

ANNUAL REPORT

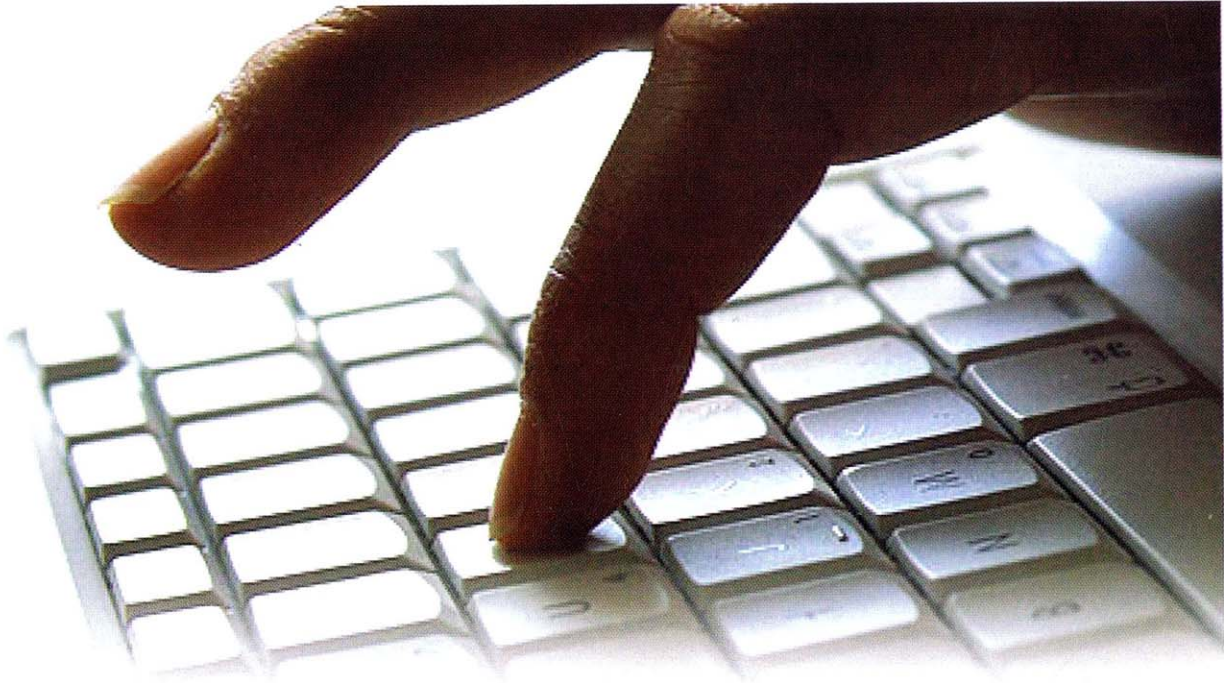
2014-2015



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, 2015.

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, 2015 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 33rd Annual General Meeting



Saiham Textile Mills Ltd.

Achievement

**Saiham Textile Mills Ltd.
won the 1st prize in
Best Corporate Award 2014**



Engr. Syed Ishtiaq Ahmed Director of Saiham Textile Mills Ltd. receiving Award from Honorable Finance Minister Mr. Abul Maal Abdul Muhith.

Saiham Textile Mills Ltd. won the 1st prize in Best Corporate Award 2014 under the Textile from the Institute of Cost and Management Accountants of Bangladesh. The award was given in 14 categories to organizations across Bangladesh for their excellence in business practice. The award and certificate were received by the Director of the company from the honorable Finance Minister Mr. Abul Maal Abdul Muhith, in presence of Mr. M Khairul Hossain, Chirman Bangladesh Securities and Exchange Commission, along with most of the management members of the reputed corporate and Cost & Management Accountant Professionals. This one of the most prestigious awards given to Saiham Textile Mills Ltd. never ending endeavor to achieve the corporate excellence and transparent attitude about its business activities which was properly elaborated in its Annual Report.



Saiham Textile Mills Ltd.

Board Of Directors



Mr. S. F. A. M. Shahjahan
Chairman



Mr. S. M. Faisal
Managing Director



Engr. Syed Ishtiaq Ahmed
Director



Mr. Syed Shafqat Ahmed, MBA
Director



Mrs. Rio Aziza Salim
Director



Mr. Mostafa Moin
Independent Director



Mr. Syed Nasir Uddin Haider
Independent Director



Notice of the 34th Annual General Meeting

Saiham Textile Mills Ltd.

Asset RoseDale, House # 2, Road # 55, Gulshan-2, Dhaka - 1212.

Notice of the 34th Annual General Meeting

Notice is hereby given that the 34th Annual General Meeting of Saiham Textile Mills Ltd. will be held on Sunday, December 20, 2015 at 11.30 A.M. at Mill premises, Noyapara, P.O.Saiham Nagar, U.Z.-Madhabpur, Dist-Habiganj to transact the following businesses:

1. To consider the Audited Financial Statements of the Company for the year ended June 30, 2015 together with Auditors' and Directors' reports thereon.
2. To declare Dividend.
3. To elect Directors.
4. To approve re-appointment of the Managing Director.
5. To approve re-appointment of the Independent Director.
6. To appoint Auditors and fix their remuneration.
7. Miscellaneous.

By order of the Board

Dated: Dhaka
October 28, 2015


(Md.Neyamat Ullah)
Company Secretary

Notes:

1. The Shareholders whose name will appear in the Share Register of the Company and/or Depository Register of CDBL as on record date, November 19, 2015 will be eligible to attend and vote at the AGM.
2. Attendance to the AGM will be on production of the Attendance Slip sent with this Notice.
3. The Proxy Form sent with this Notice, affixed with requisite revenue stamp of Tk.20/- must be deposited at the Company's Dhaka Office at least 48 hours prior to the AGM.

Management Apparatus

BOARD OF DIRECTORS

Mr. S. F. A. M. Shahjahan
Chairman

Mr. S. M. Faisal
Managing Director

Mrs. Rio Aziza Salim
Director

Engr. Syed Ishtiaq Ahmed
Director

Mr. Syed Shafqat Ahmed ^{MBA}
Director

Mr. Mostafa Moin
Independent Director

Mr. Syed Nasir Uddin Haider
Independent Director

AUDIT COMMITTEE

Mr. Mostafa Moin
Chairman

Mr. Syed Shafqat Ahmed, ^{MBA}
Member

Mrs. Rio Aziza Salim
Member

Management Team

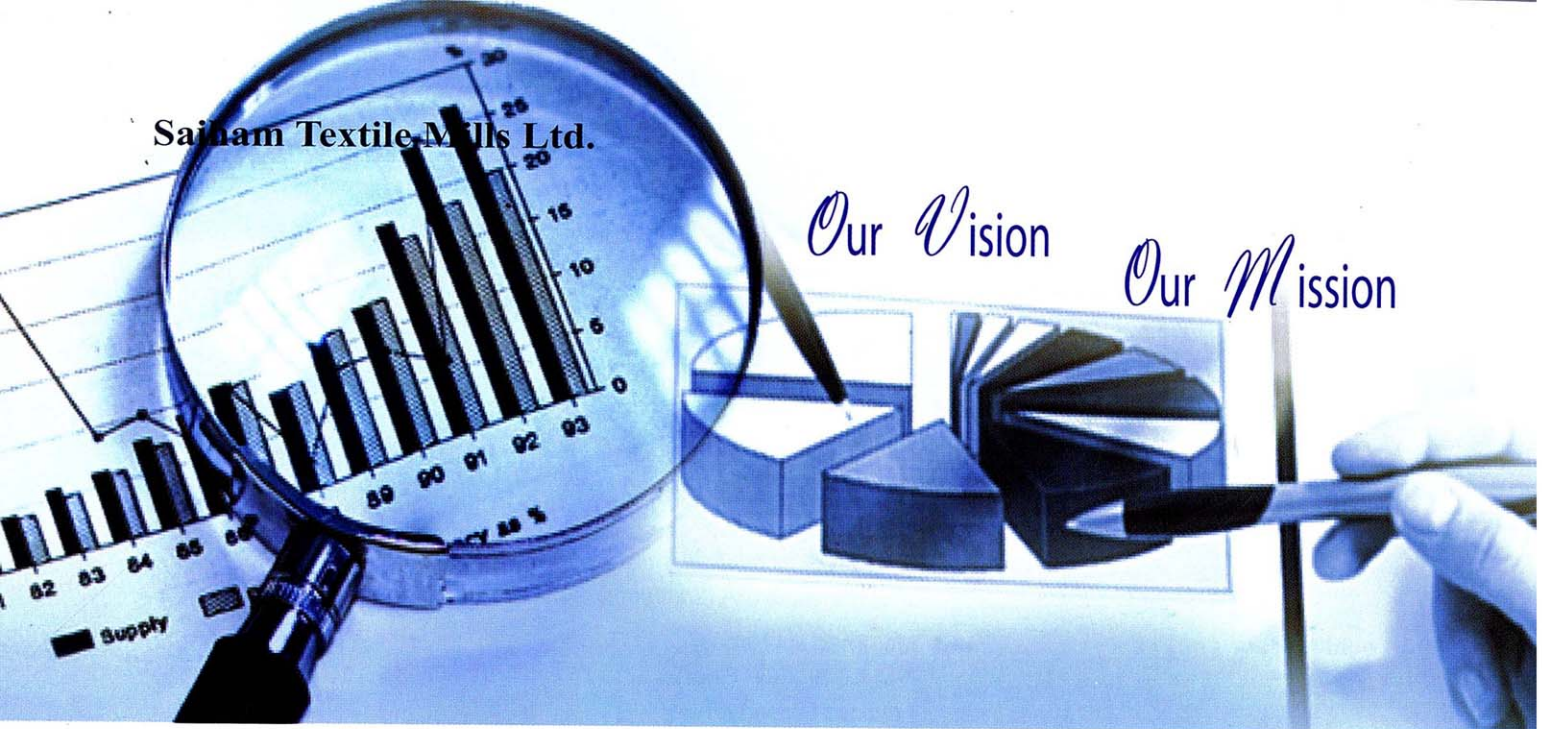
Company Secretary
Md. Neyamat Ullah

Chief Financial Officer
Md. Abu Bakar Siddique

Head of Internal Auditor
Md. Mostafa Kamal

Saiham Textile Mills Ltd.

| | | |
|----------------------------|---|---|
| Registered Office | : | Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj Post Code : 3333 |
| Dhaka Office | : | House # 2, Road # 55, Gulshan-2, Dhaka - 1212 |
| Telephone | : | 9862284, 9863323, 9887441 |
| Fax | : | 9894607, 8826254 |
| E-mail | : | info@saiham.com |
| Website | : | www.saiham.com |
| Auditors | : | Malek Siddiqui Wali Chartered Accountants 9-G, Motijheel C/A (2nd Floor), Dhaka-1000 |
| Legal Advisor | : | Md. Shamsul Haque Flat # 9 B, (10 th Floor) Fayanaz Property 37/2, Purana Paltan, Dhaka-1000 |
| Tax Advisor | : | Jasim Chowdhury Paramount Heights Box Culvert Road 65/2/1, Purana Paltan, Dhaka-1000 |
| Principal Banker's | : | HSBC Limited Main Branch, Anchor Tower, Sonargaon Road, Dhaka Eastern Bank Limited. Head office Branch, 10, Dilkusha C/A, Dhaka-1000 Standard Chartered Bank Limited. 67 Gulshan avenue, Dhaka 1212 Dhaka Bank Limited Islamic Banking Branch, Dhaka Janata Bank Limited 48, Motijheel Corporate Branch, Dhaka-1000 Janata Bank Limited Noyapara Branch, Habiganj. |
| Insurance Company's | : | Green Delta Insurance Company Limited 2, Dilkusha C/A, Dhaka-1000 Prime Insurance Company Limited 63, Dilkusha C/A, Dhaka-1000 Islami Insurance Bangladesh Limited Malibagh Branch, Dhaka-1217 Karnaphuli Insurance Company Limited 64, Motijheel C/A, Dhaka-1000 |
| Factory | : | Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj Post Code : 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



Distinguished Shareholders

On behalf of the Board of Directors, I welcome you all and take immense pleasure and delight in addressing the 34th Annual General Meeting of the company. I also want to thank 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 Comprehensive Income and other Financial Statements of the company for the year ended June 30, 2015. 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 obligations has been created on us on behalf of the valued shareholder in respect of last 33 AGM and to offer them assurance of our sincerity in maintaining operational results up to their expectations at present as well as in future.

Bangladesh experienced a prolonged national political turmoil in early 2015. For that overall importation, production and supply chain was affected. Yet during the fiscal year 2014-2015 Bangladesh achieved GDP growth of 6.5%. Robust foreign currency remittance and record foreign currency reserve and no major calamity put the economy on a strong foothold. In this scenario the performance of our company can be termed satisfactory during the year under review. The turnover for the financial year was BDT 1,741 million and Profit before tax was 102 million. This year profit fell short due to decrease of sale price of yarn and increase of overhead cost. Although it is undeniable that spinning sector has been confronted by stiff competition in recent times. Still we believe that we have many opportunities ahead. For the coming year, we will mainly focus on the controlled expenditure as well as improving profitability. We know the challenges are not over, but we believe that our careful steps will solidify our future.

I on behalf of the Board would like to express my sincere thanks to the respected shareholders for the confidence reposed on the Board of the company throughout the year. 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.

I embrace your support and seek your co-operation by all means for a brighter future for all.

Thanking you

Regards



(S.F.A.M. Shahjahan)
Chairman

Directors' report to the shareholders

Dear Shareholders

Assalamu Alaikum,

I, on behalf of the Board of Directors, have the pleasure to present before you the report for the year ended June 30, 2015 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. 750 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

The Company being a yarn manufacturer in both Local and Export market enjoys a very rare balancing factor as far as product mix and marketing is concerned. In spite of the unforeseen political instability and stalemate, the company revenue maintained its growth. The sale proceeds from cotton yarn stood at 1741 million a growth of almost 10% compared to last financial year. Though the growth is not as per our desire, considering almost quarter of the financial year in political disruption and business slow down, yet we believe the efficient management of process control has enabled the company to avoid financial catastrophe and earn substantial profit instead.

