

Annual Report **2017-2018**



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, 2018.

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, 2018 along with notes thereon of **Saiham Textile Mills Ltd.** for your kind information and records.

Thank you,

Yours Sincerely,



(Md. Neyamat Ullah)
Company Secretary



Saiham Textile Mills Ltd.

Views of 36th Annual General Meeting



Board of Directors



S. F. A. M. Shahjahan
Chairman



S. M. Faisal
Managing Director



Engr. Syed Ishtiaq Ahmed
Director



Syed Shafqat Ahmed, MBA
Director



Mrs. Yasmin Faisal
Director



Mrs. Rio Aziza Salim
Director

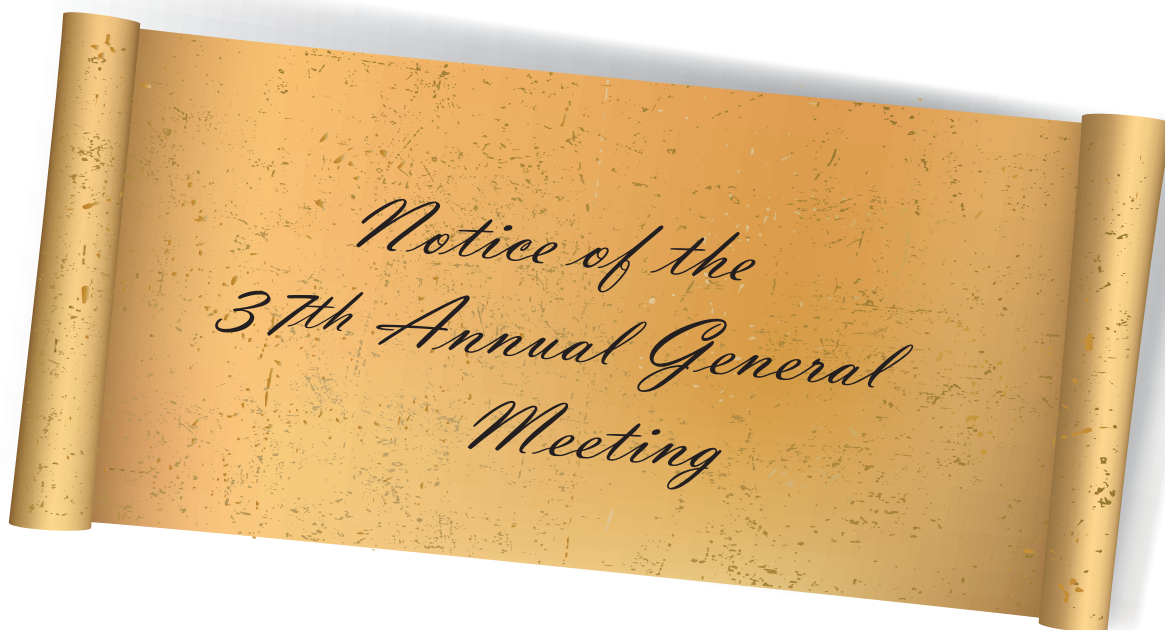


Syed Nasir Uddin Haider
Independent Director



Mohammed Nazmul Hossain, FCA
Independent Director

Saiham Textile Mills Ltd.



Saiham Textile Mills Ltd.

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


Notice of the 37th Annual General Meeting

Notice is hereby given that the 37th Annual General Meeting of Saiham Textile Mills Ltd. will be held on December 18, 2018 at 11.00 A.M. at Mills 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, 2018 together with Auditors' and Director's reports thereon.
2. To declare Dividend.
3. To elect Directors.
4. To Approve the Appointment of Independent Director.
5. To appoint Auditors and fix their remuneration.
6. To appoint statutory Auditors for compliance of corporate governance code and fix their remuneration.
7. Miscellaneous.

By order of the Board

Dated: Dhaka
October 24, 2018


(Md. Neyamat Ullah)
Company Secretary

Notes:

1. The Shareholder's whose name will appear in the Share Register of the Company and/or Depository Register of CDBL as on record date, November 15, 2018 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.
4. The Annual Report and Proxy Form are available in the website of the Company www.saihamtextile.com.

Management Apparatus

BOARD OF DIRECTORS

S. F. A. M. Shahjahan
Chairman

S. M. Faisal
Managing Director

Engr. Syed Ishtiaq Ahmed
Director

Syed Shafqat Ahmed, MBA
Director

Mrs. Yasmin Faisal
Director

Mrs. Rio Aziza Salim
Director

Syed Nasir Uddin Haider
Independent Director

Mohammed Nazmul Hossain FCA,
Independent Director

AUDIT COMMITTEE

Syed Nasir Uddin Haider
Chairman

Syed Shafqat Ahmed, MBA
Member

Mrs. Rio Aziza Salim
Member

Md. Neyamat Ullah
Member Secretary

MANAGEMENT TEAM

Company Secretary
Md. Neyamat Ullah

Chief Financial Officer
Md. Abu Bakar Siddique

Head of Internal Auditor
Md. Mostafa Kamal

NOMINATION & REMUNERATION COMMITTEE

Syed Nasir Uddin Haider
Chairman

Mrs. Yasmin Faisal
Member

Syed Shafqat Ahmed, MBA
Member

Md. Neyamat Ullah
Member Secretary

Saiham Textile Mills Ltd.

Registered Office	:	Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj -3333
Dhaka Office	:	Saiham Tower, House # 34 (11 th Floor) Road # 136, Gulshan-1, Dhaka-1212
Telephone	:	9862284, 9863323, 9887441
Fax	:	9894607, 9846254
E-mail	:	share@saiham.com
Website	:	www.saihamtextile.com
Auditors	:	Rahman Mostafa Alam & Co. Chartered Accountants Box Culvert Road 65/2/1, Purana Paltan, Dhaka-1000
Legal Advisor	:	Md. Shamsul Haque Flat # 9 B, (10 th Floor) Fayanaz Property 37/2, Purana Paltan, Dhaka-1000
Principal Banker's	:	HSBC Limited. Dhaka Main Office, 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 158/160, Motijheel C/A, Dhaka-1000
Insurance Company's	:	Green Delta Insurance Company Limited. 51-52, mohakhali C/A, Dhaka-1212 Prime Insurance Company Limited. 63, Dilkusha C/A, Dhaka-1000 Islami Insurance Bangladesh Limited. Malibagh Branch, Dhaka-1217 Union Insurance Company Limited. 65/2/1, Box Culvert Road Purana Paltan, Dhaka -1000
Factory	:	Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj -3333

Our Vision

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



Our Mission

- Trust : Preserve the faith and goodwill of all our shareholders, buyers, suppliers and the society at large.
- For the Society : Contribute to the well being of the society in general by acting as a responsible corporate citizen.
- Our Goal : Long term maximization of Shareholders value in a society responsible manner.

