
Latest Garments Ltd	327,405
Libas Textile Ltd	12,742,296
Liberty Knitwear Ltd	34,917,222
Mof Fashions Ltd	4,513,992
Moonlux Knit Garments Ltd	34,961,481
Mouchak Knit Composite Ltd	2,200,751
Muzauddin Knit Fashion Ltd	3,789,059
Muzauddin Textile Ltd	1,485,285
New Resuli Apparels	3,660,800
Next Export Zone Ltd	1,719,716
Noman Composite Textile Limited	5,279,523
Noman Textile Mills Limited	9,689,874
P.N Composite Ltd	1,287,583
Pacific Cotton Ltd	1,719,357
Penta Forth Apparels Ltd.	1,382,474
Pentagon Fashion Wear Ltd	1,253,649
Piangka Fashion Ltd	950,314
Pixy Knit Wears Ltd.	1,235,949

<b>Name of Party</b>	<b>Amount in Taka</b>
Polo Composite Knit Ind. Ltd	9,189,985
R.A.Z Apparels Ltd	1,907,000
R.S. Knit Fashion Ltd	2,656,598
Rbsr Fashions Ltd	3,845,083
Reedisha Knitex Limited.	5,168,885
Rose Intimates Limited	2,157,305
Rudmila Knitwear Ltd.	320,186
Rupashi Knit Wears Ltd	33,051,115
S.B.Style Composite Ltd.	22,897,992
Sadma Fashion Wear Ltd	2,710,518
Safia Apparels Ltd	19,067,340
Saiham Knit Composite Ltd	68,506,702
Sakura Dyeing And Garments Ltd	23,267,162
Sawftex Ltd	2,146,182
Sheperd Textile Ltd	10,913,500
Shoeb Knit Composite Ltd.	11,962,875
Showan Knit Composite Ltd.	12,707,931
Silver Apparels Ltd.	48,419,492
Tanima Knit Composite Ltd.	566,033
Taqwa Fabrics Ltd	26,959,924
Unifill Textile Mills Ltd.	2,907,189
Unique Designers Ltd.	2,513,263
York Fashion Ltd.	5,107,536
Zaheen Knitwear Ltd	1,887,616
Zayantex Limited	2,446,513
<b>Grand Total</b>	<b>871,875,161</b>

**Saiham Textile Mills Ltd.**  
Statement of Trade & Other Creditors  
As at June 30, 2021

**Annexure - D-1**

Name of Party		Amount in Taka
Ambica Cot Seeds	Import Liability	46,589,752
Axita Cotton Limited	Import Liability	38,919,317
Bhilosa Industries Pvt. Ltd.	Import Liability	6,722,351
Ecom Agroindustrial Corp. Ltd.	Import Liability	89,250,168
GWK Limited	Import Liability	71,724,607
Konstantinos Markou	Import Liability	168,771,498
Thai Polyester Co. Ltd	Import Liability	54,393,907
A K Printers	Local Supplier	79,500
Advance To Mr. Ershad Chowdhury	Local Supplier	36,750
Automation Engineering	Local Supplier	53,770
B D.Venture	Local Supplier	86,730
B Tech Engineering	Local Supplier	460,000
Bearing Sales Corporation	Local Supplier	39,000
Chowdhury Electric House.	Local Supplier	6,440
Color Woven Bag Industries Ltd.	Local Supplier	217,000
Delcot Limited	Local Supplier	214,148
Electric Power	Local Supplier	39,000
Electromech Power Limited	Local Supplier	210,000
Flash Point	Local Supplier	86,400
Hera Electric Store	Local Supplier	130,630
Imtinan Trading	Local Supplier	31,500
J. S. Lawn Mower House	Local Supplier	65,000
Janata Auto Engineering	Local Supplier	60,000
Janata Machineries	Local Supplier	57,530
Kamary Trade Centre	Local Supplier	169,838
Kansai Nerolac Paints (Bangladesh) Limited	Local Supplier	33,963
Khandaker Enterprise	Local Supplier	19,160
Khorshed Electric Company.	Local Supplier	30,720
Lipika	Local Supplier	38,600
Lube Asia	Local Supplier	334,380
Lucky Textile Engineering.	Local Supplier	270,369
M/S Tamim Traders	Local Supplier	30,500
M/S Tyre Land	Local Supplier	242,750
Maa Bearing And Machineries	Local Supplier	64,340
Maintenance Solutions	Local Supplier	21,600
Maks Line Engineering.	Local Supplier	158,254
National Trading Services	Local Supplier	607,000
Nazrul Islam Mizan	Local Supplier	831,000
New Diamond Plastic & Engineering Works	Local Supplier	461,790
Nipa Glass Hardware	Local Supplier	1,400
Nitol Motors Ltd	Local Supplier	50,882
Nurab Limited	Local Supplier	459,925
One Light Energy Ltd.	Local Supplier	58,500
Pathan Machinery Store	Local Supplier	14,165
People'S Mill Store	Local Supplier	3,088
Projatontro Bizlee Center	Local Supplier	36,300
Rafat Enterprise	Local Supplier	152,500
S. S Corporation	Local Supplier	15,000
Saiham Software Limited	Local Supplier	1,000
Shawon Enterprise	Local Supplier	9,780
Siam Lubrication Engineering	Local Supplier	21,000
Smh Corporation	Local Supplier	80,650
Standard Electric Store	Local Supplier	49,730
T M Trade Corporation.	Local Supplier	81,730
Tamim Traders	Local Supplier	30,450
The Marium International	Local Supplier	122,000
Tns Engineering Ltd.	Local Supplier	7,650
Trutzschler	Foreign Supplier	170,239
Uster Technologies, Inc.	Foreign Supplier	130,098
Zahid Traders & Technology	Local Supplier	62,400
Saiham Cotton Mills Ltd.	Group Company	66,642,242
<b>Grand Total</b>		<b>549,759,991</b>