Financial Result and Appropriation of Profit:

| Particulars | 2015 | 2014 |
|---|---------------------|---------------------|
| Net Profit for the year (after tax) | 7,97,35,695 | 21,07,37,408 |
| Add: Adjustment for revaluation of P.P.E and deferred tax | 2,85,12,433 | 3,05,93,130 |
| Add: Previous year's surplus | 40,87,62,839 | 25,74,32,301 |
| Profit available for appropriation | 51,70,10,967 | 49,87,62,839 |
| Recommended for appropriations: | | |
| Cash Dividend @ 15% | 11,25,00,000 | 9,00,00,000 |
| Total | 40,45,10,967 | 40,87,62,839 |

Segment-wise or product-wise performance

Mentioned in notes 27 of the note to the financial statements.

Industry outlook and possible future developments in the industry

The experience of the last few years has only taught us not to make any predictions, as the predictions turned out the other way around. Yet, textile being a basic commodity should always have its demand. The outlook for the global Apparel economy is positive, but there are still great macroeconomic risks. In spite of the EU struggling both economically and politically, China phasing out of the textile value chain gradually, we believe the outlook for the Bangladesh Textile Apparels on a long-term basis is very bright. Even though there might be some jitter in short term however, we believe that Company like Saiham with a long business track and financial background is well equipped to sustain this initial turbulent situation. Also the biggest flexibility of Saiham is that it caters both the local and export market with its two units and Bangladesh economy moving forward robustly ensures the local market will enhance, resulting much better performance in the coming days.

The Global economy except USA is in recessionary mode with the price of commodities coming down every day. We believe this will have a direct impact on our Revenue. However discussions and planning are underway to overcome this downtrend and maintain the growth of the company. The best part is, with the raw materials price now in bearish mode the volatility risk is minimized, which in return we believe will contribute towards the profitability of the company.

Saiham Textile Mills Ltd.

Saiham has track record to upkeep with technology investment, which has proven them as trendsetters. Also its superior quality and competitive pricing, Saiham Textile Mills Limited has been able to capture a dominant position in the market. The Company is continuously working on product development through research and development being the market leader with the best quality product, operational efficiency, organized marketing and distribution network.

Risks and concerns

Saiham operating in the Global arena by producing the export quality yarn is always in the risk of global challenges. Any fiscal or political policy change by the competitive country i.e. China, India, Turkey, Vietnam, Pakistan, Indonesia does have an impact on the business activity. However, this has been the case all through and 34 years of experience has only taught us to be prudent and stronger in this situation. The interest rate and financial monetary policy of Bangladesh have direct impact on business. However, Saiham gradually moving into foreign-based fund and also, the interest rate gradually coming towards single digit, we do not see any short-term financial risk.

The raw materials of Yarn is raw cotton and traded in exchange is extremely volatile. Any changes in policy, weather, political and the volatility can be very expensive as has been the case in the past. However, prudent decision-making and long-term relationship with the supply chain management also timely and accurate feedback has enabled Saiham to overcome the calamity to a great extent and expect to keep it under control.

Moreover, risks and concern of the industry solely depends on the upcoming Government policy as well. However Garments being the major foreign currency earner has always enjoyed special consideration from all the successive Governments and expectation is that it will continue in the future.

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

| Particulars | June 30, 2015 | June 30, 2014 |
|-------------------------|------------------------|------------------------|
| Cost of goods sold | 157,67,90,902 (90.54%) | 131,18,26,459 (82.79%) |
| Gross profit | 16,46,74,083 (9.46%) | 27,26,08,003 (17.21%) |
| Net profit for the year | 7,97,35,695 (4.58%) | 21,07,37,408 (13.30%) |

Foreign Loan

The foreign loan against capital machinery for Tk. 88,83,74,380 has been converted into term loan for US Dollar 1,18,18,364.99. among which Tk. 33,30,20,783 has been paid till June 30, 2015. Details have been disclosed in note nos. 15 of the notes to the financial statements,

Discussion on continuity of any Extra-Ordinary gain or loss

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

Utilization of Right Share Fund

With the Right Share Fund the company has set up a brand new 100% export oriented Spinning Unit. This unit went into production on July 16, 2013.

Related party transactions

The Company has transactions with its Associate Companies which have been disclosed in related party transaction in note nos. 33 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.

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, Chief officer has given the declaration about the which is shown on page 26 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 IAS/BAS/IFRS/BFRS

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.

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 analyse the financial statements to ensure that. Accordingly, Financial statements are prepared on a going concern basis.

DIRECTORS

In terms of Article 115 of the Articles of Association of the Company, S.F.A.M. Shahjahan and Mrs. Rio Aziza Salim, Directors retire by rotation from the Board in the 34th Annual General Meeting. Being eligible under Article 116 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.

S.F.A.M. Shahjahan

Mr. S.F.A.M. Shahjahan son of Late Syed Sayed Uddin Ahmed is one of the Director of Saiham Textile Mills Ltd. He is also the Director of Saiham Cotton Mills Ltd. and has more than 30 years of experience in textile business. His expertise is in the field of Marketing and Administration. He is also associated with different socio-cultural and philanthropic organization.

Names of companies in which Mr. S.F.A.M. Shahjahan holds the directorship:

| Interest in the Company: | Designation |
|---------------------------|-------------|
| Saiham Textile Mills Ltd. | Chairman |
| Saiham Cotton Mills Ltd. | Director |
| Saiham Knit Composite Ltd | Director |

Mrs. Rio Aziza Salim, Director

Mrs. Rio Aziza Salim did her BSS (honors) and Masters in Sociology from Dhaka University. She lived and worked in U.K. and U.S.A for a long time and acquired vast experience in social work. She also has long experience in marketing, financial and product development. She has traveled India, U.S.A, U.K, France, Germany, Singapore and many other countries. She is associated with a number of social and cultural organizations in Bangladesh.

Names of companies in which Mrs. Rio Aziza Salim holds the directorship:

| Interest in the Company: | Designation |
|----------------------------|-------------|
| Saiham Textile Mills Ltd. | Director |
| Saiham Knit Composite Ltd. | Director |

Re – appointment of Managing Director

The appointment of Mr. S.M. Faisal as Managing Director of the company expired on 24.03.2015. He has been re-appointed as Managing Director of the Company for a further period of 5 (five) years by the Board of Directors of the company in its meeting held on 25.03.2015 His appointment as Managing Director has been placed for the approval by the shareholders in this 34th Annual General Meeting.

Re – appointment of Independent Director

The Board in its meeting has extended the tenure of Mr. Mostafa Moin as Independent Directors of the Company for three years with effect from September 23, 2015 In terms of the provision of BSEC guidelines.

Saiham Textile Mills Ltd.

Mr. Mostafa Moin, B.B.A California State University, USA having over 17 years of experience in Bangladesh and in USA. Currently he holds the Directorship of Doreen Power Generations and Systems Ltd. It is expected that his expertise would help to contribute the Company affairs as well as to protect the interest of all investors in general and smaller investors in particular.

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.

BOARD MEETINGS

In accordance with directives of the regulatory authorities, the Board supervises, study and review the activities of the Company and make businesses decisions, etc. During the year, 8 (Eight) board meetings were held.

Remuneration to directors including independent directors

The Director of the Company is receiving a sum of Taka 7,500/- (Seven thousand and five hundred) as board meeting fee.

Number of Board meetings held during the year and attendance by each director

| Name of Directors | Number of Board Meeting held during the financial year ended 30.06.2015 | Number of Board Meeting attended | Remarks |
|--------------------------|---|----------------------------------|---------|
| Mr. S. F.A. M. Shahjahan | 8 | 8 | |
| Mr. S. M. Faisal | 8 | 8 | |
| Syed Ishtiaq Ahmed | 8 | 8 | |
| Syed Shafqat Ahmed | 8 | 8 | |
| Mrs. Rio Aziza Salim | 8 | 6 | |
| Mr. Mostafa Moin | 8 | 8 | |
| Syed Nasir Uddin Haider | 8 | 8 | |

DIVIDEND

The Board of Directors has recommended 15% stock dividend for the year ended June 30, 2015 (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 19, 2015.

Contribution to the national exchequer

Saiham Textile Mills Ltd. is paying and facilitating collection of government revenue. During the year 2014-2015 the company contributed 22 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. Mostafa Moin, Independent Director | : Chairman |
| Mrs. Rio Aziza Salim, Director | : Member |
| Syed Shafqat Ahmed, Director | : 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, 2015 and placed its recommendation to the Board of Directors.

External Audit

Malek Siddiqui Wali 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 3 (three) times during last financial year 2014-15 to carry out the following tasks:

- The Audit Committee reviewed the financial statements for the year ended June 30, 2015;
- Reviewed and discussed the Management Letter, by external auditor Malek Siddiqui Wali. for the year ended June 30, 2015 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 Rahaman Mostafa Alam & Co. Chartered Accountants, as auditor of the Company for the year to be ended June 30, 2016;
- 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 14, 2015.

The Board of Directors
Saiham Textile Mills Ltd
House # 2, Road # 55
Gulshan-2, Dhaka

Saiham Textile Mills Ltd.

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 initiated by the auditors for the year ended 30 June 2015. 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. Mostafa Moin)
Chairman
Audit Committee
Saiham Textile Mills Ltd

Environmental Role

The company is committed to maintain high standard of pollution free environment at mill area. All efforts are taken to produce yarn in an environment friendly manner. As such special cares are taken in recycling of wastages and proper maintenance of machine. Moreover tree plantation activities is implementing every year at mill premises.

Corporate Social Responsibilities

Saiham Textile Mills Ltd is committed to connect business decisions to ethical, social and environmental concerns remain to be one of the strongest foundations of the company. During the year 2014-2015 the company has contributed to the welfare of the community such as donation to Mosque, Madrasha, School, free eye treatment given by setting up eye camp also distributed blanket among the poor people in winter season.

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

Malek Siddiqui Wali Chartered Accountants will retire at the 34th 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 Malek Siddiqui Wali Chartered Accountant are not eligible for reappointment as Statutory Auditors for 2016. The Audit Committee recommends appointment of Rahaman Mostafa Alam & Co. Chartered Accountants as the auditors of the Company for the year 2015-2016. Rahman Mostafa Alam & Co. Chartered Accountant have expressed their willingness to accept appointment as statutory auditors. Therefore the board of directors has proposed Rahman Mostafa Alam & Co. Chartered Accountants to engage as statutory auditors (subject to approval at the 34th 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 Securities & Exchange Commission. It has complied with all the requirements of Corporate Governance and the Directors are pleased to confirm the following:

- a. 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.
- b. Proper books of accounts of the Company have been maintained.
- c. 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.
- d. The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- e. The systems of internal control are sound and have been effectively implemented and monitored.
- f. There are no significant doubts upon the Company's ability to continue as a going concern.
- g. 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 | |
| Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children: | |
| Mr. S.F.A.M.Shahjahan - Chairman | 15,08,500 |
| Mr. S.M.Faisal - Managing Director | 25,53,000 |
| Engr. Syed Ishtiaq Ahmed Director | 74,16,000 |
| Mr. Shafqat Ahmed - Director | 71,02,200 |
| Mrs. Rio Aziza Salim - Director | 63,06,600 |
| 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 |

Key operating and financial data

The summarized key operating financial data of five years is annexed (Annexure : 1).

Corporate Governance Compliance Report

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed (Annexure : 2).

On behalf of the Board of Directors



(S.M.Faisal)
Managing Director
October 14, 2015

Saiham Textile Mills Ltd.

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 systems 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 ensures the effective flow of information on internal activities and external factors across the management levels. All individuals receive a clear message from senior management that control responsibilities must be taken seriously.

Monitoring

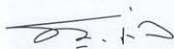
The system of internal controls is monitored regularly through both ongoing activities and separate evaluations. Ongoing monitoring activities are conducted through regular management activities. An Internal audit Team has been set up with six members during the year under review. The internal audit 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.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors' of the company are responsible for the integrity and accuracy of the financial statements. The board believes that the financial statements for the year ended on June 30, 2015 have been prepared in conformity with Bangladesh Accounting Standard (BAS), BFRS/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, management relies on a system of internal accounting control. The system is designed to provide reasonable assurance that assets are safeguarded and transactions are executed in accordance with the management's authorization and recorded properly to permit the preparation of financial statements in accordance with BAS/BFRS/IFRS. The design of this system recognizes that errors or irregularities may occur and the estimates and judgments 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 independent 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 Limited

Annexure : 1

The Key Operation and Financial Data:

Financial Highlights

(Taka in crores)

| Particulars | 2014-15 | 2013-14 | 2012-13 | 2011 - 12 | 2010 - 11 |
|-------------------------------|---------|---------|---------|-----------|-----------|
| Turnover | 174.14 | 158.44 | 79.15 | 70.69 | 57.03 |
| Gross profit | 16.46 | 27.26 | 15.41 | 13.68 | 14.95 |
| Net profit after tax | 7.97 | 21.07 | 15.87 | 10.98 | 8.27 |
| Net cash operating activities | 48.73 | 10.63 | 10.15 | 10.89 | 6.08 |

Table: Summary Balance Sheet

| Particulars | 2014-15 | 2013-14 | 2012-13 | 2011 - 12 | 2010 - 11 |
|--------------------------|---------|---------|---------|-----------|-----------|
| Authorized capital | 150.00 | 150.00 | 150.00 | 150.00 | 150.00 |
| Paid-up capital | 75.00 | 75.00 | 75.00 | 75.00 | 25.00 |
| Reserve and surplus | 113.47 | 113.89 | 98.76 | 91.93 | 9.36 |
| Shareholders' equity | 240.68 | 243.95 | 231.88 | 228.34 | 34.36 |
| Deffered Tax liabilities | 6.98 | 4.97 | 2.49 | 2.55 | 2.58 |
| Non-current liabilities | 46.35 | 68.54 | 2.49 | 2.55 | 2.58 |
| Current liabilities | 157.78 | 123.00 | 145.87 | 30.22 | 26.81 |
| Fixed Assets | 202.60 | 212.26 | 81.65 | 86.52 | 25.23 |
| Other Non-current Assets | - | - | 133.64 | 15.26 | - |
| Total Non-current Assets | 202.60 | 212.26 | 215.29 | 101.78 | 25.23 |
| Current Assets | 242.21 | 223.24 | 164.95 | 159.33 | 38.53 |
| Book value per share | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Earnings per share | 1.06 | 2.81 | 2.12 | 1.46 | 2.28 |
| Dividend per share | | | | | |
| Cash | - | 15% | 12% | 15% | 15% |
| Stock | 15% | - | - | - | - |
| Number of shareholder's | 7,331 | 8,364 | 11,452 | 11,548 | 4,356 |