Factory Highlights



MESSAGE FROM THE CHAIRMAN

Distinguished Shareholders

On behalf of the Board of Directors, I welcome you all and take immense pleasure and delight in addressing the 37th Annual General Meeting of the company. I also want to thank you the honorable shareholders for joining us to make the event successful.

With pleasure I present the report of the Board of Directors the Audited Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and other Financial Statements of the company for the year ended June 30, 2018. This Annual Report has been prepared in compliance with Companies Act 1994, Financial Institutions Act 1993 and the Guidelines issued by Bangladesh Securities and Exchange Commission and other regulatory authorities. We eagerly wait for this day to get the opportunity to meet with all of you, discuss on the performance of the concerned year of the company and sharing the views of each other and thus getting guideline and inspiration for the days to come. I assumed that to the changed situation more obligations has been created on us on behalf of the valued shareholder in respect of last 36th AGM and to offer them assurance of our sincerity in maintaining operational results up to their expectations at present as well as in future.

Every journey creates milestones reminiscent of the fact that there is steady progression towards attaining the vision for the future. Having embarked on the saiham journey last year, we have made creation and to achieve the remarkable dream of transforming Saiham into a new-age customer centric & future-ready organisation. With the country getting younger every day and with the rising aspirations of emerging bangladesh, it is our endeavour to contribute to the manufacturing-led job intensive growth of our nation. In line with our ambitions to emerge as a leading manufacturer of yarn, with an unprecedented cost competitiveness in global markets. At Saiham, we are at the cusp of transformation today. As we continue to shape our future and build sustainable competitive advantage through our products, brand, and enabling platforms. It is imperative that we embrace customer centricity which is now at the heart of Saiham.

The company is value-driven and there is conscious implementation of gender-equality. We are following the Corporate Governance guidelines meticulously and there is transparency in all our dealings and decision making. All processes are validated through the ISO 9001 systems of Quality Management.

I on behalf of the Board would like to express my sincere thanks to the respected shareholders for their overwhelming trust and confidence that helped to uncompromisingly pursue an agenda that was in the long-term interest of the Company. 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.

Thanking you

Regards



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

DIRECTOR'S 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, 2018 along with the audited financial statements and auditors' report thereon.

BACKGROUND

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

REVENUE

The year 2017-18 was a year of consolidation for our Company. During the year under review, Company showcased its operational excellence along with consistent financial performance on the top line. Against the backdrop of challenging market environment, Company's business continues to track ahead satisfactorily on the back of dynamic response to market trends, enduring buyer satisfaction with strong product portfolio.

In Spite of rough market condition as narrated in industry scenario, the company is able to overcome the challenges posed by competitive forces during the year. Thus during the year under review, our Company's turnover increased to Tk. 2,178 million as against Tk. 1,529 million recorded in the previous year. Company's performance was much better and earned higher profit for the year 2017-2018. This is mainly due to cost reduction measures that were adopted by the Company to earn higher profit during the year. By maintaining production and quality of the product Company achieved reasonable profit after tax of Tk. 109.17 as against Tk. 92.38 recorded in the previous year.

Financial Result and Appropriation of Profit:

Particulars	2018	2017
Net Profit after tax	109,175,886	92,381,746
Add: Previous year's surplus	403,498,967	372,588,025
Add: Adjustment of revaluation of P.P.E	23,106,228	24,779,196
Add: Transfer from general reserve	2,764,589	-
Profit available for appropriation	538,545,670	489,748,967
Recommended for appropriations:		
Cash Dividend	(108,675,000)	(43,125,000)
Stock Dividend	-	(43,125,000)
Total	429,870,670	403,498,967

Segment-wise or product-wise performance

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

Industry outlook and possible future developments in the industry

The year 2017-18 has been a year of major challenges faced by the spinning industry, almost year long downtrend in Selling prices, coupled with wide fluctuations in cotton prices. Market demand for yarn was also continuously subdued which forced many units to reduce the working days and lower their production for export orders from global retail giants. Quality constraint is observed to be the primary reason for such industry behavior. High trash content, rampant adulteration and abnormal moisture content was observed in Cotton. It could be a threat to the entire textile value chain. This has posed additional challenge to procure cotton at competitive costs therefore Bangladesh still to be depend on the US, West Africa and Australia for supply of quality fibre.

Saiham Textile Mills Ltd.

Spinning mills are under continuous stress. Spinning is feeder industry to weaving and knitting sectors, its fortunes mainly depend upon the dynamics of those sectors. This will naturally have a cascading effect on the spinning sector, which feed the weaving and knitting sectors.

The future outlook for cotton spinning industry looks positive. Remunerative prices are expected to improve the cotton supply situation in Bangladesh in the next one year. While domestic demand will be supported by a consumption recovery for the Bangladesh economy, a better economic outlook for most of textile trade partners and restoration of export incentives. Besides, supply coming on-stream will be slower in fiscal 2019, which will aid the operating margins of spinners due to higher pricing flexibility. The strong capacity additions over the past 2-3 years, though, will restrict the margins from breaching the levels attained in fiscal 2019.

Risks and concerns

The Financial Year 2017-18 witnessed high volatility in cotton prices and sluggish demand for yarn products both in domestic and international markets. Cotton prices were uneconomical in relation to market price of yarn. Surplus production, uneconomical exports and reduced demand for medium quality yarn in the domestic market are some of the reasons for the lower performance of the industry. These circumstances have created challenges of shifting towards new value added products, selling at higher price or premium price for the better quality of yarn, better productivity and enhancing marketing strategies for evolution of new markets. Exports at the present juncture at uneconomical prices also aggravated situation due to competition from other developing countries like India, Indonesia, Vietnam and Philippines etc.

Our Company has devised risk management policy which involves identification of the risks associated with the business risks as well as the financial risks, its evaluation, monitoring, reporting and mitigation measures. Audit Committee and the Board of Directors of the Company refined the risk management policy of the Company so that the management controls the risk through properly defined frame work. Heads of departments are responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and the Audit Committee. Details of the risk management mechanism and key risks faced by the Company are enumerated in the risk management policy.

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

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

Particulars	June 30, 2018	June 30, 2017
Cost of goods sold	191,63,81,278 (87.98%)	129,79,95,301 (84.86%)
Gross profit	26,17,38,429 (12.02%)	23,16,39,684 (15.14%)
Net profit for the year	10,91,75,886 (5.01%)	9,23,81,746 6.04%)

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. 27 of the notes to the financial statements.

Variance within the financial year

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

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 June 30, 2018 Chief officer has given the declaration which is shown on page no. 36 of the report.

Books of Accounts

Proper books of accounts of the company were maintained.

Accounting Policies

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

Application of BAS and IFRS

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

Internal control systems and their adequacy

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

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

Environment Protection, Health and Safety

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

Going Concern

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

Board of Directors

i. Composition and size of the Board

On the 30th June 2018, there were 8 members on the Board; The Board comprises Chairman, Managing Director, four directors and two Independent directors.

ii. Board meeting and attendance:

The Board met 8 times during the period from July 01, 2017 to June 30, 2018. Following table shows the attendance of directors in the meeting.