**Saiham Textile Mills Ltd.**  
Statement of Trade & Other Creditors  
As at June 30, 2020

**Annexure - D-2**

Name of Party		Amount in Taka
ABJ Trading LLP	Import Liability	53,019,438
Agrocorp International Pte. Ltd.	Import Liability	33,159,937
Bhilosa Industries Pvt. Ltd.	Import Liability	4,944,647
Birla Jing Wei Fibres Co. Ltd.	Import Liability	35,957,515
COFCO International	Import Liability	166,076,978
Ecom Agroindustrial Corp. Ltd	Import Liability	39,292,050
Kangwal Polyester Co. Ltd.	Import Liability	69,285,630
Konstantions V. Markou S.A	Import Liability	44,177,222
Louis Dreyfus Company Suisse SA	Import Liability	46,458,768
OLAM International Ltd	Import Liability	42,877,127
Reliance Industries Ltd.	Import Liability	48,136,078
Thai Polyester Co. Ltd	Import Liability	82,479,229
Unitec Fibres Pvt. Ltd.	Import Liability	53,984,674
Unrealized gain for foreign Exchange	Import Liability	(1,057,470)
AK Printers	Local Supplier	211,900
Amina Traders	Local Supplier	8,362
BD.Venture	Local Supplier	261,835
Bearing Sales Corporation	Local Supplier	283,115
Bengal Roots Textile Ltd.	Local Supplier	29,372
Bismillah Textile Engineering	Local Supplier	243,214
Delcot Limited	Local Supplier	188,630
Electric Power	Local Supplier	103,200
Eskander Engineering works	Local Supplier	84,660
EURO-Tex International	Local Supplier	461,000
FIROZA Hardware & Packaging	Local Supplier	27,500
Flash Point	Local Supplier	103,200
Galua Trade Center	Local Supplier	12,500
Hera Electric Stores	Local Supplier	101,710
Lipika	Local Supplier	383,120
Lube Asia	Local Supplier	457,100
Lucky Textile Engineering	Local Supplier	485,050
M/S TYRE LAND	Local Supplier	509,000
Maa Baering & Machiners	Local Supplier	123,570
Maintance Soluations	Local Supplier	21,600
Marium International	Local Supplier	200,734
National Trading Services	Local Supplier	275,000
Nazrul Islam Mizan	Local Supplier	590,750
New Diamond Plastic And Engineering Works	Local Supplier	268,250
Nurab Ltd.	Local Supplier	30,303
Peoples Mills Store	Local Supplier	13,049
S.S Corporation	Local Supplier	44,650
SMH Corporation	Local Supplier	25,440
Standard Electric Store	Local Supplier	112,960
T M Trade Corporation	Local Supplier	187,185
TAMIM TRADERS	Local Supplier	61,000
Kanai Juyo Kogyo co Ltd	Foreign Supplier	3,860,268
Trutzschler	Foreign Supplier	170,239
USTER TECHNOLOGIES, INC.	Foreign Supplier	130,098
<b>Grand Total</b>		<b>728,861,386</b>



# Saiham Textile Mills Ltd.

Saiham Tower, House # 34 (11<sup>th</sup> Floor) Road # 136, Gulshan-1, Dhaka-1212.

## PROXY FORM

Revenue  
Stamp  
Tk. 20.00

I/We.....

of.....

being a Shareholder of Saiham Textile Mills Ltd. hereby appoint

Mr./Ms. ....

of.....

as my proxy in my/our absence to attend and vote for me/us on my/our behalf at the 40th Annual General Meeting of the Company to be held on December 12, 2021 at 2:30 P.M. through Digital Platform and/or at any adjournment thereof.

As witness my/our hand this.....day of December 2021.

Signature of Proxy.....

Signature of Shareholder .....

Folio No. / BO ID No. 

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## **Saiham Textile Mills Ltd.**

**Dhaka Office :** Saiham Tower, House # 34 (11th Floor), Road # 136  
Gulshan-1, Dhaka-1212, Phone : 02-2222-87441, 02-2222-62284  
Fax : 02-2222-94607, E-mail : [share@saiham.com](mailto:share@saiham.com)  
website : [www.saihamtextile.com](http://www.saihamtextile.com)