Table: Ratios

| Particulars | 2014-15 | 2013-14 | 2012-13 | 2011 - 12 | 2010 - 11 |
|----------------------------|---------|---------|---------|-----------|-----------|
| Debt to Equity Ratio | 0.85 | 0.79 | 0.64 | 0.14 | 0.86 |
| Current Ratio | 1.54 | 1.81 | 1.13 | 5.27 | 1.44 |
| Gross profit/Sales (%) | 9.46 | 17.21 | 19.47 | 19.36 | 26.22 |
| Operating /Sales (%) | 2.20 | 10.57 | 12.11 | 12.52 | 17.9 |
| Profit after tax/Sales (%) | 4.58 | 13.30 | 20.06 | 15.53 | 14.51 |
| Return on Asset (%) | 2.29 | 6.06 | 5.35 | 4.85 | 15.27 |
| Return on Equity (%) | 4.23 | 11.16 | 9.14 | 6.58 | 24.08 |

Corporate Governance Compliance Report

Annexure : 2

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/229/ Admin/44 : dated August 07, 2012

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---------------|---|-------------------|--------------|------------------|
| | | Complied | Not Complied | |
| 1.1 | Board Size: The number of the board members shall not be less than 5 (five) and more than 20 (twenty) | ✓ | | |
| 1.2 | Independent Directors: | | | |
| 1.2 (i) | One fifth (1/5) of the total number of directors | ✓ | | |
| 1.2(ii) a) | Does not hold any share or holds less than 1% shares of the total paid-up shares | ✓ | | |
| 1.2 (ii) b) | Not connected with any sponsor/director/shareholder who holds 1% or more shares of the total paid-up shares on the basis of family relationship | ✓ | | |
| 1.2 (ii) c) | Does not have any relationship, whether pecuniary or otherwise, with the company or its subsidiary /associated companies | ✓ | | |
| 1.2 (ii) d) | Not a member, director, officer of any stock exchange | ✓ | | |
| 1.2 (ii) e) | Not a member, director, officer of any stock exchange or an intermediary of the capital market | ✓ | | |
| 1.2 (ii) f) | Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm | ✓ | | |
| 1.2 (ii) g) | Not be an independent director in more than 3 (three) listed companies | ✓ | | |
| 1.2 (ii) h) | Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFi | ✓ | | |
| 1.2 (ii) i) | Not been convicted for a criminal offence involving moral turpitude | ✓ | | |
| 1.2 (iii) | Nominated by the board of directors and approved by the shareholders in the AGM | ✓ | | |
| 1.2 (iv) | Not remain vacant for more than 90 (ninety) days | ✓ | | |
| 1.2 (v) | Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded | ✓ | | |
| 1.2 (vi) | Tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only | ✓ | | |
| 1.3 | Qualification of independent Director (ID) | ✓ | | |
| 1.3 (i) | Knowledge of independent Directors | ✓ | | |
| 1.3 (ii) | Background of Independent Directors | ✓ | | |
| 1.3 (iii) | Special cases for qualifications | ✓ | | |
| 1.4 | Individual Chairman of the Board and CEO | ✓ | | |
| 1.5 | The Directors Report to Shareholders: | | | |
| 1.5 (i) | Industry outlook and possible future developments in the industry | ✓ | | |

Saiham Textile Mills Ltd.

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---------------|--|-------------------|--------------|-------------------------|
| | | Complied | Not Complied | |
| 1.5 (ii) | Segment-wise or product-wise performance | ✓ | | |
| 1.5 (iii) | Risks and concerns | ✓ | | |
| 1.5 (iv) | Discussion on Cost of Goods sold, Gross Profit Margin and net Profit Margin | ✓ | | |
| 1.5 (v) | Discussion on continuity of any Extra-Ordinary gain or loss | ✓ | | |
| 1.5 (vi) | Basis for related party transactions | ✓ | | |
| 1.5 (vii) | Utilization of proceeds from public issues, rights issues and/ or through any others | ✓ | | |
| 1.5 (viii) | Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing | | | No such deteriorate |
| 1.5 (ix) | Explanation about significant variance occurs between Quarterly Financial performance annual Financial Statements | | | No such Variance occurs |
| 1.5 (x) | Remuneration to directors including independent directors | ✓ | | |
| 1.5 (xi) | Fairness of Financial Statement | ✓ | | |
| 1.5 (xii) | Maintenance of Proper books of Accounts | ✓ | | |
| 1.5 (xiii) | Adoption of appropriate accounting policies and estimates | ✓ | | |
| 1.5 (xiv) | Followed IAS, BAS, IFRS and BFRS in preparation of financial statements | ✓ | | |
| 1.5 (xv) | Soundness of internal control system | ✓ | | |
| 1.5 (xvi) | Ability to continue as a going concern | ✓ | | |
| 1.5 (xvii) | Significant deviations from the last year's | ✓ | | |
| 1.5 (xviii) | Key operating and financial data of at least preceding 5 (five) years | ✓ | | |
| 1.5 (xix) | Reasons for not declared dividend | | | N/A |
| 1.5 (xx) | Number of board meetings hold during the year and attendance | ✓ | | |
| 1.5 (xxi) | Pattern of shareholding: | | | |
| 1.5 (xxi) a) | Parent/Subsidiary/Associated Companies and other related parties | ✓ | | |
| 1.5 (xxi) b) | Directors, CEO, CS, CFO, HIA and their spouses and minor children | ✓ | | |
| 1.5 (xxi) c) | Executive | ✓ | | |
| 1.5 (xxi) d) | 10% or more voting interest | ✓ | | |
| 1.5 (xxii) | Appointment /re-appointment of director: | ✓ | | |
| 1.5 (xxii) a) | Resume of the Director | ✓ | | |
| 1.5 (xxii) b) | Expertise in specific functional areas | ✓ | | |
| 1.5 (xxii) c) | Holding of directorship and membership of committees of the board other than this company | ✓ | | |
| 2.1 | Appointment of CFO,HIA and CS: | | | |

Saiham Textile Mills Ltd.

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---------------|---|-------------------|--------------|------------------|
| | | Complied | Not Complied | |
| 2.2 | Appointment of CFO and CS at the meeting of the Board of Directors. | ✓ | | |
| 3 | Audit Committee: | | | |
| 3 (i) | Constitution of Audit Committee | ✓ | | |
| 3 (ii) | Assistance of the Audit Committee to Board of Directors | ✓ | | |
| 3 (iii) | Responsibility of the Audit Committee | ✓ | | |
| 3.1 | Constitution of the Audit Committee: | ✓ | | |
| 3.1 (i) | At least 3 (three) Members | ✓ | | |
| 3.1 (ii) | Appointment of members of the Audit Committee | ✓ | | |
| 3.1 (iii) | Qualification of Audit Committee members | ✓ | | |
| 3.1 (iv) | Term of Service of Audit Committee members | ✓ | | |
| 3.1 (v) | Secretary of the Audit Committee | ✓ | | |
| 3.1 (vi) | Quorum of the Audit Committee | ✓ | | |
| 3.2 | Chairman of the Audit Committee | | | |
| 3.2 (i) | Board of Directors shall select the Chairman | ✓ | | |
| 3.2 (ii) | Chairman of the audit committee shall remain present in the AGM | ✓ | | |
| 3.3 | Role of the Audit Committee | | | |
| 3.3 (i) | Oversee the financial reporting process | ✓ | | |
| 3.3 (ii) | Monitor choice of accounting policies and principals | ✓ | | |
| 3.3 (iii) | Monitor Internal Control Risk management process | ✓ | | |
| 3.3 (iv) | Oversee hiring and performance of external auditors | ✓ | | |
| 3.3 (v) | Review the annual financial statements before submission to the board for approval | ✓ | | |
| 3.3 (vi) | Review the quarterly and half yearly financial statements before submission to the board for approval | ✓ | | |
| 3.3 (vii) | Review the adequacy of internal audit function | ✓ | | |
| 3.3 (viii) | Review statement of significant related party transactions | ✓ | | |
| 3.3 (ix) | Review Management Letters/Letter of Internal Control weakness issued by statutory auditors | ✓ | | |
| 3.3 (x) | Disclosure about the uses/applications of funds raised by IPO/RPO/Right issue | ✓ | | |
| 3.4 | Reporting of the Audit Committee: | | | |
| 3.4.1 | Reporting to the Board of Directors | ✓ | | |
| 3.4.1 (i) | Activities of Audit Committee | ✓ | | |
| 3.4.1 (ii) a) | Conflicts of interests | ✓ | | |
| 3.4.1 (ii) b) | Material defect in the internal control system | ✓ | | |
| 3.4.1 (ii) c) | Infringement of laws, rules and regulations | ✓ | | |

Saiham Textile Mills Ltd.

| Condition No. | Title | Compliance Status | | Remarks (if any) |
|---------------|--|-------------------|--------------|------------------|
| | | Complied | Not Complied | |
| 3.4.1 | (ii) d) Any other matter | ✓ | | |
| 3.4.2 | Reporting to the Authorities | ✓ | | |
| 3.5 | Reporting to the Shareholders and General Investors | ✓ | | |
| 4 | Engagement of External/Statutory Auditors: | ✓ | | |
| 4 (i) | Appraisal or valuation services or Fairness opinions | ✓ | | |
| 4 (ii) | Financial information systems design and implementation | ✓ | | |
| 4 (iii) | Book-Keeping | ✓ | | |
| 4 (iv) | Broker-dealer services | ✓ | | |
| 4 (v) | Actuarial services | ✓ | | |
| 4 (vi) | Internal audit services | ✓ | | |
| 4(vii) | Services that the Audit Committee determines | ✓ | | |
| 4 (viii) | Audit firm shall not hold any share of the company they audit | ✓ | | |
| 5 | Subsidiary Company: | | | |
| 5 (i) | Compositions of the Board of Directors | | | N/A |
| 5 (ii) | At least 1 (one) independent director to the subsidiary company | | | N/A |
| 5 (iii) | Submission of Minutes to the holding company | | | N/A |
| 5 (iv) | Review of Minutes by the holding company | | | N/A |
| 5 (v) | Review of Financial Statement by the holding company | | | N/A |
| 6 | Duties of Chief Executive Officer and Chief Financial Officer: | | | |
| 6 (i) a) | Reviewed the materially untrue of the financial statement | ✓ | | |
| 6 (i) b) | Reviewed about compliance of the accounting standard | ✓ | | |
| 6 (ii) | Reviewed about fraudulent, illegal or violation of the company's code of conduct | ✓ | | |
| 7 | Reporting and Compliance of Corporate Governance: | | | |
| 7 (i) | Obtain certificate about compliance of conditions of corporate Governance Guidelines | ✓ | | |
| 7 (ii) | annexure attached in the director's report | ✓ | | |

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

The Board of Directors
Saiham Textile Mills Ltd.
House # 02 (4th Floor), Road # 55
Gulshan-2, Dhaka-1212, Bangladesh.

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

Dear Sirs:

In compliance with the condition no. 6 imposed by the Bangladesh Securities & Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 issued under Section 2CC of the Securities & Exchange Ordinance, 1969, we do hereby certify to the Board of Directors that:

- (i) We have reviewed the financial statements for the year ended on June 30, 2015 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



Abu Bakar Siddique
Chief Financial Officer (CFO)

Saiham Textile Mills Ltd.



KAZI ZAHIR KHAN & CO.

CHARTERED ACCOUNTANTS

কাজী জহির খান এন্ড কোং

চার্টার্ড একাউন্ট্যান্টস

**CERTIFICATE OF COMPLIANCE TO THE SHAREHOLDER OF
SAIHAM TEXTILE MILLS LIMITED
(AS REQUIRED UNDER THE BSEC GUIDELINES)**

We have examined compliance to the Bangladesh Securities and Exchange Commission (BSEC) guideline on Corporate Governance by **Saiham Textile Mills Limited** for the year **ended 30th June, 2015**. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/Admin/44 dated 7th August 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of corporate Governance is the responsibility of the Company. Our assessment was limited to the procedures and implementation thereof as adopted by the management in ensuring compliance to the conditions of Corporate Governance. This is scrutiny and verification only and not an expression of opinion or audit on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by Bangladesh Securities and Exchange Commission (BSEC). We also stated that such certificate on the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Dated : Dhaka
November 08, 2015


KAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS



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Head Office : 67/4, Kakrail (Pioneer Road), Dhaka-1000, Tel : 8356107. Fax : +880-2-9358166. e-mail : kzke_bd@yahoo.com
Branch Office : 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207, Tel : 8113474, e-mail : aamahmudco@gmail.com



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস

৯-জি, মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

Partners : Md. Waliullah FCA
Swadesh Ranjan Saha, FCA
Md. Habibur Rahan Skrker, FCA
Anjan Mallik, ACA

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PABX : 9576118; 9576119
FAX : 880-2-9576236
wali@satcombd.com
9-G, MOTIJHEEL C/A
Dhaka-1000, Bangladesh

**Auditors' Report To The Shareholders Of
Saiham Textile Mills Limited**

We have audited the accompanying Statement of Financial Position of **Saiham Textile Mills Limited** as at 30th June 2015 and the related Statement of Comprehensive Income, Statement of Cash Flow, Statement of Change in Equity and Notes for the period from 1st July 2014 to 30th June 2015.

Management's Responsibility for the Financial Statements:

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standard/Bangladesh Financial Reporting Standards (BFRS), the companies Act 1994 and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, where due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance where the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

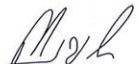
In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standard/Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as of 30th June 2015 and of the results of its operations and its cash flows for the period then ended and comply with the Companies Act 1994, relevant schedule of Bangladesh Securities Exchanges Commission Rules 1987 and other applicable laws and regulations.

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof ;
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books ;
- The Company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of accounts ;
- The expenditures incurred and payments made were for the purpose of the company's business.

Place : Dhaka

Date : October 28, 2015


MALEK SIDDIQUI WALI
Chartered Accountants

Associated firm of Reddy Siddiqui & Kabani, Park View, 183-189 The Vale, London, W3 7RW, UK
E-mail: mail@reddysiddiqui.com, Website: www.reddysiddiqui.com

Saiham Textile Mills Ltd.