Saiham Textile Mills Ltd.

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.

Name of Directors	Number of Board Meeting held during the financial year ended 30.06.2018	Number of Board Meeting attended	Remarks
Mr. S. F. A. M. Shahjahan	7	7	
Mr. S. M. Faisal	7	7	
Mrs. Yasmin Faisal	7	7	
Engr. Syed Ishtiaq Ahmed	7	7	
Syed Shafqat Ahmed ^{MBA}	7	7	
Mrs. Rio Aziza Salim	7	7	
Mr. Mostafa Moin, Independent Director	7	7	
Syed Nasir Uddin Haider, Independent Director	7	7	

DIRECTORS

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

Mr. S. F. A. M. Shahjahan and Engr. Syed Ishtiaq Ahmed, Director retire by rotation from the Board in the 37th Annual General Meeting. Being eligible under Article 117 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

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

S.F.A.M. Shahjahan, Director

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 other Company:	Designation
Saiham Textile Mills Ltd.	Chairman
Saiham Cotton Mills Ltd.	Director
Saiham Knit Composite Ltd	Director

Engr. Syed Ishtiaq Ahmed, Director

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

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

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

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.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee, as a sub-committee of the Board of Director has been constituted with four board of directors with one Independent director as a chairman. The Company Secretary acts as Secretary to the Committee. The Nomination and Remuneration Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive of the company. NRC is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. We have been taking necessary steps to comply with the corporate governance code dated adopted on June 03, 2018.

External Statutory Auditors

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

Website

The company has been maintaining an official website www.saihamtextile.com which is linked with website of the stock exchange.

DIVIDEND

The Board of Directors has recommended 15% cash dividend for the year ended June 30, 2018 (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 15, 2018.

Contribution to the national exchequer

To contribute the economic development of the country and building up the revenues Saiham Textile Mills Ltd. deducts Income Tax, VAT at source from the employees, suppliers, turnover and deposits the same to the National Exchequer regularly. During the year 2017-2018 the company contributed 34.69 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:

Syed Nasir Uddin Haider, Independent Director	: Chairman
Syed Shafqat Ahmed, MBA, Director	: Member
Mrs. Rio Aziza Salim, Director	: Member
Md. Nayamat Ullah, Company Secretary	: Member

Saiham Textile Mills Ltd.

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 ended June 30, 2018 and placed its recommendation to the Board of Directors.

External audit

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

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

Independence of External Auditor

As a policy, the Committee would not allow the external auditors to perform any work that they may subsequently need to audit, or which might otherwise create a conflict of interests. The Committee also monitors the balance between audit and non-audit related functions to ensure that auditor independence can be shown to be maintained. The chief financial officer is permitted to engage the external auditors on matters that do not create such conflicts.

The Audit Committee appraised the expertise, resources, independence and objectivity of external auditor and also reviewed their effectiveness as external auditors before reaching the recommendation to the Board that their re-election should be proposed to shareholders.

Resolutions of the Audit Committee meeting:

The Committee met three times during last financial year 2017-18 to carry out the following tasks:

- The Audit Committee reviewed the financial statements for the year ended June 30, 2018;
- Reviewed and discussed the Management Letter, by external auditor Rahman Mostafa Alam & Co. for the year ended June 30, 2018 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 Malek Siddiqui wali Chartered Accountants, as auditor of the Company for the year to be ended June 30, 2019;
- 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, 2018.

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

Audit Committee Report

The Committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observations in their reports on the draft financial statements of the Company initiated by the auditors for the year ended 30 June 2018. 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/-
(Syed Nasir Uddin Haider)
Chairman
Audit Committee
Saiham Textile Mills Ltd.

Environmental Role

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

Corporate Social Responsibilities

Saiham Textile Mills Ltd. always acknowledges its responsibilities for the well-being of the society and takes part in such activities whenever it becomes necessary. The company provides financial support to different social & cultural organizations and to the distressed people of the society. Contribution to CSR programs have been always supported and encouraged by the Board of Directors of the Company. During the year 2017-2018 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 INDEPENDENT DIRECTOR

The Board of Directors has approved the retirement of Mr. Mostafa Moin from the position of Independent Directors of the company and appointed Mr. Mohammed Nazmul Hossain, FCA as an Independent director of the company on November 01, 2018 subject to approval of shareholders in 37th Annual General Meeting of the company.

Qualification of New Independent Director

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

APPOINTMENT OF AUDITORS

Rahman Mostafa Alam & Co. Chartered Accountants will retire at the 37th Annual General Meeting as auditors of the Company. As per Bangladesh Securities and Exchange Commission (BSEC) rules the retiring Auditors Rahman Mostafa Alam & Co. Chartered Accountants are not eligible for reappointment as Statutory Auditors for 2019 because of fulfillment of 3 years period. After receiving expression of interest from Malek Siddiqui Wali Chartered Accountants

Saiham Textile Mills Ltd.

9 G, Motijheel Commercial Area, Dhak-1000 the Audit Committee recommends appointment of Malek Siddiqui Wali Chartered Accountants as the auditors of the Company for the year 2018-2019. Therefore the board of directors has proposed Malek Siddiqui Wali Chartered Accountants to engage as statutory auditors (subject to approval at the 37th Annual General Meeting).

CORPORATE & FINANCIAL REPORTING:

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

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

Proper books of accounts of the Company have been maintained.

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

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

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

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

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

Pattern of Shareholding

Name wise details	No. of Shares held
Parent/Subsidiary/Associated Companies and other related parties	Nil
Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer Head of Internal Audit and their spouse and minor children:	
Mr. S. F. A. M. Shahjahan Chairman	23,21,513
Mr. S. M. Faisal Managing Director	30,82,747
Engr. Syed Ishtiaq Ahmed Director	78,43,920
Syed Shafqat Ahmed MBA Director	74,93,503
Mrs. Rio Aziza Salim Director	76,15,219
Mrs. Yasmin Faisal Director	20,27,000
Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and minor children	Nil
Executives	Nil
Shareholders holding ten percent (10%) or more voting interest in the Company: ICB	95,47,383

Professionals for Compliance of Corporate Governance Code

The Board has appointed Kazi Zahir Khan & Co. Chartered Accountants, Shamsunnahar complex, 8th floor (2nd lift), Flat- 9B, 31/C/1, Topkhana Road, Segunbagicha, Dhaka 1000 as professional for Report of Compliance Governance Code for the year 2018-2019.

Saiham Textile Mills Ltd.

Key operating and financial data

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

Corporate Governance Compliance Report

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

On behalf of the Board of Directors



(S. M. Faisal)
Managing Director
October 14, 2018

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

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

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

Control activities

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

Information and Communication

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

Monitoring

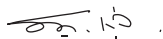
The system of intenal control is monitored regularly through both ongoing activties and separte evaluations. Ongoing monitoring activities are conducted through regular management activities. An Internal audit Team has been set up with six members during the year under review. The internal audit function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

DIRECTOR'S RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Director's of the company are responsible for the integrity and accuracy of the financial statements. The board believes that the financial statement for the year ended on June 30, 2018 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, managements relies on a system of internal accounting control. The system is designed to provide reasonable assurance that assest are safeguarded and transaction are excuted in accordance with the management's authorization and recorded properly to permit the preparation of financial statements in accordance with BAS/BFRS/IFRS. The design of this system recognizes that errors or irregularities may occur and the estimates and gudgements are required to assess the relative cost and expected benefits of the controls. Directors belive that the company's internal accounting controls provide reasonable assurance that errors or irregularities that could be material to that financial statements are prevented or would be detected within a timely period. The Audit Committee of the Board of Directors, which is composed solely of independet directors, is responsible for overseeing the Company's financial reporting process. The Audit Committee meets with management and sees the report of the Company's internal auditors periodically to review the work of each and to monitor the discharge by each of its responsibilities. The independent auditors are engaged to express an opinion on the Company's financial statements and on the Company's internal control over financial reporting. Their opinions are based on procedures that they believe to be sufficient to provide reasonable assurance that the financial statements contain no material errors and that the Company's internal controls are effective.

By order of the Board

Saiham Textile Mills Ltd.



(S.M.Faisal)
Managing Director

Saiham Textile Mills Ltd.

Annexure : I
(Taka in Crore)

The Key Operation and Financial Data : Financial Highlights

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Turnover	217.81	152.96	163.98	174.74	158.44
Gross Profit	26.17	23.16	19.69	16.46	27.26
Net profit after tax	10.91	9.24	7.68	7.97	21.07
Net cash operating activities	1.33	6.82	(30.96)	48.73	10.63
Summary of Balance Sheet					
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Authorized capital	150.00	150.00	150.00	150.00	150.00
Paid-up capital	90.56	90.56	86.25	75.00	75.00
Reserve and surplus	115.74	113.38	110.29	111.19	113.89
Shareholder's equity	244.34	243.95	238.65	230.52	243.95
Deffered tax liabilities	17.19	16.59	15.86	14.82	4.97
Non-current liabilities	25.31	16.59	31.22	54.18	68.54
Current liabilities	226.82	174.27	134.02	157.78	123.00
Fixed Aseets	193.22	187.94	192.95	202.60	212.26
Other Non-current Assets		-	-	-	-
Total Non-current Assets	193.22	187.94	192.95	202.60	212.26
Current Assets	303.25	246.87	210.94	242.21	223.24
Book value per share	10	10.00	10.00	10.00	10.00
Earnings per share	1.21	1.02	0.89	0.92	2.81
Dividend per share:					
Cash	15%	12%	5%	-	15%
Stock -	-	5%	15%	-	
Number of shareholder's	6,205	7,175	7,242	7,331	8,364
Ratios					
Particulars	2017-18	2016-17	2015-14	2014-13	2013-14
Debt to Equity Ratio	1.03	0.78	0.69	0.84	0.79
Current Ratio	1.34	1.42	1.57	1.51	1.81
Gross Profit/Sales (%)	12.02	15.14	12.01	9.46	17.21
Operating/Sales (%)	5.51	5.97	3.65	2.20	10.57
Profit after tax/Sales (%)	5.01	6.04	4.69	4.58	13.30
Return on Asset (%)	2.74	2.91	2.83	2.29	6.06
Return on Equity (%)	5.29	4.53	3.91	4.23	11.16

Saiham Textile Mills Ltd.

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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1	Board of Directors			
1.1	Size of the Board of Directors			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	✓		
1.2	Independent Directors			
1.2(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, any fraction shall be considered to the next integer or hole number for calculating number of independent director(s);	✓		
1.2 (b)	For the purpose of this clause 'independent director' means a director-	✓		
1.2 (b) (i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1.2 (b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	✓		
1.2 (b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1.2 (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1.2 (b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1.2 (b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1.2 (b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1.2 (b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1.2 (b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1.2 (b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.2 (c)	Independent director shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM);	√		
1.2 (d)	The post of independent director cannot remain vacant for more than 90 (ninety) days;	√		
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	√		
1.3	Qualification of Independent Director(ID)			
1.3 (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1.3 (b)	Independent Director shall have following qualifications			
1.3 (b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-		
1.3(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	-		
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	-		
1.3 (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		
1.3 (b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1.3 (d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission;			N/A

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1.4 (b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1.4 (e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1.5	The Directors' Report to Shareholders			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act No. XVIII of 1994):-	√		
1.5 (i)	An industry outlook and possible future developments in the industry;	√		
1.5 (ii)	The Segment-wise or product-wise performance;	√		
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin;	√		
1.5 (v)	A discussion on continuity of any Extra-Ordinary gain or loss;	√		
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.;			N/A
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;			N/A

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.5 (x)	A statement of remuneration paid to the directors including independent directors	✓		
1.5 (xi)	A Statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1.5 (xii)	A Statement that proper books of account of the issuer company have been maintained;	✓		
1.5 (xiii)	A Statement that Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1.5 (xiv)	A Statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;	✓		
1.5 (xv)	A Statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1.5 (xvi)	A Statement that Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1.5 (xvii)	A Statement that there are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	✓		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			N/A
1.5 (xix)	A Statement that the where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			The Board declared dividend
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director shall be disclosed;	✓		
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1.5 (xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.5 (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
1.5 (xxiii)(c)	Executives;	✓		
1.5 (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	✓		
1.5 (xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:	✓		
1.5 (xxiv)(a)	A brief resume of the director;	✓		
1.5 (xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓		
1.5 (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	✓		
1.5 (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1.5 (xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1.5 (xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance and financial position as well as cash flows in absolute figure for such changes;	✓		
1.5 (xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1.5 (xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5 (xxv)(e)	The financial and economic scenario of the country and the globe;	✓		
1.5 (xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	✓		
1.5 (xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	✓		
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.6	Meetings of the Board of Directors			
1.6	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Under Process
2	Governance of Board of Directors of Subsidiary Company			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			N/A
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2 (e)	The Audit Committee of the holding company shall also review the financial Statements, in particular the investments made by the subsidiary company.			N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).-			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3.2	Requirement to attend the Board Meetings			
3.2	The MD or CEO, CS, CFO and HIAC of the companies shall attend the meetings of the Board of Directors provided that the CS, CFO and /or the HIAC shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3 (a)	The MD or CEO and CFO have reviewed financial statements for the year to the best of their knowledge and belief;	✓		
3.3 (a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
3.3 (a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3.3 (b)	This is also certified that no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee			
4	For ensuring good governance in the company, the Board shall have at least following subcommittees:	✓		
4 (i)	Audit Committee;	✓		
4 (ii)	Nomination and Remuneration Committee;	✓		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors;	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.1 (b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5.1 (c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
5.2	Constitution of Audit Committee			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2 (b)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director;	✓		
5.2 (c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2 (d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5.2 (e)	The company secretary shall act as the secretary of the Committee;	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5.3	Chairman of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the chairperson the audit committee, the remaining members may elect one of themselves as chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition 5(4)(b) and the reason of absence or the regular chairperson shall be duly recorded in the minutes.			No such issue
5.3 (c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5.5	Role of Audit Committee shall include the following:			
5.5 (a)	Oversee the financial reporting process;	✓		
5.5 (b)	Monitor choice of accounting policies and principles;	✓		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.5 (d)	Oversee hiring and performance of external auditors;	✓		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.5 (f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓		
5.5 (h)	Review the adequacy of internal audit function;	✓		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5.5 (j)	Review statement of significant related party transactions submitted by the management;	✓		
5.5 (k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	✓		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No such issue
5.6	Reporting of the Audit Committee			
5.6 (a)	Reporting to the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
5.6 (a)(ii)	The Audit committee shall immediately report to the Board of Directors on the following findings, if any;			
5.6 (a)(ii)(a)	Report on conflicts of interests;			No such issue