Saiham Textile Mills Limited

Statement of Financial Position

As on June 30, 2015

| | Notes | Amount in Taka | |
|--|-------|----------------------|----------------------|
| | | June 30, 2015 | June 30, 2014 |
| Assets | | | |
| Non-Current Assets : | | 2,026,037,329 | 2,122,664,673 |
| Property, Plant & Equipment- spinning (net of dep.) | 3 | 764,460,341 | 776,543,958 |
| Property, Plant & Equipment- Melange (net of dep.) | 4 | 1,261,576,988 | 1,346,120,715 |
| Current Assets : | | 2,422,110,147 | 2,232,458,712 |
| Inventories | 5 | 1,217,063,038 | 934,345,757 |
| Trade Debtors | 6 | 210,702,900 | 343,361,989 |
| Sundry Receivable | 7 | 28,756,067 | - |
| Advances, Deposits & Prepayments | 8 | 88,700,621 | 61,864,543 |
| Cash & Cash Equivalents | 9 | 876,887,521 | 892,886,423 |
| Total Assets | | 4,448,147,476 | 4,355,123,385 |
| Equity & Liabilities : | | | |
| Shareholders' Equity: | | 2,406,826,123 | 2,439,590,428 |
| Share Capital | 10 | 750,000,000 | 750,000,000 |
| Share Premium | 11 | 727,500,000 | 727,500,000 |
| General Reserve | 12 | 2,764,589 | 2,764,589 |
| Revaluation Reserve | 13 | 522,050,567 | 550,563,000 |
| Retained Earnings | 14 | 404,510,967 | 408,762,839 |
| Non-Current Liabilities : | | 463,521,154 | 685,467,484 |
| Term Loan- HSBC | 15 | 360,298,107 | 587,801,457 |
| Term Loan- EBL | 16 | 33,328,000 | 47,916,000 |
| Deferred Tax Liability | 17 | 69,895,047 | 49,750,027 |
| Current Liabilities : | | 1,577,800,199 | 1,230,065,473 |
| Short Term Loan-HSBC | 18 | - | 155,000,000 |
| Bank Loan & Overdraft-EBL | 19 | 145,153,226 | 102,969,449 |
| Current Portion of Long Term Loan | 20 | 229,587,350 | 227,503,350 |
| Short term loan-Others | 21 | 17,500,000 | 17,500,000 |
| Rights Share money Refundable | 22 | 15,000 | 15,000 |
| Liabilities for Goods | 23 | 1,122,351,843 | 665,106,864 |
| Liabilities for Expenses & Others | 24 | 24,541,032 | 22,821,297 |
| Provision for Tax | 25 | 38,651,748 | 39,149,513 |
| Total Liabilities | | 2,041,321,353 | 1,915,532,957 |
| Total Equity & Liabilities | | 4,448,147,476 | 4,355,123,385 |
| Net Assets Value (NAV) Per Share after Revaluation | 31 | 32.09 | 32.53 |
| Net Assets Value (NAV) Per Share before Revaluation | | 25.13 | 25.12 |

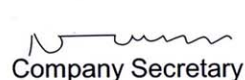
The annexed notes 1 to 34 and annexure A,B,C & D form an integral part of these Financial Statements.



Chairman




Managing Director



Company Secretary

Signed in terms of our separate report of even date.

Dated: Dhaka
October 28, 2015.



Malek Siddiqui Wali
Chartered Accountants

Saiham Textile Mills Limited

Statement of Comprehensive Income

For the year ended June 30, 2015

| | Notes | Amount in Taka | |
|---|-------|--------------------|--------------------|
| | | June 30, 2015 | June 30, 2014 |
| Gross profit | | 164,674,083 | 272,608,003 |
| Turnover (Net of VAT) | 26 | 1,741,464,985 | 1,584,434,462 |
| Less : Cost of goods sold | 27 | 1,576,790,902 | 1,311,826,459 |
| Less : Operating Expenses | | 126,345,112 | 105,158,417 |
| Administrative & Marketing Expenses | 28 | 60,700,976 | 48,505,178 |
| Financial Expenses | 29 | 65,644,136 | 56,653,239 |
| Operating Profit | | 38,328,971 | 167,449,586 |
| Non-Operating Income | 30 | 68,648,127 | 109,832,528 |
| Operating Profit before contribution to W.P.P.F | | 106,977,098 | 277,282,114 |
| Less : Provision for W.P.P.F | 24.01 | 5,094,148 | 13,203,910 |
| Profit before tax | | 101,882,950 | 264,078,204 |
| Less : Income tax expenses | | 22,147,255 | 53,340,796 |
| Current Tax | 25 | 2,002,235 | 28,508,392 |
| Deferred Tax- Expense/(Income) | 17.01 | 20,145,020 | 24,832,404 |
| Net Profit after tax Total Comprehensive Income for the year | | 79,735,695 | 210,737,408 |
| Earnings Per Share (EPS) of Tk. 10 | 32 | 1.06 | 2.81 |

The annexed notes 1 to 34 and annexure A,B,C & D form an integral part of these Financial Statements.



Chairman


Managing Director


Company Secretary

Signed in terms of our separate report of even date.

Dated: Dhaka
October 28, 2015.


Malek Siddiqui Wali
Chartered Accountants


Saiham Textile Mills Ltd.

Saiham Textile Mills Limited

Statement of Cash Flows
For the year ended June 30, 2015

| | Amount in Taka | |
|---|----------------------|---------------------|
| | June 30, 2015 | June 30, 2014 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Collection from Customers and other income | 1,914,016,134 | 1,486,667,644 |
| Payment to Suppliers, employees and other expenses | (1,336,485,051) | (1,271,135,036) |
| Financial Expenses Paid | (65,644,136) | (56,653,239) |
| Income tax paid | (24,500,779) | (52,528,000) |
| Net cash provided / (used) by operating activities | 487,386,168 | 106,351,369 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (41,483,295) | (81,324,984) |
| Net cash provided / (used) by investing activities | (41,483,295) | (81,324,984) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Loan received during the year | 42,183,777 | 1,106,782,584 |
| Loan repaid during the year | (395,007,350) | (1,044,916,501) |
| Dividend Paid | (109,078,202) | (87,351,898) |
| Net cash provided / (used) by financing activities | (461,901,775) | (25,485,815) |
| Net increase / (Decrease) in Cash and Cash Equivalents | (15,998,902) | (459,430) |
| Cash and cash equivalents at beginning of the year | 892,886,423 | 893,345,853 |
| Cash and Cash Equivalents at end of the year | 876,887,521 | 892,886,423 |
| Net Operating Cash Flows Per Share (NOCFPS) | 6.50 | 1.42 |


Chairman


Managing Director


Company Secretary


Malek Siddiqui Wali
Chartered Accountants


Saiham Textile Mills Limited

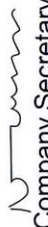
Statement of Changes in Equity
For the year ended June 30, 2015

| Particulars | Share Capital | Share premium of Rights Share | General Reserve | Revaluation Surplus | Retained Earnings | Total |
|------------------------------------|---------------|-------------------------------|-----------------|---------------------|-------------------|---------------|
| Balance as on July 01, 2014 | 750,000,000 | 727,500,000 | 2,764,589 | 550,563,000 | 408,762,839 | 2,439,590,428 |
| Net profit during the year | - | - | - | - | 79,735,695 | 79,735,695 |
| Adjustment of Revaluation of PPE | - | - | - | (28,512,433) | 28,512,433 | - |
| Dividend paid for 2013-2014 | - | - | - | - | (112,500,000) | (112,500,000) |
| Balance as on June 30, 2015 | 750,000,000 | 727,500,000 | 2,764,589 | 522,050,567 | 404,510,967 | 2,406,826,123 |
| Balance as on July 01, 2013 | 750,000,000 | 727,500,000 | 2,764,589 | 581,156,130 | 257,432,301 | 2,318,853,020 |
| Net profit during the year | - | - | - | - | 210,737,408 | 210,737,408 |
| Adjustment of Revaluation of PPE | - | - | - | (30,593,130) | 30,593,130 | - |
| Dividend paid for 2012-2013 | - | - | - | - | (90,000,000) | (90,000,000) |
| Balance as on June 30, 2014 | 750,000,000 | 727,500,000 | 2,764,589 | 550,563,000 | 408,762,839 | 2,439,590,428 |

Saiham Textile Mills Ltd.


Chairman


Managing Director


Company Secretary

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited Notes to the Financial Statements As on and for the year ended June 30, 2015

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 House # 02, Road # 55, Gulshan-2, Dhaka-1212 while the factory is situated at Noyapara, Saiham Nagar, Habigonj.

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 went on commercial production on 16th July 2013 and it is now running smoothly.

1.3 Nature of Business Activities:

The company produces various counts of quality yarn of 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 Bangladesh Financial Reporting Standards (BFRSs.)

2.2 Basis of Preparation:

The Financial Statements of the company have been prepared Going Concern basis based on the accrual basis of accounting following under the historical cost convention except Property, Plant and Equipment (PPE).

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, BAS - 1 Presentation of Financial Statements.

2.4 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.

2.5 Going Concern:

The company has adequate resources to continue in operation for the foreseeable future. For this reasons 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.

2.6 Components of the Financial Statements:

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

- i) The Statement of Financial Position as on June 30, 2015;
- ii) The Statement of Comprehensive Income for the year ended June 30, 2015;
- iii) The Statement of Cash Flows for the year ended June 30, 2015;
- iv) Statement of Changes in Equity for the year ended June 30, 2015; and
- v) Accounting Policies and explanatory notes the Financial Statements for the year ended June 30, 2015.

2.7 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
- iv) Other applicable Rules and Regulation.

2.8 Property, Plant and Equipments (PPE):

Property, Plant and Equipments are stated at their cost / revalued value less accumulated depreciation in accordance with BAS 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 on time basis on the date of acquisition and no depreciation is provided on retirement/disposal of Assets.

No depreciation has been charged on Land and Land development considering the unlimited useful life. The rates of depreciation at the following rates are applied from the use of commercial production. Depreciation has been charged 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.

2.9 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 saleable. In compliance with the requirements with BAS - 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 cost |
| Polyester Staple Fiber PSF | At cost |
| Stores & Spares | At cost |
| Packing Materials | At cost |
| Work-in-Process | 100% Materials plus portion of labour charges, Gas charges, Electric charges. |
| Finished Goods (Yarn) | Cost or Market price which ever is lower |

Saiham Textile Mills Ltd.

2.10 Revenue Recognition:

In compliance with the requirements of BAS - 18 "Revenue", 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.

2.11 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.

2.12 Earnings Per Share (EPS):

Earnings Per Share (EPS) are calculated in accordance with the BAS – 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.

2.13 Cash & Cash Equivalents:

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

2.14 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with BAS – 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.

2.15 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.

2.16 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.

2.17 Borrowing cost:

In compliance with the requirement of BAS – 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.

2.18 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 BAS-16: Property, Plant and Equipment. The company revalued the assets of land and land development, Factory Building and Other Construction, Building Office

Saiham Textile Mills Ltd.

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 BAS-12: Income Taxes.

2.19 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. 207/L/2008 Dated 30.06.08 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 BAS- 12 " Income Taxes " .

2.20 Trade Debtors:

Trade debtors for export of yarn are stated at their real value and consider good. No provision has been made for doubtful debts and no amount was written off as bad.

2.21 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.

2.22 Lease:

Lease rental against acquisition of assets has been expensed on their due date.

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 BAS-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. Related parties are stated their nominal value which is reflected in note nos. 21, 23 & 33.

2.25 Reporting period:

These Financial Statements cover the period from July 01, 2014 to June 30, 2015.

2.26 Comparative Figure:

Comparative information has been disclosed in respect of the year 2015 for all numerical information in the Financial Statements and also the narrative and descriptive where it is relevant for understanding of the current year's Financial Statements. Figures of the year 2015 have been rearranged and restated whenever considered necessary to ensure comparability with the current year.

2.27 Event after the reporting period:

In compliance with the requirements of "BAS – 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.

2.28 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.

Saiham Textile Mills Ltd.

3. Property, Plant & Equipment (net of depreciation) :Spinning

Balance as on July 01,2014

Addition during the year

Total as on June 30,2015

Accumulated depreciation

Depreciable value

Depreciation charged during the year

Written down value as on June 30,2015

| Amount in Taka | |
|----------------------|----------------------|
| June 30, 2015 | June 30, 2014 |
| 1,313,576,415 | 1,305,876,072 |
| 33,961,159 | 7,700,343 |
| 1,347,537,574 | 1,313,576,415 |
| (537,032,457) | (489,357,955) |
| 810,505,117 | 824,218,460 |
| (46,044,776) | (47,674,502) |
| 764,460,341 | 776,543,958 |

→ The details of the Property, Plant and equipment have been shown in Annexure - A
Addition to Fixed Assets includes.

- 3.01) Addition to Factory Building & other Construction of Tk. 5,71,413 represents the Cost of Construction materials for Boundary wall, Generator Building & rest house.
- 3.02) Addition to Plant & Machineries of TK. 2,98,01,089 represents the cost of Imported & other auxiliaries for Blowroom, Auto corner & Ring machine etc.
- 3.03) Furniture and Fixtures for Tk. 15,360 represents the cost of chair & File Cabinet etc.
- 3.04) Motors Vehicles for Tk. 750,000 represents the cost of major overhauling & cost of spareparts for Toyota Forklift.
- 3.05) Sundry Assets for Tk. 89,012 represents the cost of fire extinguisher.
- 3.06) Office Equipment for Tk. 27,34,285 represents the cost of Computer, Telephone set , Gas Generator, CC TV, Air Conditioner, IPS & UPS etc.

4. Property, Plant & Equipment (net of depreciation) Melange

Balance as on July 01,2014

Addition during the year

Total as on June 30,2015

Accumulated depreciation

Depreciable value

Depreciation charged during the year

Written down value as on June 30,2015

| | |
|----------------------|----------------------|
| 1,441,966,063 | 1,336,433,750 |
| 7,522,136 | 105,532,313 |
| 1,449,488,199 | 1,441,966,063 |
| (95,845,348) | - |
| 1,353,642,851 | 1,441,966,063 |
| (92,065,863) | (95,845,348) |
| 1,261,576,988 | 1,346,120,715 |

The details of the Property, Plant and equipment have been shown in Annexure - B

- 4.01) Factory Building & Other Construction for Tk. 913,588 represents the Cost of Construction materials for Factory Building and Boundary wall etc.
- 4.02) Addition to Plant & Machinery of Tk. 60,92,388 represents cost of Imported Capital Machinery for Blowroom & Carding Machine and Cost of water treatment plant.
- 4.03) Furniture & Fixture for Tk. 3,06,095 represents the cost of chair, ceiling fan & file Cabinet etc.
- 4.04) Sundry assets for Tk. 74,865 represents the cost of water pump etc.
- 4.05) Office equipment for Tk. 1,35,200 represents the cost of Telephone Set , Electric finger machine & UPS etc.
- 4.06) HSBC Bank has financed us as Term Loan for Import of capital machinery of Melange spinning unit.