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.6 (a) (ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			No such issue
5.6 (a) (ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations; and			No such issue
5.6 (a) (ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately			No such issue
5.6 (b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			No such issue
5.7	Reporting to the Shareholders and General Investors			
	Report on activities carried out by Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii) above during the year shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the Board of Directors			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6.1(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6.2	Constitution of the NRC	✓		
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such issue
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such issue
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive any remuneration for any advisory role or otherwise, other than Director's fees or honorarium from the company;	✓		
6.3	Chairperson of the NRC			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such issue
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.			Will attend in upcoming AGM
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
6.5	Role of the NRC			
6.5 (a)	NRC shall be independent and accountable to the Board and shareholders;	✓		
6.5 (b)	NRC shall oversee, among others, the following matters:	✓		
6.5 (b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, considering the following:	✓		
6.5 (b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6.5 (b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	✓		
6.5 (b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6.5 (b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6.5 (b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6.5 (b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6.5 (b)(v)	Identifying the company's needs for employees at different levels;	✓		
6.5 (b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External/Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	✓		
7.1 (i)	Appraisal or valuation services or fairness opinions;	✓		
7.1 (ii)	Financial information systems design and implementation	✓		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7.1 (iv)	Broker-dealer services;	✓		
7.1 (v)	Actuarial services;	✓		

Saiham Textile Mills Ltd.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
7.1 (vi)	Internal audit services or special audit services;	✓		
7.1 (vii)	any service that the Audit Committee determines;	✓		
7.1 (viii)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 9 (1);	✓		
7.1 (ix)	Any other service that creates conflict of interest;	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company			
8.1	The company shall have an official website linked with the website of the stock exchange;	✓		
8.2	The company shall keep the website functional from the date of listing;	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting;			Will be appointed in this 37th AGM
9.3	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	✓		

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

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

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

Dear Sir(s),

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

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

In this regard, we also certify that :-

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

Sincerely yours,



(S.M.Faisal)
Managing Director



Md. Abu Bakar Siddique
Chief Financial Officer (CFO)



KAZI ZAHIR KHAN & CO.

CHARTERED ACCOUNTANTS

কাজী জহির খান এন্ড কোং

চার্টার্ড একাউন্ট্যান্টস।

Annexure- II

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

Report to the Shareholders of SAIHAM TEXTILE MILLS LIMITED on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Saiham Textile Mills Limited** for the year ended on 30th June, 2018. This Code relates to the Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80** dated 3rd June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is highly satisfactory.

Dated: Dhaka
October 21, 2018


A. H. Khan, FCA
Managing Partner
KAZI ZAHIR KHAN & CO.
CHARTERED ACCOUNTANTS

Head Office: Shamsunnahar Complex, 8th Floor (2nd Lift), Flat- 9B, 31/C/1, Topkhana Road, Segunbagicha, Dhaka- 1000,
Tel: 57160824, 57160821 Fax: +880-2-9358166. e-mail: kzkc_bd@yahoo.com,
Branch Office: 281/3, Jafraabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 8113474. e-mail: kazimudco@gmail.com





Auditors' Report
To
The Shareholders' of Saiham Textile Mills Limited

We have audited the accompanying Financial Statements of **Saiham Textile Mills Limited ("the Company")** which comprise the Statement of Financial Position as at June 30, 2018 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 31 and Annexure "A to D".

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the company 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 present fairly, in all material respects, the financial position of Saiham Textile Mills Ltd. as at June 30, 2018 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Securities & Exchange Rules 1987, comply with the applicable section of the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by the law have been kept by the Company so far as it appeared from our examination of these books;
- c) the Statement of Financial Position and the Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the company's business.

Dated: Dhaka
October 24, 2018


Rahman Mostafa Alam & Co.
Chartered Accountants

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited

Statement of Financial Position

As at June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
ASSETS			
Non-current Assets:		1,932,223,618	1,879,452,117
Property, Plant & Equipment- Spinning	3.00	802,888,090	715,840,388
Property, Plant & Equipment- Melange	4.00	1,129,335,528	1,163,611,729
Current Assets:		3,032,528,541	2,468,784,623
Inventories	5.00	1,962,550,900	1,292,180,696
Trade Debtors	6.00	813,737,911	561,697,052
Sundry Receivable	7.00	10,699,872	31,127,784
Advance, Deposits & Prepayments	8.00	75,277,023	62,751,776
Fixed Deposit Receipt	9.00	145,586,609	495,586,609
Cash & Cash Equivalents	10.00	24,676,226	25,440,706
Total Assets		4,964,752,159	4,348,236,740
EQUITY & LIABILITIES			
Shareholders' Equity:		2,443,444,747	2,439,477,927
Share Capital	11.00	905,625,000	905,625,000
Share Premium		727,500,000	727,500,000
General Reserve		-	2,764,589
Revaluation Reserve	12.00	380,449,077	400,089,371
Retained Earnings		429,870,670	403,498,967
Non-current Liabilities:		253,136,828	165,982,619
Term Loan- Prime Bank	13.00	81,249,995	-
Deferred Tax Liability	14.00	171,886,833	165,982,619
Current Liabilities:		2,268,170,584	1,742,776,194
Short Term Loan	15.00	712,429,227	699,642,973
Current Portion of Long Term Loan	16.00	12,500,004	125,606,126
Rights Share money Refundable		15,000	15,000
Liabilities for Goods	17.00	1,508,703,175	874,055,585
Liabilities for Expenses & Others	18.00	34,523,178	26,324,656
Provision for Tax	19.00	-	17,131,854
Total Liabilities		2,521,307,412	1,908,758,813
Total Equity & Liabilities		4,964,752,159	4,348,236,740
Net Assets Value Per Share (NAV)	25.00	26.98	26.94

The annexed notes 1 to 31 and annexure A to 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 24, 2018