Saiham Textile Mills Ltd.

| Particulars | Amount in Taka | | | |
|------------------------|----------------|--------------------|-------------|--------------------|
| | Quantity | 30.06.15 Taka | Quantity | 30.06.14 Taka |
| Raw Cotton | 2308590 lbs | 204,097,393 | 3536424 lbs | 306,314,769 |
| Polyester Staple Fiber | 10884 kg | 1,128,929 | 91716 kg | 11,883,504 |
| Stores & Spares | - | 17,145,235 | - | 14,804,555 |
| Packing Materials | - | 1,455,269 | - | 2,704,012 |
| Work-in-Process | 89142 lbs | 7,131,253 | - | 9,516,275 |
| Finished Goods (Yarn) | 181948 lbs | 19,104,540 | 175187lbs | 20,695,926 |
| Sub-Total | | 250,062,619 | | 365,919,041 |

Inventories : Melange unit

| | | | | |
|-----------------------|--------------|----------------------|-------------|--------------------|
| Raw Cotton | 12048628 lbs | 837,928,961 | 4616116 lbs | 369,825,414 |
| Viscose | 152773 lbs | 11,650,316 | 311325 lbs | 23,741,550 |
| Stores & Spares | - | 5,166,896 | - | 8,397,252 |
| Packing Materials | - | 1,214,951 | - | 994,088 |
| Work-in-Process | 163298 lbs | 14,370,298 | - | 21,053,756 |
| Finished Goods (Yarn) | 947735 lbs | 96,668,997 | 1180244 lbs | 144,414,656 |
| Sub-Total | | 967,000,419 | | 568,426,716 |
| Total | | 1,217,063,038 | | 934,345,757 |

- Inventories are valued at cost price or net realizable value whichever is lower. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale.
- Physical verification of inventories was carried out by the management staff of the company.
- Inventories were pledged and hypothecated to Eastern Bank Ltd. Gulshan branch, Dhaka. as security of working capital loan.
- As the number of items of spareparts & packing materials are really high and different items measures in different units. The disclosure of the unit against those items might be confusing for users of the financial statements.

6 Trade Debtors:

Aging of Trade Debtors

Book debts aged upto 90 days

| | |
|------------|-------------|
| 87,454,450 | 165,446,517 |
|------------|-------------|

Book debts aged upto 120 days

| | |
|-------------|-------------|
| 123,248,450 | 177,915,472 |
|-------------|-------------|

| | |
|--------------------|--------------------|
| 210,702,900 | 343,361,989 |
|--------------------|--------------------|

The above amount is receivable from debtors against export L/C and Local Sales.

This is Considered as good.

Details of Trade Debtors shown in Annexure - C

7 Sundry Receivable :

Opening Balance

| | |
|---|------------|
| - | 73,023,957 |
|---|------------|

Interest on F.D.R, HSBC (Accrued)

| | |
|------------|---|
| 28,756,067 | - |
|------------|---|

| | |
|-------------------|-------------------|
| 28,756,067 | 73,023,957 |
|-------------------|-------------------|

Less: Realised

| | |
|---|------------|
| - | 73,023,957 |
|---|------------|

Closing Balance

| | |
|-------------------|---|
| 28,756,067 | - |
|-------------------|---|

Saiham Textile Mills Ltd.

| | | Amount in Taka | |
|-----------------|--|---------------------------|--------------------|
| | | June 30, 2015 | June 30, 2014 |
| 8 | Advance, Deposits & Prepayments: | | |
| | Advance | 8.01 69,973,714 | 47,933,130 |
| | Deposits | 8.02 17,616,897 | 12,821,403 |
| | Pre-payments | 8.03 1,110,010 | 1,110,010 |
| | Total | 88,700,621 | 61,864,543 |
| 8.01) | Advance: | | |
| | Opening Balance | 47,933,130 | 48,258,014 |
| | Addition during the year : | | |
| | Advanced Income tax | 10,000,000 | 25,000,000 |
| | Tax at source on FDR | 3,855,807 | 18,117,158 |
| | Tax at source on Export | 7,525,181 | 4,222,042 |
| | Tax at source on office Rent | 88,800 | 88,800 |
| | AIT against Transport | 425,000 | 100,000 |
| | Tax at source on Bank Interest | 105,991 | - |
| | Advance against Salary | 444,935 | 405,130 |
| | Total | 70,378,844 | 96,191,144 |
| | Less: Adjustment | 405,130 | 48,258,014 |
| | Balance as on June 30, 2015 | 69,973,714 | 47,933,130 |
| 8.02) | Deposits: | | |
| | Security Deposit | 8.02.01 14,245,239 | 9,747,220 |
| | L/C Margin deposit for Raw Cotton, PSF& Spareparts | 2,147,992 | 1,880,769 |
| | Deposit against VAT | 223,666 | 193,414 |
| | Deposit against Office Rent | 1,000,000 | 1,000,000 |
| | Balance as on June 30, 2015 | 17,616,897 | 12,821,403 |
| 8.02.01) | Security Deposit: | | |
| | Habigonj Palli Bidyut Samity, | 75,600 | 75,600 |
| | Habigonj Palli Bidyut Samity, | 951,705 | 951,705 |
| | Jalalabad Gas T&D Systems Ltd, | 384,855 | 384,855 |
| | Jalalabad Gas T&D Systems Ltd, | 12,773,079 | 8,275,060 |
| | Deposit to Saiham Sky View Tower | 60,000 | 60,000 |
| | Total | 14,245,239 | 9,747,220 |
| → | Security Deposits are made to statutory authorities and are considered good. | | |
| → | L/C margin deposits for Tk. 21,47,992 represents margin and commission of Raw cotton , PSF & spareparts. | | |
| 8.03) | Prepayments: | | |
| | Insurance Prepaid | 1,110,010 | 1,110,010 |
| | | 1,110,010 | 1,110,010 |
| | Insurance Prepaid for Plant, Machinery, Building & Godown under policy no-GD/Pbd/06/2012/fire/P/0133 for one year. | | |
| 9 | Cash & Cash Equivalents : | | |
| | Cash in Hand | 9.01 837,494 | 1,245,635 |
| | Cash at Bank | 9.02 876,050,027 | 891,640,788 |
| | Total | 876,887,521 | 892,886,423 |
| 9.01) | Cash in hand : | | |
| | Head Office | 594,571 | 671,732 |
| | Factory Office | 242,923 | 573,903 |
| | Total | 837,494 | 1,245,635 |

Saiham Textile Mills Ltd.

9.02) Cash at Bank :

| | |
|--|--|
| Janata Bank Ltd. (A/C No. 023733002322) Motijheel Corp. | |
| Janata Bank Ltd.(A/C No. 0340-0210001941) Noyapara | |
| Dutch Bangla Bank Ltd.(A/C No. 0116110000006828) Gulshan | |
| Dhaka Bank Ltd.(A/C No. 215150000001464) Gulshan | |
| Brac Bank Ltd. (A/c No. 1501202006924001) Gulshan | |
| HSBC (A/C No. 001-145145457-011) Gulshan | |
| Premier Bank Ltd (A/C no-014913100000040) Gulshan | |
| Standared Chartered Bank A/C no-01-1184135-01 | |
| Eastern Bank Ltd A/C no-101106032929 | |
| Dhaka Bank- A/c-215150000001554 | |

F.C Account

| | |
|--|--------------|
| Dhaka Bank Ltd .F.C A/C-21413000000056 | \$181,095.07 |
| HSBC F.C Margin A/C no-001-145457-091 | \$2,970.72 |
| HSBC Offshore A/C no-050-0077-80-005 | \$6,814.99 |
| F.C Account with EBL A/C-1013100350441 | \$23,255.90 |

Sub-total

FDR

| | |
|---|--|
| Dhaka Bank Ltd. (FDR No. 148076/953/12 & 148097/974/12) Gulshan | |
| Brac Bank Ltd.(FDR No. 1502302443153001) Nawabpur | |
| AB Bank Ltd.(FDR No. 3369657, 3369662 & 3381892) Dargah Gate | |
| Mutual Trust Bank Ltd.(FDR No. 101315/5391/12) Banani | |
| Shahjalal Islami Bank Ltd.(MTDR No. 0165400) Main | |
| First Security Islami Bank Ltd.(MTDR No. 0298200/244-04 | |
| IDLC Finance Ltd.(A/C No. 10252204175201) Gulshan | |
| HSBC (A/C No. 001-145457-101 & 001-145457-102) Dhaka | |
| Lanka Bangla Finance FDR no-1220-001-204-205-206-358-359-360 | |
| Bank Asia Ltd. (FDR No-0215500887,Dhanmondi) | |
| Delta Brac Housing-(FDR-No 71000117027-128638) | |

Sub-total

Grand Total

| Amount in Taka | |
|--------------------|--------------------|
| June 30, 2015 | June 30, 2014 |
| 34,501 | 7,958,737 |
| 4,735,515 | 3,172,239 |
| 940,790 | 1,396,653 |
| 5,034,008 | 10,272,900 |
| - | 317,773 |
| 4,122,816 | 14,359,491 |
| 9,062,329 | 21,732,113 |
| 102,275 | - |
| 14,452 | 11,050 |
| 7,933,025 | - |
| 13,944,320 | 2,506,004 |
| 228,745 | 1,035 |
| 524,754 | 2,412,793 |
| 1,872,496 | - |
| 48,550,027 | 64,140,788 |
| 82,500,000 | 82,500,000 |
| 30,000,000 | 30,000,000 |
| 40,000,000 | 40,000,000 |
| 20,000,000 | 20,000,000 |
| 20,000,000 | 20,000,000 |
| 30,000,000 | 30,000,000 |
| 25,000,000 | 25,000,000 |
| 200,000,000 | 400,000,000 |
| 335,000,000 | 135,000,000 |
| 10,000,000 | 10,000,000 |
| 35,000,000 | 35,000,000 |
| 827,500,000 | 827,500,000 |
| 876,050,027 | 891,640,788 |

As all the fixed deposit will be matured within next 12 months, are considering as a cash & cash equivalent instead of Investment.

10

Share Capital:

Authorized Capital:

15,00,00,000 Ordinary Shares @ of Tk. 10/- each

Issued, Subscribed & Paid up Capital:

| | |
|--|--|
| 12,500,000 Ordinary Shares @ Tk. 10 each fully paid up in cash | |
| 12,500,000 Ordinary Shares @ Tk. 10 each fully paid up other than cash | |
| 50,000,000 Right Ordinary Shares @ Tk. 10 each fully paid up in cash | |
| 75,000,000 Ordinary Shares | |

| | |
|---------------|---------------|
| 1,500,000,000 | 1,500,000,000 |
| 125,000,000 | 125,000,000 |
| 125,000,000 | 125,000,000 |
| 500,000,000 | 500,000,000 |
| 750,000,000 | 750,000,000 |

Percentage of share holding position of different share holders are as follows:

| | 30.06.15 | | 30.06.14 | |
|------------------------------------|-------------------|--------------|-------------------|--------------|
| | Number of Shares | % of holding | Number of Shares | % of holding |
| Sponsors | 25,598,800 | 34.13 | 26,198,800 | 34.93 |
| Local Financial Institution | 24,534,908 | 32.71 | 20,400,112 | 27.20 |
| Public | 24,866,292 | 33.16 | 28,401,088 | 37.87 |
| Total | 75,000,000 | 100 | 75,000,000 | 100 |

Saiham Textile Mills Ltd.

Classification of shareholders by holding:

The number of shareholders and share holding position as at June 30, 2015 are given below:

| Holdings | 30.06.15 | | 30.06.14 | |
|-----------------------------|-----------------|--------------|-----------------|--------------|
| | Number of Share | % of holding | Number of Share | % of holding |
| Up to 5,000 shares | 6627 | 7.45 | 7882 | 7.96 |
| 5,001 to 50,000 shares | 587 | 11.09 | 617 | 11.53 |
| 50,001 to 1,00,000 shares | 33 | 3.02 | 51 | 4.91 |
| 1,00,001 to 2,00,000 shares | 37 | 6.59 | 33 | 6.38 |
| 2,00,001 to 3,00,000 shares | 11 | 3.80 | 16 | 5.47 |
| 3,00,001 to 4,00,000 shares | 7 | 3.28 | 4 | 1.90 |
| 4,00,001 to 5,00,000 shares | 5 | 3.07 | 8 | 4.85 |
| 5,00,001 to above | 24 | 61.69 | 23 | 57.00 |
| Total | 7,331 | 100 | 8,634 | 100 |

11 Share Premium :

General Shareholders
Under Writers

Less : Tax Deducted at Source @ 3%

Total

| Number of Shares | Amount in Taka | |
|-------------------|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| 36,788,858 | 551,832,870 | 551,832,870 |
| 13,211,142 | 198,167,130 | 198,167,130 |
| 50,000,000 | 750,000,000 | 750,000,000 |
| - | 22,500,000 | 22,500,000 |
| 50,000,000 | 727,500,000 | 727,500,000 |

This represents the share premium on the issuance of 50,000,000 Rights Share at a Premium of Tk. 15/= each. The above amount received with the share premium on the approval of Bangladesh Securities and Exchange Commission (BSEC) vide letter # SEC/CI/RI-65/2011/905 Dated December 20, 2011 after netting of Tax deducted at source @ 3% as per section 53L of Ordinance, 1984.

12 General Reserve

This represent the waiver of IDCP loan of BSRS

| | |
|-----------|-----------|
| 2,764,589 | 2,764,589 |
|-----------|-----------|

13 Revaluation Reserve:

Opening balance

Less : Adjustment for depreciation of revalued assets

Balance as on June 30, 2015

| | |
|--------------------|--------------------|
| 550,563,000 | 581,156,130 |
| 28,512,433 | 30,593,130 |
| 522,050,567 | 550,563,000 |

Revaluation of Fixed assets has been made by Vigilant Survey Associates(VS), 27 Nandankanan, Chittagong-4000 on 31st august 2011 which has been adopted as per Board Resolution dated september 25,2011. The Company revaluted its land & land development, factory building & other construction, office space, Plant & Machineries & Motor Vehicles in 2012 and reported revaluation reserve of BDT 63,99,40,887. The Company erroneously debited the revaluation reserve by BDT 7,49,00,994 as prior years Portion of Deferred tax Liability and also created revaluation reserve by BDT 38,92,979 against depreciation of revaluation surplus other than land & land development. Now we discover this error as "Material Prior Period Error" as it influences the economic decisions that user make on the basis of financial statements in determining the materiality we consider both size and Nature of the items. According to IAS-8, paragraph 43, we have Corrected this materials prior period errors respectively in previous year as first set of financial Statements authorized for issue after their discover by restating the comparative amount for the prior period(s) presented in which the error occurred. There fore we adjusted the opening Balance of revaluation reserve to 61,39,87,695 by the reversal entries of the above errors. Methodology Adopted for Revaluation of Land, Building, Office space, Plant & Machinery & Vehicle's The Procedure of Assessment enumerated below are as follow: a) C&F cost of machineries Equipment. b) Import Duty, Sales Tax, Vat etc. c) Clearing Charges from Chittagong custom Station, carrying charges to final destination of the property holder factors premises.