Rahman Mostafa Alam & Co.
Chartered Accountants

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited Statement of Profit or Loss and Other Comprehensive Income For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Turnover		2,178,119,707	1,529,634,985
Less: Cost of goods sold	20.00	1,916,381,278	1,297,995,301
Gross Profit		261,738,429	231,639,684
Less: Operating Expenses		141,691,069	140,269,673
Administrative & Marketing Expenses	21.00	79,761,932	68,394,621
Unrealized loss for change in exchange rate of foreign currency		3,543,629	-
Financial Expenses	22.00	58,385,508	71,875,052
Operating Profit		120,047,360	91,370,011
Non-Operating Income	23.00	20,628,337	39,076,490
Others Income	24.00	2,239,380	2,239,380
Profit before WPPF & WWF		142,915,077	132,685,881
Less: Expenses for WPPF & WWF	18.01	6,805,480	6,318,375
Profit before tax		136,109,597	126,367,506
Less: Income tax expenses		26,933,711	33,985,760
Current Tax Expenses	19.01	17,563,563	22,918,759
Deferred Tax Expenses	14.01	9,370,148	11,067,001
Net Profit after tax for the year and total comprehensive Income for the year		109,175,886	92,381,746
Earnings Per Share (EPS) (Basic)	26.00	1.21	1.02

The annexed notes 1 to 31 and annexure A to D form an integral part of these financial statements.

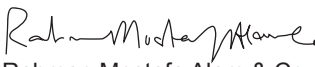

Chairman


Managing Director


Company Secretary

Signed in terms of our separate report of even date.

Dated: Dhaka
October 24, 2018


Rahman Mostafa Alam & Co.
Chartered Accountants

Saiham Textile Mills Ltd.
Statement of Changes in Equity
For the year ended June 30, 2018

Particulars	Share Capital	Share premium of Rights Share	General Reserve	Revaluation Surplus	Retained Earnings	Total
Balance as at July 01, 2016	862,500,000	727,500,000	2,764,589	421,151,688	372,588,025	2,386,504,302
Net profit during the year	-	-	-	-	92,381,746	92,381,746
Adjustment of Revaluation of PPE	-	-	-	(24,779,196)	24,779,196	-
Adjustment for revaluation of PPE and Deferred Tax	-	-	-	3,716,879	(43,125,000)	3,716,879
Cash Dividend for 2015-2016	-	-	-	-	(43,125,000)	(43,125,000)
Stock Dividend for 2015-2016	43,125,000	-	-	-	(43,125,000)	-
Balance as at June 30, 2017	905,625,000	727,500,000	2,764,589	400,089,371	403,498,967	2,439,477,927
Balance as at July 01, 2017	905,625,000	727,500,000	2,764,589	400,089,371	403,498,967	2,439,477,927
Net profit during the year	-	-	-	-	109,175,886	109,175,886
Adjustment of Revaluation of PPE	-	-	-	(23,106,228)	23,106,228	-
Adjustment with Retained Earnings	-	-	(2,764,589)	3,465,934	2,764,589	3,465,934
Adjustment for revaluation of PPE and Deferred Tax	-	-	-	-	(108,675,000)	(108,675,000)
Cash Dividend for 2016-2017	-	-	-	-	-	-
Balance as at June 30, 2018	905,625,000	727,500,000	-	380,449,077	429,870,670	2,443,444,747


Chairman


Managing Director


Company Secretary

Saiham Textile Mills Ltd.

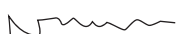
Saiham Textile Mills Ltd.

Saiham Textile Mills Limited Statement of Cash Flows For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
A. Cash Flows from Operating Activities			
Collection from customers & other income		1,971,427,139	1,554,903,356
Payment to suppliers, employees and other expenses		(1,923,425,615)	(1,392,379,623)
Finance cost		-	(71,875,053)
Income tax paid		(34,695,417)	(22,487,751)
Net Cash Provided / (used) by Operating Activities		13,306,107	68,160,929
B. Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(177,471,578)	(75,994,945)
Investment of FDR		350,000,000	(140,000,000)
Net Cash Provided / (used) by Investing Activities		172,528,422	(215,994,945)
C. Cash Flows from Financing Activities			
Loan received during the year		93,567,427	403,355,785
Loan repaid during the year		(113,106,122)	(256,105,870)
Finance cost		(58,385,508)	-
Dividend paid		(108,675,000)	(43,125,000)
Net Cash Provided / (used) by Financing Activities		(186,599,203)	104,124,915
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		(764,674)	(43,709,101)
Cash and Cash Equivalents at beginning of the year		25,440,706	69,149,807
Effects of exchange rate changes on Cash & Cash Equivalent		194	-
Cash and Cash Equivalents at end of the year		24,676,226	25,440,706
Net Operating Cash Flows Per Share (NOCFPS)*		0.15	0.75


Chairman


Managing Director


Company Secretary

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited Notes to the Financial Statements As at and for the year ended June 30, 2018

1. Status and Activities:

1.1 Legal form of the Enterprise:

Saiham Textile Mills Limited was incorporated in Bangladesh on March 27, 1981 as a Public Limited Company under the Companies Act, 1913 (Subsequently repealed by the Companies Act, 1994) and listed with Dhaka Stock Exchange in the month of August, 1988. Head Office of the company is situated at Noyapara, Saiham Nagar, Habigonjand Dhaka office is situated at House # 34 (11th floor), Road # 136, Gulshan-01, Dhaka-1212.

1.2 Issue of Rights Share:

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

The purpose of issuance of Rights Share was to expand the company's 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 ongoing 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

Saiham Textile Mills Ltd.

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, 2018;
- ii) The Statement of Profit or Loss & Other Comprehensive Income for the year ended June 30, 2018;
- iii) The Statement of Cash Flows for the year ended June 30, 2018;
- iv) Statement of Changes in Equity for the year ended June 30, 2018; and
- v) Accounting Policies and explanatory notes the Financial Statements for the year ended June 30, 2018.

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;
- v) Other applicable Rules and Regulation.

2.8 Property, Plant and Equipment (PPE):

Property, Plant and Equipment 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 Equipment 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 Equipment

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 Equipment	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 salable. 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:

Saiham Textile Mills Ltd.

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 whichever is lower

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:

- the enterprise has transferred to the buyer the significant risk and rewards of ownership of the goods;
- the enterprise retains neither continuing managerial involvement to the degree usually associated with ownership of the goods;
- the amounts of revenue can be measured reliably ;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- 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 PerShare (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 "Statement Cash Flows" cash comprises of Cash in hand and Cash at Bank Considering the provisions of BAS – 7 Cash in hand and Bank balances.

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.

Saiham Textile Mills Ltd.

2.17 Borrowing cost:

In compliance with the requirement of BAS – 23 “Borrowing costs” borrowing costs 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 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. 193/Law/income tax/2015 dated 30.06.15 of Income Tax Ordinance 1984.

Deferred Tax:

Deferred tax is recognized on difference between the carrying amount of assets and a liability in the financial statements and the corresponding tax based used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liability are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the profit will be available against which deductible temporary difference, unused tax loses or unused tax credits can be utilities. 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 goods. 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 Labor Act (Amended) 2013 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: “Related Party Disclosures” 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 reflectedn note no-27.

2.25 Reporting period:

These Financial Statements cover the period from July 01, 2017 to June 30, 2018.

2.26 Comparative Figure:

Comparative information has been disclosed in respect of the year 2017 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 2017 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.

		Amount In Taka		
		June 30, 2018	June 30, 2017	
3.00 Property, Plant & Equipment (net of depreciation): Spinning				
Balance as on July 01, 2017		1,387,348,606	1,372,593,164	
Addition during the year		131,080,482	14,755,442	
Total as on June 30, 2018		1,518,429,088	1,387,348,606	
Accumulated depreciation		(671,508,218)	(628,172,190)	
Depreciable value		846,920,870	759,176,416	
Depreciation charged during the year		(44,032,780)	(43,336,028)	
Written down value as on June 30, 2018		802,888,090	715,840,388	
The details of the Property, Plant and equipment have been shown in Annexure - A				
4.00 Property, Plant & Equipment (net of depreciation): Melange				
Balance as on July 01, 2017		1,520,267,834	1,459,028,331	
Addition during the year		46,391,096	61,239,503	
Total as on June 30, 2018		1,566,658,930	1,520,267,834	
Accumulated depreciation		(356,656,105)	(273,919,348)	
Depreciable value		1,210,002,825	1,246,348,486	
Depreciation charged during the year		(80,667,297)	(82,736,757)	
Written down value as on June 30, 2018		1,129,335,528	1,163,611,729	
The details of the Property, Plant and equipment have been shown in Annexure - B				
5.00 Inventories				
Particulars	Quantity	30.06.2018	Quantity	30.06.2017
		Taka		Taka
Raw Materials	24217682 lbs	1,815,193,338	17292086 lbs	1,162,334,405
Stores & Spares	-	23,413,433	-	39,320,244
Packing Materials	-	908,935	-	3,122,548
Work-in-Process	234897 lbs	18,605,506	258668 lbs	23,248,097
Finished Goods (Yarn)	1023235 lbs	104,429,688	635202 lbs	64,155,402
Total		1,962,550,900		1,292,180,696
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 spare-parts & 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.				
6.00 Trade Debtors & Others Receivables				
Aging of Trade Debtors				
Book debts aged upto 90 days		704,161,990		129,134,817
Book debts aged upto 120 days		109,575,921		432,562,235
		813,737,911		561,697,052
Details of Trade Debtors shown in Annexure -C				
7.00 Sundry Receivable				
Accured Interest on F.D.R.		10,522,588		30,950,500
Accured Office Rent (Skyview)		177,284		177,284
		10,699,872		31,127,784
8.00 Advance, Deposits & Prepayments				
Advance	8.01	3,502,720		17,956,074
Deposits	8.02	70,664,293		43,685,692
Pre-payments	8.03	1,110,010		1,110,010
		75,277,023		62,751,776

Saiham Textile Mills Ltd.

Amount In Taka		
	June 30, 2018	June 30, 2017
8.01 Advance		
Opning Balance	17,445,139	84,826,462
Advance Income Tax	2,500,000	4,000,000
Tax at source on FDR	3,674,750	2,804,078
Tax at source on Export	13,719,663	10,217,757
Tax at source on Office Rent	111,972	111,972
AIT against Transport	50,000	297,500
Tax at source on Bank Interest	7,178	13,832
TDS & AIT Paid during the year	20,063,563	17,445,139
Total TDS & AIT Paid	37,508,702	102,271,601
Less: Adjustment with Previous Year Tax	(17,131,854)	-
Less: Adjustment with Current Year Tax	(17,563,563)	(84,826,462)
Closing Balance	2,813,285	17,445,139
Advance against Salary	689,435	510,935
	3,502,720	17,956,074
8.02 Deposits		
Security Deposit	19,052,136	17,287,199
L/C Margin deposit for Raw Cotton, PSF& Spare parts	51,218,848	25,005,184
Deposit against VAT	393,309	393,309
Deposit against Office Rent	-	1,000,000
	70,664,293	43,685,692
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	3,426,815	3,426,815
Jalalabad Gas T&D Systems Ltd	14,538,016	12,773,079
Deposit to Saiham Sky View Tower	60,000	60,000
	19,052,136	17,287,199
8.03 Prepayments		
Insurance Prepaid	1,110,010	1,110,010
	1,110,010	1,110,010
9.00 Fixed Deposit Receipts		
IDLC Finance Ltd.(A/C No. 520) Gulshan	5,000,000	25,000,000
Lanka Bangla Finance FDR no-1220	135,000,000	435,000,000
Delta Brac Housing-(FDR-No 027-128638)	-	30,000,000
FDR with Bank Asia	2,586,609	2,586,609
FDR with Dhaka Bank	3,000,000	3,000,000
	145,586,609	495,586,609
Out of total Taka 145,586,609, Taka 5,586,609 Fixed deposit receipts are lien with Bank asia & Dhaka Bank against bank gurantee and Tk.140,000,000 Fixed deposit receipts are lien money with with HSBC Ltd. Against Term Loan.		
10.00 Cash & Cash Equivalentents		
Cash in Hand	981,398	1,380,499
Cash at Bank	23,694,828	24,060,207
	24,676,226	25,440,706
10.01 Cash in Hand		
Head Office	889,601	699,242
Factory Office	91,797	681,257
	981,398	1,380,499

Saiham Textile Mills Ltd.

10.02 Cash at Bank

	Amount In Taka	
	June 30, 2018	June 30, 2017
Janata Bank Ltd. (A/C No. 023733002322)	70,168	82,800
Janata Bank Ltd.(A/C No. 0340-0210001941)	1,712,201	2,405,519
Dutch Bangla Bank Ltd.(A/C No. 0116110000006828)	382,055	340,213
Dhaka Bank Ltd.(A/C No. 215150000001464)	157,164	1,338,082
Dhaka Bank Dividend Account -215150000001554	3,719,968	6,026,410
HSBC Bank Dividend Account -001-145-457-012	635,881	655,106
HSBC Bank Dividend Account -001-145-457-013	3,057,911	-
Mid land Bank Ltd. (A/c No. 00021190000151	332,042	109,380
Premier Bank Ltd (A/C no-014913100000040)	879,439	163,740
Eastern Bank Ltd A/C no-101106032929	234	234
Eastern Bank Ltd A/C no-1041060265553	124,062	75,999.45
Eastern Bank Ltd ERQ A/C-1013100350441	66,531	225,574
Prime Bank LTD A/C-2118119019656	227,086	-
Standard Chartered Bank ERQ A/C-84135	2,150,365	1,991,053
F.C Account		
Standard Chartered Bank A/C -46118413501	3,963,104	4,996,036
Dhaka Bank Ltd .F.C A/C-21413000000056	2,863	4,493
HSBC F.C Margin A/C no-001-145457-091	635,331	4,743,835
HSBC Offshore A/C no-050-0077-80-005	-	406,452
F.C Account with EBL A/C-1013100350441	5,578,426	495,282
Total	23,694,828	24,060,207