Saiham Textile Mills Ltd.

| | | Amount in Taka | | | |
|---------------|--|------------------------|----------------------|--|--|
| | | June 30, 2015 | June 30, 2014 | | |
| 14 | Retained Earnings | | | | |
| | Balance as on July 01, 2014 | 408,762,839 | 257,432,301 | | |
| | Add : Profit made during the year | 79,735,695 | 210,737,408 | | |
| | Add : Transfer of excess dep. of reserve surplus. | 28,512,433 | 30,593,130 | | |
| | | 517,010,967 | 498,762,839 | | |
| | Less : Dividend for 2013-2014 | 112,500,000 | 90,000,000 | | |
| | Balance as on June 30, 2015 | 404,510,967 | 408,762,839 | | |
| 15 | Term Loan (HSBC) | | | | |
| | The Liabilities for Capital Machinery for Tk. 88,83,74,380 has been converted into Term Loan for USD1,18,18,364.99 during the year ended 30June 2014. The Term Loan will be repaid in 16th Instalment of 4 years starting from January, 2014 bearing interest at the rate of LIBOR+4.25 per annum. | | | | |
| | The Details are given below: | | | | |
| | Opening Balance (Transferred from Capital Liabilites) | 587,801,457 | 888,374,380 | | |
| | Add: Loan Increased due to Fluctuation of Foreign Currency | - | 31,907,672 | | |
| | Add: Fluctuation of F.C of Machinery Paid in Local Currency | - | 540,188 | | |
| | | 587,801,457 | 920,822,240 | | |
| | Less- Paid in Foreign Currency | - | 95,891,132 | | |
| | Less- Paid in local Currency against L/C no-23183 | - | 9,626,301 | | |
| | | - | 105,517,433 | | |
| | Balance | 587,801,457 | 815,304,807 | | |
| | Less-Current portion of Long Term Loan | 227,503,350 | 227,503,350 | | |
| | Balance as on June 30, 2015 | 360,298,107 | 587,801,457 | | |
| 16 | Term Loan-EBL | | | | |
| | Opening balance Term Loan Normal | 47,916,000 | 50,000,000 | | |
| | Less-Term Loan Paid during the year | 12,504,000 | 2,084,000 | | |
| | | 35,412,000 | 47,916,000 | | |
| | Less-Current portion of Term Loan normal | 2,084,000 | - | | |
| | Balance | 33,328,000 | 47,916,000 | | |
| 16.01) | The Term Loan EBL is repayable in 4 year which is started from 2nd april 2014 bearing interest @15.50% per annum. | | | | |
| 17 | Deferred Tax Liabilities: | | | | |
| | Balance as on July 01, 2014 | 49,750,027 | 24,917,623 | | |
| | Add : Adjustment of deferred tax- Expense / (Income) | 20,145,020 | 24,832,404 | | |
| | Balance as on June 30, 2015 | 69,895,047 | 49,750,027 | | |
| 17.01) | Deferred tax liability for 2015 is arrived at as follows : | | | | |
| | (Loss on adjustment of deferred Tax) | | | | |
| | Particulars | Accounting Base | Tax Base | Temporary Difference Taxable / (Deductable) | Temporary Difference Taxable / (Deductable) |
| | Property, Plant and Equipment as on June 30, 2015 | 1,503,986,762 | 1,038,019,777 | 465,966,985 | 331,666,849 |
| | Tax Rate | | | 15% | 15% |
| | Deferred Tax Liability as on June 30, 2015 | | | 69,895,048 | 49,750,027 |
| | Property, Plant and Equipment as on June 30, 2014 | 1,572,101,673 | 1,240,434,824 | 331,666,849 | 166,117,486 |
| | Tax Rate | | | 15% | 15% |
| | Deferred Tax Liability as on June 30, 2014 | | | 49,750,027 | 24,917,623 |
| | Deferred Tax Expnses/ (Income for) 2015 | | | 20,145,020 | 24,832,404 |

Saiham Textile Mills Ltd.

| Amount in Taka | |
|----------------|---------------|
| June 30, 2015 | June 30, 2014 |

A deferred tax liability shall be recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

18 Short Term Loan - HSBC

The Short Term Loan of HSBC for Tk. 15,50,00,000 has been repaid during the year under review as full & final settlement.

19 Bank Loan & Over Draft- Eastern Bank Ltd

The closing balance of aforesaid loan has been shown as under:

Demand Loan Normal

Overdraft Corporate Loan

Balance as on June 30, 2015

| | |
|--------------------|--------------------|
| 96,000,000 | 54,000,000 |
| 49,153,226 | 48,969,449 |
| 145,153,226 | 102,969,449 |

- 19.01) Over draft corporate Loan started from 2nd april 2014. bearing interest @15.50% and is secured by hypothecation of stock of raw cotton, work in process and finished goods etc.

20 Current Portion of Long Term Loan

| | |
|-------------|-------------|
| 229,587,350 | 227,503,350 |
|-------------|-------------|

20.01) Current Portion of Long Term Loan-HSBC

This is made up as follows:

Opening Balance

Transfer from Term Loan

| | |
|--------------------|--------------------|
| 227,503,350 | - |
| 227,503,350 | 227,503,350 |
| 455,006,700 | 227,503,350 |
| 227,503,350 | - |
| 227,503,350 | 227,503,350 |

Less: Payment made during the year

Balance

20.02) Current Portion of Long Term Loan-EBL

This is made up as follows:

Opening Balance

Transfer from Term Loan

| | |
|-------------------|----------|
| 2,084,000 | |
| 12,504,000 | |
| 14,588,000 | |
| 12,504,000 | |
| 2,084,000 | - |

Less: Payment made during the year

Balance

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

21 Short Term Loan - Others

This is being carried forward from Previous year.

| | |
|------------|------------|
| 17,500,000 | 17,500,000 |
|------------|------------|

22 Rights Share money Refundable :

Opening Balance

Less : Paid

Balance as on June 30, 2015

| | |
|---------------|---------------|
| 15,000 | 15,000 |
| - | - |
| 15,000 | 15,000 |

23 Liabilities for Goods

Imported Raw Cotton ,P.S.F& spare parts

Details of above amount are as follows:

Details of Trade Creditors shown in Annexure - D

| | |
|----------------------|--------------------|
| 1,122,351,843 | 665,106,864 |
|----------------------|--------------------|

Saiham Textile Mills Ltd.

| Amount in Taka | |
|----------------|---------------|
| June 30, 2015 | June 30, 2014 |

24 Liabilities for Expenses & Others:

This represents the amount payable to various parties against supply of Raw & Store Materials, Service & Others, Provision for Worker's Profit Participation Fund and Provision for expenses and the details are as follows:

| | | | |
|--|--------------|-------------------|-------------------|
| Electric charges | | 352,213 | 211,334 |
| Gas charges | | 3,625,412 | 3,934,526 |
| Audit Fees | | 50,000 | 50,000 |
| Salary & Wages | | 6,511,978 | - |
| Unclaimed Dividend | | 7,933,025 | 4,511,227 |
| Others payable (source tax) | | 80,256 | 16,300 |
| Workers Welfare Fund | | 6,000 | 6,000 |
| Security Deposit Received from Office Rent | | 888,000 | 888,000 |
| W.P.P.F. | 24.01 | 5,094,148 | 13,203,910 |
| Total | | 24,541,032 | 22,821,297 |

24.01) Workers Profit Participation Fund (WPPF) :

| | | | |
|------------------------------------|--|-------------------|-------------------|
| Balance as on July 01, 2014 | | 13,203,910 | 10,164,305 |
| Provision made during the year | | 5,094,148 | 13,203,910 |
| | | 18,298,058 | 23,368,215 |
| Payment made during the year | | 13,203,910 | 10,164,305 |
| Balance as on June 30, 2015 | | 5,094,148 | 13,203,910 |

→ Electricity and Gas charges were subsequently paid in full. --

→ Workers Profit Participation Fund has been created @ 5% on Net Profit during the year under audit.

→ In the opinion of the Directors, no liabilities in the Statement of Financial Position are at a value less than the amount at which it is repayable at the date of Statement of Financial Position.

25 Provision for Tax :

| | | | |
|-------------------------------------|-------|-------------------|-------------------|
| Opening Balance | | 39,149,513 | 15,641,121 |
| Add: Provision made during the year | 25.01 | 2,002,235 | 28,508,392 |
| | | 41,151,748 | 44,149,513 |
| Less: | | | |
| Income tax paid | | - | 5,000,000 |
| Tax paid for the year 2012-2013 | | 2,500,000 | - |
| | | 2,500,000 | 5,000,000 |
| Balance as on June 30, 2015 | | 38,651,748 | 39,149,513 |

According to the Income Tax Ordinance 1984 section 83(2) the income tax authority assessed the corporate tax of BDT. 5,36,47,066 for the financial year 2013-2014. But the management of company Appealed against this additional income tax of BDT. 2,51,38,674 demanded by tax authority under the section 153,154 ref: Appeal no. 341/circle 23/2015-2016 dated 8th October 2015. As long as the issue is Settled the management decided not to provide any additional income tax expenses under current tax Expenses relating to the financial year 2013-2014. In the last year's financial statements the company has Provided BDT. 2,85,08,392 as income tax expense for that period.

25.01) Provision for Income Tax:

| | | | | |
|--------------------------------|--------------------|-----|-------------------|-------------------|
| Non Operating Income | 68,648,127 | 25% | 17,162,032 | |
| Operating Income | 33,234,823 | 15% | 4,985,223 | |
| Total Provision | 101,882,950 | | 22,147,255 | 53,340,796 |
| Provision made during the year | | | 2,002,235 | 28,508,392 |
| Deferred Tax Expenses | | | 20,145,020 | 24,832,404 |
| | | | 22,147,255 | 53,340,796 |

Saiham Textile Mills Ltd.

| Amount in Taka | |
|----------------|---------------|
| June 30, 2015 | June 30, 2014 |

26 Turnover:

| Particulars | Quantity (In Lac) | 30.06.15 Taka | Quantity (In Lac) | 30.06.14 Taka |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| Spinning unit: | | | | |
| Finished Yarn (Local) | 22.51 Kg | 535,117,471 | 22.88Kg | 603,330,083 |
| Finished Yarn (Export) | 6.33 Kg | 138,941,418 | 2.60 Kg | 77,621,308 |
| | 28.84 kg | 674,058,889 | 25.48Kg | 680,951,391 |
| Less : VAT on Turnover | | 989,748 | - | 919,159 |
| Net Turnover | | 673,069,141 | | 680,032,232 |
| Melange unit: | | | | |
| Finished Yarn (Export) | 46.74 Kg | 1,068,395,844 | 33.26Kg | 904,402,230 |
| Total Turn over | 75.58 kg | 1,741,464,985 | 58.74 Kg | 1,584,434,462 |

Vat is paid on local sales of Cotton yarn

27 Cost of Goods Sold:

| | | | |
|---------------------------------------|-------|----------------------|----------------------|
| Opening Stock of Finished Goods | | 165,110,582 | 4,575,651 |
| Add: Cost of Production | 27.01 | 1,527,453,857 | 1,472,361,390 |
| Cost of goods available for sale | | 1,692,564,439 | 1,476,937,041 |
| Less: Closing Stock of Finished Goods | | 115,773,537 | 165,110,582 |
| Cost of goods sold | | 1,576,790,902 | 1,311,826,459 |

27.01) Cost of Production :

| | | | |
|---------------------------------|----------|----------------------|----------------------|
| Spare Parts 27.01.01 | | 18,833,787 | 17,188,148 |
| Packing Materials | 27.01.02 | 21,047,839 | 19,272,445 |
| Raw Cotton-Spinning | 27.01.03 | 147,459,064 | 133,010,179 |
| Raw Cotton-Melange | 27.01.04 | 791,743,973 | 773,051,629 |
| Polyester Staple Fiber-Spinning | 27.01.05 | 240,902,857 | 263,271,517 |
| Viscose- Melange | 27.01.06 | 12,091,234 | 10,673,541 |
| Raw Material Consumed | | 1,232,078,754 | 1,216,467,459 |
| Direct Wages & Salaries | | 80,690,599 | 61,283,324 |
| Prime Cost | | 1,312,769,353 | 1,277,750,783 |
| Factory Overhead | 27.02 | 205,616,024 | 209,749,771 |
| Factory Cost | | 1,518,385,377 | 1,487,500,554 |
| Add : Opening Work-in-Process | | 30,570,031 | 15,430,867 |
| | | 1,548,955,408 | 1,502,931,421 |
| Less : Closing Work-in-Process | | 21,501,551 | 30,570,031 |
| | | 1,527,453,857 | 1,472,361,390 |

27.01.01) Consumption of Spare Parts :

| | Amount in Taka | | | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | June 30, 2015 | | June 30, 2014 | |
| | Spinning | Melange | Total | Total |
| Opening Stock | 14,804,555 | 8,397,252 | 23,201,807 | 10,132,923 |
| Add : Purchase from Local Market | 9,789,050 | 8,155,061 | 17,944,111 | 27,668,798 |
| Add: Imported | - | - | - | 2,588,234 |
| Spare parts available for use | 24,593,605 | 16,552,313 | 41,145,918 | 40,389,955 |
| Less : Closing Stock | 17,145,235 | 5,166,896 | 22,312,131 | 23,201,807 |
| Consumption | 7,448,370 | 11,385,417 | 18,833,787 | 17,188,148 |

Saiham Textile Mills Ltd.

| Amount in Taka | |
|----------------|---------------|
| June 30, 2015 | June 30, 2014 |

27.01.02) Consumption of Packing Materials :

| | Spinning | Melange | Total | Total |
|----------------------------------|------------------|-------------------|-------------------|-------------------|
| Opening Stock | 2,704,012 | 994,088 | 3,698,100 | 1,848,443 |
| Add : Purchase from Local Market | 7,262,723 | 12,757,236 | 20,019,959 | 21,122,102 |
| Packing mat.available for use | 9,966,735 | 13,751,324 | 23,718,059 | 22,970,545 |
| Less : Closing Stock | 1,455,269 | 1,214,951 | 2,670,220 | 3,698,100 |
| Consumption | 8,511,466 | 12,536,373 | 21,047,839 | 19,272,445 |

27.01.03) Consumption of Raw Cotton : Spinning Unit

| | 30.06.15 | | 30.06.14 | |
|----------------------|------------------|--------------------|------------------|--------------------|
| | Qty in (lbs) | Taka | Qty in (lbs) | Taka |
| Opening Stock | 3,536,424 | 306,314,769 | 4,383,225 | 366,277,091 |
| Add : Imported | 411,065 | 42,196,583 | 160,988 | 17,576,572 |
| Add :Local Purchase | 29,001.00 | 3,045,105 | 527,770 | 55,471,285 |
| | 3,976,490.00 | 351,556,457 | 5,071,983 | 439,324,948 |
| Less : Closing Stock | 2,308,590 | 204,097,393 | 3,536,424 | 306,314,769 |
| Consumption | 1,667,900 | 147,459,064 | 1,535,559 | 133,010,179 |

27.01.04) Consumption of Raw Cotton : Melange Unit

| | 30.06.15 | | 30.06.14 | |
|---------------------------|-------------------|----------------------|-------------------|----------------------|
| | Qty in (lbs) | Taka | Qty in (lbs) | Taka |
| Opening Stock | 4,616,116 | 369,825,414 | - | - |
| Add : Imported | 18,988,340 | 1,271,269,391 | 6,769,663 | 536,458,897 |
| Add : Loan from- FSML | 610,412 | 42,905,851 | 3,824,375 | 314,248,900 |
| Add : Loan from- SCML | - | - | 3,669,546 | 292,169,246 |
| Sub-total | 19,598,752 | 1,314,175,242 | 7,493,921 | 606,418,146 |
| Total | 24,214,868 | 1,684,000,656 | 14,263,584 | 1,142,877,043 |
| Less: Loan Issued to SCML | 781,694 | 54,327,722 | - | - |
| Balance Stock | 23,433,174 | 1,629,672,934 | - | - |
| Less : Closing Stock | 12,048,628 | 837,928,961 | 4,616,116 | 369,825,414 |
| Consumption | 11,384,546 | 791,743,973 | 9,647,468 | 773,051,629 |

27.01.05) Consumption of Polyester Staple Fiber : spinning unit

| | 30.06.15 | | 30.06.14 | |
|----------------------|------------------|--------------------|------------------|--------------------|
| | Qty in (Kg) | Taka | Qty in (Kg) | Taka |
| Opening Stock | 91,716 | 11,883,504 | 634,087 | 89,444,500 |
| Add : Imported | 1,792,542 | 182,482,255 | 1,290,893 | 159,478,677 |
| Add : Loan From FSML | 449,171 | 47,666,027 | 198,636 | 26,231,844 |
| | 2,333,429 | 242,031,786 | 2,123,616 | 275,155,021 |
| Less : Closing Stock | 10,884 | 1,128,929 | 91,716 | 11,883,504 |
| Consumption | 2,322,545 | 240,902,857 | 2,031,900 | 263,271,517 |

27.01.06) Consumption of Viscose : Melange unit

| | 30.06.15 | | 30.06.14 | |
|----------------------|----------------|-------------------|----------------|-------------------|
| | Qty in (Lbs) | Taka | Qty in (Lbs) | Taka |
| Opening Stock | 311,325 | 23,741,550 | - | - |
| Add : Imported | - | - | 451,287 | 34,415,091 |
| Total | 311,325 | 23,741,550 | 451,287 | 34,415,091 |
| Less : Closing Stock | 152,773 | 11,650,316 | 311,325 | 23,741,550 |
| Consumption | 158,552 | 12,091,234 | 139,962 | 10,673,541 |

Saiham Textile Mills Ltd.

| Amount in Taka | |
|----------------|---------------|
| June 30, 2015 | June 30, 2014 |

27.02) Factory Overhead :

| | 30.06.15 | 30.06.14 |
|-----------------------|--------------------|--------------------|
| Electric Charges | 2,996,259 | 4,653,445 |
| Gas Charges | 41,860,426 | 39,936,352 |
| Carriage Inward | 6,328,700 | 5,435,860 |
| Insurance Premium | 3,785,823 | 3,785,823 |
| Clearing & Forwarding | 6,764,989 | 6,877,646 |
| Factory Maintenance | 558,443 | 1,020,669 |
| Fuel & Lubricants | 9,318,603 | 8,678,724 |
| Depreciation | 134,002,781 | 139,361,252 |
| Total | 205,616,024 | 209,749,771 |

28 Administrative and Marketing Expenses :

| | | |
|--------------------------|-------------------|-------------------|
| Directors' Remuneration | 960,000 | 2,010,000 |
| Salary & Allowances | 35,850,280 | 25,756,548 |
| Office Rent | 4,170,000 | 3,840,000 |
| Postage & Stamp | 146,754 | 76,967 |
| Printing | 250,000 | 863,314 |
| Stationery | 668,822 | 1,165,002 |
| Maintenance | 558,443 | 151,498 |
| Maintenance of Vehicle | 725,670 | 614,045 |
| Traveling | 368,094 | 429,395 |
| Conveyance | 252,550 | 237,648 |
| Entertainment | 883,878 | 706,187 |
| AGM Expenses | 537,000 | 488,045 |
| Paper & Periodicals | 52,206 | 12,006 |
| Advertisement | 136,421 | 296,615 |
| Subscription | 332,976 | 245,760 |
| Insurance Premium | 1,678,174 | 813,127 |
| Form, Fees & Others | 2,493,097 | 1,596,094 |
| Board Meeting Fees | 345,000 | 307,500 |
| Medical Expenses | 450,000 | 495,786 |
| Welfare Expenses | 750,066 | 1,021,945 |
| Electric Expenses | 459,278 | 471,869 |
| Miscellaneous Expenses | 333,528 | 262,019 |
| Selling & Distribution | 2,845,415 | 1,562,200 |
| Office Maintenance | 674,876 | 441,480 |
| Telephone, Telex & Fax | 133,459 | 138,077 |
| Water & Sewerage Charges | 208,000 | 203,453 |
| IT Expenses | 189,130 | - |
| Auditors' Fees | 50,000 | 50,000 |
| Consultancy fees | 90,000 | 90,000 |
| Depreciation | 4,107,859 | 4,158,598 |
| Total | 60,700,976 | 48,505,178 |

29 Financial Expenses:

| | | |
|---------------------------|-------------------|-------------------|
| Bank Interest | 63,324,926 | 55,544,815 |
| Bank Charges & Commission | 2,319,210 | 947,102 |
| Lease Rental Charge | - | 161,322 |
| Total | 65,644,136 | 56,653,239 |

→ Out of the above, Tk. 3,23,23,687 represents the interest on Term Loan Of HSBC.

Saiham Textile Mills Ltd.

| | | Amount in Taka | |
|-----------|--|----------------------|----------------------|
| | | June 30, 2015 | June 30, 2014 |
| 30 | Non-Operating Income: | | |
| | Interest on FDR | 37,365,556 | 107,383,702 |
| | Interest on FDR (Accrued) | 28,756,067 | - |
| | Interest on Brac Bank & others. | 750,504 | 672,826 |
| | Office Rent | 1,776,000 | 1,776,000 |
| | Total | 68,648,127 | 109,832,528 |
| 31 | Net Assets Value (NAV) Per Share: | | |
| | Total Assets | 4,448,147,476 | 4,355,123,385 |
| | Less: Total outside liabilities | 2,041,321,353 | 1,915,532,957 |
| | Net Assets Value | 2,406,826,123 | 2,439,590,428 |
| | Divided by number of Ordinary Shares | 75,000,000 | 75,000,000 |
| | Net Assets Value (NAV) Per Share | 32.09 | 32.53 |
| 32 | Earnings Per Share (EPS): | | |
| | Net profit after tax | 79,735,695 | 210,737,408 |
| | Divided by weighted average number of shares | 75,000,000 | 75,000,000 |
| | Earnings Per Share (EPS) | 1.06 | 2.81 |
| 33 | Related party Transaction: | | |
| | The company in normal course of business carried out a number of transactions with other entities that fall within the definition of related party contained in Bangladesh Accounting Standard -24: "Related Party Disclosures". Total Statement of Financial exposure with the related parties as on 30, June 2015 is as follows: | | |
| | | | |

| Name of the related party | Relationship | Nature of transaction | 30.06.15 | 30.06.14 |
|----------------------------|-----------------|--------------------------|-------------|-------------|
| Faisal Spinning Mills Ltd. | Common Director | Loan of raw cotton & PSF | 180,552,622 | 144,980,744 |
| Saiham Cotton Mills Ltd. | Common Director | Loan of raw cotton | 55,457,754 | 113,978,947 |
| Saiham Knit Composite Ltd. | Common Director | Sale of Yarn | | 532,263 |
| Mrs. Momena Begum | Share holder | Short term loan | 17,500,000 | 17,500,000 |

34 Disclosure 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
Employees Position as on June 30, 2015

| Salary Range (Monthly) spinning unit | Officers & Staffs | | | Total |
|--------------------------------------|-------------------|----------------|------------|------------|
| | Head Office | Factory Office | Workers | Employees |
| Below 3,000 | - | - | | - |
| Above 3,000 | 20 | 98 | 598 | 716 |
| | 20 | 98 | 598 | 716 |

Melange Unit:

| Salary Range (Monthly) Melange unit | Officers & Staffs | | | Total |
|-------------------------------------|-------------------|----------------|------------|------------|
| | Head Office | Factory Office | Workers | Employees |
| Below 3,000 | | | | - |
| Above 3,000 | 2 | 76 | 544 | 622 |
| | 2 | 76 | 544 | 622 |

Disclosure as per requirement of Schedule XI, Part II, Para 4

Directors' Remuneration:

| Name of Director | Designation | Remuneration | Festival Bonus | Total |
|------------------|-------------------|----------------|----------------|----------------|
| Mr. S.M. Faisal | Managing Director | 960,000 | Nil | 960,000 |
| | | 960,000 | | 960,000 |

Saiham Textile Mills Ltd.

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

Details of Production Capacity utilization :

| Particulars | In Lac | | % of Achievement | % of Shortfall |
|-----------------------|--------------------|-------------------|------------------|----------------|
| | Installed Capacity | Actual Production | | |
| Yarn (Spinning unit) | 32.00 Kg | 26.10 Kg | 81.56 | 18.44 |
| Yarn (Melange unit) | 48.00Kg | 38.61Kg | 80.44 | 19.56 |

C. Disclosure as per requirement of Schedule XI, Part II, Para 7

Value of raw cotton, Polyester Staple Fiber, Packing materials and Spares parts

| Particulars | Opening | Import | Local | Total | consumption | % of |
|-------------|---------|--------|----------|----------|-------------|-------------|
| | | | Purchase | Purchase | | consumption |

Spinning unit:

| | | | | | | |
|------------------------|-------------|---------------|------------|---------------|-------------|--------|
| Raw cotton | 306,314,769 | 42,196,583 | 3,045,105 | 351,556,457 | 147,459,064 | 41.94% |
| Polyester Staple Fiber | 11,883,504 | 182,482,255 | 47,666,027 | 242,031,786 | 240,902,857 | 99.53% |
| Packing Materials | 2,704,012 | - | 7,262,723 | 9,966,735 | 8,511,466 | 85.40% |
| Spare parts | 14,804,555 | - | 9,789,050 | 24,593,605 | 7,448,370 | 30.29% |
| Melange unit: | | | | | | |
| Raw cotton | 369,825,414 | 1,271,269,392 | 42,905,851 | 1,684,000,657 | 791,743,973 | 47.02% |
| Viscose | 23,741,550 | - | - | 23,741,550 | 12,091,234 | 50.93% |
| Packing Materials | 994,088 | - | 12,757,236 | 13,751,324 | 12,536,373 | 91.16% |
| Spare parts | 8,397,252 | - | 8,155,061 | 16,552,313 | 11,385,417 | 68.78% |
| | | - | | - | | |

D. Events after reporting period:

Except the fact stated above, no circumstances have arisen since the Financial Position adjustment to or

→ Disclosure in the financial statements or notes thereto.

→ General:

→ All shares have been fully called and paid up.

→ There was no preference shares issued by the company.

→ There was no bank guarantee issued by the company on behalf of their directors or the company itself except bank loans.

→ No commission was paid to sales agents.

→ No brokerage was paid against sales during the year under audit.

→ The company has not incurred any foreign currency against royalties, technical fees etc.

→ There was no sum for which the company contingently liable as on 30-06-2015.

→ During the year, the Board of Directors of the company holds 08 meetings.

→ Auditors' are paid only statutory audit fee approved by the shareholders in the last Annual General Meeting.

There has no claim against the company not acknowledged as debt at the date of Financial Position. No amount of money was spent by the company for compensating any member of the Board of special service rendered.

Saiham Textile Mills Limited

Property, Plant and Equipment (Spinning unit)

For the year ended June 30, 2015

Annexure - A

| Particulars | Cost | | Rate of dep. (%) | Depreciation | | Written down value as at 30th June, 2015 |
|---------------------------------------|----------------------|--------------------------|------------------|-----------------------------|-------------------------|--|
| | As at 1st July, 2014 | Addition during the year | | Total as at 30th June, 2015 | Charged during the year | |
| Land & Land Development | 1,952,265 | - | - | - | - | 1,952,265 |
| Factory Building & Other Construction | 46,642,339 | 571,413 | 5 | 868,839 | 30,420,099 | 16,793,653 |
| Building Office Space | 17,380,400 | - | 5 | 672,431 | 4,604,208 | 12,776,192 |
| Plant & Machineres | 583,334,814 | 29,801,089 | 7.5 | 15,222,056 | 410,496,659 | 202,639,244 |
| Furniture & Fixtures | 3,758,036 | 15,360 | 10 | 87,559 | 2,977,688 | 795,708 |
| Motor Vehicles | 7,654,942 | 750,000 | 15 | 140,123 | 7,235,915 | 1,169,028 |
| Sundry Assets | 9,328,455 | 89,012 | 10 | 206,146 | 7,517,641 | 1,899,826 |
| Office Equipments | 3,584,277 | 2,734,285 | 10 | 335,190 | 1,934,704 | 4,383,858 |
| Sub-Total (a) | 673,635,528 | 33,961,159 | | 17,532,343 | 465,186,913 | 242,409,774 |

(b) Revaluation:

| Particulars | Cost | | Rate of dep. (%) | Depreciation | | Written down value as at 30th June, 2015 |
|---------------------------------------|----------------------|--------------------------|------------------|-----------------------------|-------------------------|--|
| | As at 1st July, 2014 | Addition during the year | | Total as at 30th June, 2015 | Charged during the year | |
| Land & Land Development | 114,647,735 | - | - | - | - | 114,647,735 |
| Factory Building & Other Construction | 160,640,988 | - | 5 | 6,977,090 | 28,076,280 | 132,564,708 |
| Building Office Space | 34,229,830 | - | 5 | 1,486,698 | 5,982,573 | 28,247,257 |
| Plant & Machineres | 329,368,472 | - | 7.5 | 19,947,282 | 83,351,999 | 246,016,473 |
| Motor Vehicles | 1,053,862 | - | 15 | 101,364 | 479,469 | 574,393 |
| Sub-Total (b) | 639,940,887 | - | | 28,512,433 | 117,890,320 | 522,050,567 |
| Grand Total (a+b) | 1,313,576,415 | 33,961,159 | | 46,044,776 | 583,077,233 | 764,460,341 |

Depreciation Charge to :

| | |
|-------------------------|-------------------|
| Cost of Production | 43,015,266 |
| Administrative Expenses | 3,029,510 |
| Total | 46,044,776 |

Saiham Textile Mills Limited (Melange unit)

Property, Plant and Equipment
For the year ended June 30, 2015

(a) Cost:

| Particulars | Cost | | | Rate of dep. (%) | Depreciation | | | Written down value as at 30th June, 2015 |
|---------------------------------------|-------------------------|--------------------------|-----------------------------|------------------|----------------------|-------------------------|-----------------------------|--|
| | As at 1st July, 2014 | Addition during the year | Total as at 30th June, 2015 | | As at 1st July, 2014 | Charged during the year | Total as at 30th June, 2015 | |
| | Land & Land Development | 50,685,000 | - | | 50,685,000 | - | | |
| Factory Building & Other Construction | 243,410,228 | 913,588 | 244,323,816 | 5 | 9,309,877 | 11,727,858 | 223,286,081 | |
| Plant & Machineries | 1,139,115,381 | 6,092,388 | 1,145,207,769 | 7.5 | 85,366,154 | 79,259,657 | 980,581,958 | |
| Furniture & Fixtures | 80,500 | 306,095 | 386,595 | 10 | 8,050 | 22,550 | 355,995 | |
| Motor Vehicles | 6,915,934 | | 6,915,934 | 15 | 1,037,390 | 881,782 | 4,996,762 | |
| Sundry Assets | 37,770 | 74,865 | 112,635 | 10 | 3,129 | 7,207 | 102,299 | |
| Office Equipments | 1,721,250 | 135,200 | 1,856,450 | 10 | 120,748 | 166,810 | 1,568,892 | |
| Sub-Total (a) | 1,441,966,063 | 7,522,136 | 1,449,488,199 | | 95,845,348 | 92,065,863 | 1,261,576,988 | |

Depreciation Charge to :

| | |
|-------------------------|-------------------|
| Cost of Production | 90,987,515 |
| Administrative Expenses | 1,078,349 |
| Total | 92,065,863 |

Saiham Textile Mills Ltd.

Statement of Trade Debtors :

Annexure - C

| Particulars | Particulars | 30.06.15 | 30.06.14 |
|----------------------------------|----------------------------------|--------------------|--------------------|
| Alim Knit (BD) Ltd | - | 1,738,121 | - |
| All Rounder Knitwear | - | 635,250 | - |
| Appollo Faishan Ltd | - | 4,966,500 | - |
| Boney & Boney Apperals(Pvt) Ltd | - | 240,240 | - |
| Chorka Textile Ltd | - | 611,380 | - |
| Confidence Knitting Ind.ltd | - | 889,023 | - |
| Dress up Ltd | - | 1,614,421 | - |
| Fabian Apperals Ltd | - | 4,851,000 | - |
| Fair Appareals Ltd | - | 219,450 | - |
| York Fashion Ltd. | - | 2,693,537 | - |
| Masud & Brothers | - | 1,926,540 | - |
| Dekko Apparels Ltd. | - | 17,123,250 | - |
| S.B. Knitting Ltd. | - | 10,010,000 | - |
| Yolk Apparels Ltd. | - | 4,484,057 | - |
| Roton Enterprise | - | 9,599,475 | - |
| Graphics Textiles Ltd. | - | 170,940 | - |
| Nukta Fabrics | - | 2,002,000 | - |
| Trams Composit Ltd. | - | 2,075,150 | - |
| P.N Enterprise | - | 13,048,459 | - |
| Muazuddin Textile Ltd. | - | - | 11,042,763 |
| Saiham Knit Composite ltd | - | - | 532,263 |
| Multifabs Ltd. | - | - | 9,016,700 |
| Tean-T Shart fashion Ltd | - | - | 545,352 |
| Uttara Knitwear Ltd | - | - | 724,378 |
| Z.S Knit Fabrics Ltd | - | - | 2,203,894 |
| Zaf Sweater and Garment Ltd | - | - | 3,187,800 |
| Confidence Knitwear Ind. Ltd. | Confidence Knitwear Ind. Ltd. | 945,637 | 1,191,190 |
| Smart Knit Wears Ltd. | Smart Knit Wears Ltd. | 10,020,000 | 15,831,599 |
| Fabian Apperals Ltd | Fabian Apperals Ltd | 3,977,435 | 7,946,554 |
| Aswad Composite Mills Ltd | Aswad Composite Mills Ltd | 22,042,000 | 860,860 |
| Master Textile mills Ltd | Master Textile mills Ltd | 308,323 | 1,627,587 |
| M.S Attires Ltd | M.S Attires Ltd | 5,215,172 | 654,500 |
| Zayantex Ltd | Zayantex Ltd | 212,790 | 451,605 |
| Adury Apperals | Adury Apperals | 4,158,000 | 2,883,650 |
| Adury Knit Composite Ltd | Adury Knit Composite Ltd | 4,978,050 | 33,552,750 |
| Alema Textile Mills Ltd | Alema Textile Mills Ltd | 275,429 | 12,746,258 |
| All Rounder Knitwear | All Rounder Knitwear | 112,805 | 3,443,825 |
| Apperals-21 Ltd | Apperals-21 Ltd | 1,282,820 | 6,431,425 |
| Beget Knit wear Ltd | Beget Knit wear Ltd | 283,206 | 1,771,770 |
| BG Collection Ltd | BG Collection Ltd | 82,390 | 6,538,450 |
| Comfit Composite Knit Ltd | Comfit Composite Knit Ltd | 1,139,600 | 1,730,691 |
| Confidence Knitting Ind.ltd | Confidence Knitting Ind.ltd | 1,158,465 | 1,846,075 |
| Fakir Fasion Ltd | Fakir Fasion Ltd | 1,951,026 | 8,010,112 |
| Farida Garments Pvt. Ltd | Farida Garments Pvt. Ltd | 2,677,290 | 5,829,285 |
| Four Knit wear Ltd | Four Knit wear Ltd | 7,443,783 | 2,125,200 |
| IFS Textwear Pvt Ltd. | IFS Textwear Pvt Ltd. | 1,563,100 | 30,575,667 |
| Jahara Fashion Ltd | Jahara Fashion Ltd | 3,863,090 | 815,238 |
| Libas Knit Wear Ltd | Libas Knit Wear Ltd | 109,725 | 17,789,439 |
| Lithe Apperals Ltd | Lithe Apperals Ltd | 322,861 | 4,373,600 |
| Mouchak Knit Composite Ltd | Mouchak Knit Composite Ltd | 15,152,291 | 2,893,660 |
| Naz Knitwear Ltd | Naz Knitwear Ltd | 31,878 | 14,311,220 |
| Niagara Textiles Ltd | Niagara Textiles Ltd | 1,351,543 | 1,086,085 |
| OISHI Fashion (pvt) Ltd | OISHI Fashion (pvt) Ltd | 35,574 | 9,599,590 |
| Oli Knitting Fabrics Ltd. | Oli Knitting Fabrics Ltd. | 1,374,373 | 44,399,663 |
| Pattarrumadathil Design Ltd. | Pattarrumadathil Design Ltd. | 618,117 | 6,266,837 |
| Sadma Fashion Wear Ltd | Sadma Fashion Wear Ltd | 1,203,125 | 19,122,950 |
| Scandax Textile Industries Ltd. | Scandax Textile Industries Ltd. | 37,114 | 40,518,170 |
| Seacotex Fabrics Ltd. | Seacotex Fabrics Ltd. | 453,877 | 889,350 |
| Stress Fashion International Ltd | Stress Fashion International Ltd | 929,198 | 103,411 |
| Suborna Bangladesh Ltd | Suborna Bangladesh Ltd | 979,980 | 2,367,750 |
| Taqwa Fabrics Ltd | Taqwa Fabrics Ltd | 35,514,045 | 5,522,825 |
| Total | | 210,702,900 | 343,361,989 |

Saiham Textile Mills Ltd.

Statement of Liabilities for Goods:

Annexure-D

| Particulars | L/C No. | Date | 30-06-15 | 30-06-14 |
|---------------------------|-------------------|------|----------------------|--------------------|
| Raw Cotton | DBL-10076 | | 48,026,927 | - |
| Raw Cotton | EBL-90132 | | 29,755,325 | - |
| Raw Cotton | HSBC-13640 | | 39,600,855 | - |
| Raw Cotton | EBL-90162 | | 48,784,636 | - |
| Raw Cotton | EBL-90162 | | 82,595,681 | - |
| Raw Cotton | HSBC-DCDAK-414275 | | 41,248,083 | - |
| Raw Cotton | HSBC-DCDAK-415834 | | 63,467,720 | - |
| Raw Cotton | HSBC-DCDAK-415454 | | 65,038,122 | - |
| Raw Cotton | HSBC-DCDAK-501838 | | 63,352,769 | - |
| Raw Cotton | HSBC-DCDAK-502827 | | 61,914,216 | - |
| Raw Cotton | EBL-147815990046 | | 9,099,469 | - |
| Raw Cotton | EBL-147815990074 | | 9,157,042 | - |
| Raw Cotton | EBL-147815990104 | | 24,823,102 | - |
| Raw Cotton | EBL-147815990072 | | 54,048,016 | - |
| Raw Cotton | HSBC-DCDAK-504160 | | 66,555,286 | - |
| Raw Cotton | EBL-147815990127 | | 77,253,554 | - |
| Raw Cotton | DBL-14153020033 | | - | 74,932,965 |
| Raw Cotton | DBL-14153020003 | | - | 82,277,482 |
| Raw Cotton | DPCDAK-430760 | | - | 83,565,060 |
| Raw Cotton | DPCDAK-431460 | | - | 21,777,506 |
| Raw Cotton | EBL-147814990031 | | - | 85,957,045 |
| PSF | DBL-1415402002 | | - | 22,939,937 |
| PSF | DPCDAK-430844 | | - | 23,235,521 |
| PSF | DPCDAK-402112 | | - | 11,461,657 |
| PSF | EBL-147814990151 | | 10,173,782 | - |
| PSF | HSBC-DCDAK-415460 | | 10,019,329 | - |
| PSF | HSBC-415460 | | 9,719,946 | - |
| PSF | HSBC-DCDAK-501328 | | 17,448,188 | - |
| PSF | HSBC-DCDAK-502652 | | 7,849,398 | - |
| PSF | HSBC-DCDAK-502652 | | 7,616,007 | - |
| PSF | EBL-147815990083 | | 17,112,140 | - |
| Spare-parts | EBL-147814021620 | | 9,141,178 | - |
| Spare-parts | EBL-147814011375 | | 1,722,886 | - |
| Spare-parts | EBL-147814012008 | | 707,100 | - |
| Spare-parts | EBL-147814011786 | | 233,700 | - |
| Spare-parts | EBL-147814011829 | | 1,920,610 | - |
| Spare-parts | EBL-147814011427 | | 840,603 | - |
| Spare-parts | EBL-147814012001 | | 916,663 | - |
| Spare-parts | EBL-147814012087 | | 848,713 | - |
| Spare-parts | EBL-147814021612 | | 1,884,106 | - |
| Spare-parts(Machinery) | EBL-147814021009 | | 1,176,524 | - |
| Spare-parts(Machinery) | EBL-147814021007 | | 2,289,791 | - |
| Faisal Spinning Mills Ltd | | | 180,552,622 | 144,980,744 |
| Saiham Cotton Mills Ltd | | | 55,457,754 | 113,978,947 |
| Total | | | 1,122,351,843 | 665,106,864 |

The liabilities against imported Raw Cotton , P.S.F& spare-parts is to be adjusted subsequently.



Saiham Textile Mills Ltd.

Asset RoseDale, House # 2, Road # 55, Gulshan-2, Dhaka - 1212.

PROXY FORM

I/We.....of.....
being a shareholder of **Saiham Textile Mills Limited** and entitled to vote hereby appoint Mr. /Mrs. / Miss
..... as my / our proxy to attend and vote for me / us and on my /
our behalf at the 34th ANNUAL GENERAL MEETING of the Company to be held on Sunday, December 20, 2015 and /or
at any adjustment thereof.

As witness my/ our hand this _____ day of _____ 2015

Tk. 20

(Signature of the Shareholder)

(Signature of Proxy)

Folio No. / BO ID No.

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

No. of Shares held _____

Dated _____

Note:

01. A member entitled to attend and vote at the meeting may appoint any person as his / her Proxy to attend and vote on his / her behalf.
02. Proxy Form With Stamp must be deposited at the Company's Dhaka Office before 48 hours of the meeting.



Saiham Textile Mills Ltd.

Asset RoseDale, House # 2, Road # 55, Gulshan-2, Dhaka - 1212.

ATTENDANCE SLIP

I / we hereby record my / our attendance at the 34th ANNUAL GENERAL MEETING of the Company being held on
Sunday, December 20, 2015 at 11.30 A.M. at Factory Premises, Noyapara, Saiham Nagar, Madhabpur, Habiganj.

Folio No. / BO ID No.

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

No. of Shares held

Dated _____

(Signature of Proxy)

(Signature of the Shareholder)

N.B.: Please present this slip duly signed at the entrance of the Meeting Place.

Dhaka Office: Asset RoseDale, House # 2, Road # 55, Gulshan-2, Dhaka - 1212.
Phone : 9862284, 9863323, 9887441, Fax : 880-29894607, 8826254
E-mail : info@saiham.com, Website : www.saiham.com