11.00 Share Capital

Authorized Capital:

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

12,500,000 Ordinary Shares @ Tk. 10 each fully paid up in cash	125,000,000	125,000,000
12,500,000 Ordinary Shares @ Tk. 10 each fully paid up other than cash	125,000,000	125,000,000
50,000,000 Right Ordinary Shares @ Tk. 10 each fully paid up in cash	500,000,000	500,000,000
11,250,000 Stock Dividend Issued@10 each	112,500,000	112,500,000
43,12,500 Stock Dividend Issued@10 each	43,125,000	43,125,000
9,05,62,500 Ordinary Shares	905,625,000	905,625,000

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

Particulars	30.06.2018		30.06.2017	
	Number of Share Holders	% of holding	Number of Share Holders	% of holding
Sponsors	30,519,745	33.70	29,819,745	32.93
Local Financial Institution	28,496,389	31.47	30,701,934	33.90
Public	31,546,366	34.83	30,040,821	33.17
Total	90,562,500	100	90,562,500	100

Saiham Textile Mills Ltd.

Classification of shareholders by holding:

The number of shareholders and share holding position as at June 30, 2018 are given below:

Particulars	30.06.2018		30.06.2017	
	Number of Share Holders	% of holding	Number of Share Holders	% of holding
Up to 5,000 shares	5542	4.83	6119	6.43
5,001 to 50,000 shares	551	8.49	925	15.23
50,001 to 1,00,000 shares	41	3.57	58	4.65
1,00,001 to 2,00,000 shares	30	5.01	36	5.77
2,00,001 to 3,00,000 shares	9	2.48	4	1.01
3,00,001 to 4,00,000 shares	7	2.62	7	2.85
4,00,001 to 5,00,000 shares	1	.48	4	2.03
5,00,001 to above	24	72.52	22	62.03
Total	6,205	100	7,175	100

		Amount In Taka	
		June 30, 2018	June 30, 2017
12.00 Revaluation Reserve			
Opening Balance		400,089,371	421,151,688
Less: Adjustment for depreciation of revalued assets		(23,106,228)	(24,779,196)
		376,983,143	396,372,492
Add: Deferred Tax during the year		3,465,934	3,716,879
Balance as on June 30, 2018		380,449,077	400,089,371
13.00 Term Loan-Prime Bank			
Opening balance as on July 01, 2017		-	-
Addition during the year		100,000,000	-
Less: Payment made during the year		6,250,001	-
		93,749,999	-
Less: current portion of Term Loan	16.00	12,500,004	-
Closing Balance		81,249,995	-
14.00 Deferred Tax Liabilities			
Opening Balance		165,982,619	158,632,497
Add : Adjustment of deferred tax- Loss/(Income)	14.01	9,370,148	11,067,001
Add : Deferred tax on Revaluation		(3,465,934)	(3,716,879)
Closing Balance		171,886,833	165,982,619
14.01 Deferred tax liability for 2018 is arrived as follows			
A. Property, plant and equipment			
Carrying amount		1,484,636,468	1,408,758,738
Tax base amount		787,511,398	772,901,322
Taxable temporary difference		697,125,069	635,857,416
Tax rate		15%	15%
Deferred tax liability		104,568,760	95,378,612
B. Calculation of deferred tax on revaluation of property, plant and equipment :			
Revalued value of land		114,647,735	114,647,735
Revalued value of other than land		332,939,414	356,045,643
Tax Rate			
On land		15%	15%
On other than land		15%	15%
Deferred tax liabilities			
For land		17,197,160	17,197,160
For other than land		49,940,912	53,406,846
		67,138,072	70,604,007

Saiham Textile Mills Ltd.

	Amount In Taka	
	June 30, 2018	June 30, 2017
C. Calculation of deferred tax on gratuity provision		
Provision for Gratuity as at June 30, 2018	1,200,000	
Company tax rate	15%	
Deferred tax liability	180,000	
Total deferred tax liability (A+B)	171,886,833	165,982,619
Calculation of deferred tax:		
Deferred tax liability as on June 30, 2018	171,886,833	165,982,619
Deferred tax liability as on June 30, 2017	(165,982,619)	(158,632,497)
Net Deferred tax increased during the Year	5,904,214	7,350,122
Deferred tax liability other than revalued assets as on June 30, 2018	104,568,760	95,378,612
Deferred tax liability other than revalued assets as on June 30, 2017	(95,378,612)	(84,311,611)
Net increased in deferred tax expenses for the year 2018	9,190,148	11,067,001
Deferred tax liabilities for gratuity as on June 30, 2018	180,000	-
Deferred tax liabilities for gratuity as on June 30, 2017	-	-
Net increased in deferred tax expenses for the year 2018	180,000	-
Total increased in deferred tax expenses for the year	9,370,148	-
Adjustment of revaluation surplus for deferred tax		
Deferred tax liability for revaluation as on June 30, 2018	67,138,072	70,604,007
Deferred tax liability for revaluation as on June 30, 2017	(70,604,007)	(74,320,886)
Adjustment of revaluation surplus for deferred tax	(3,465,934)	(3,716,879)
	5,724,214	7,350,122
15.00 Short Term Loan		
Bank Loan, Overdraft & Others	712,429,227	699,642,973
	712,429,227	699,642,973
15.01 Bank Loan & Overdraft		
Short Term Loan-SCB	50,000,000	-
Short Term Loan-HSBC	160,000,000	200,000,000
Short Term Loan-EBL	40,000,000	200,000,000
Short Term Loan-MLB	-	160,000,000
Lanka Bangla Finance	10,396,592	13,899,353
IDBP- HSBC Bank Ltd	168,711,690	-
IDBP-Standard Chartered Bank	78,578,680	-
IDBP-Eastern Bank Ltd.	69,064,402	-
CC A/C with Eastern Bank Ltd	50,611,488	49,449,566
CC A/C with Standard Chartered Bank Ltd	49,765,560	47,500,457
CC A/C with HSBC Bank Ltd	17,800,815	11,293,597
Mrs. Momena Begum	17,500,000	17,500,000
	712,429,227	699,642,973
16.00 Current Portion of Long Term Loan	12,500,004	125,606,126
HSBC Bank Ltd	-	125,606,126
Prime Bank Ltd	12,500,004	-
According to Bangladesh Accounting Standard(BAS) 1 Presentation of Financial Statements" Current Portion of Long Term Loan that due to the settlement within Twelve months after the financial Position date are current liabilities. Therefore the above amount has been shown in current liabilities.		
17.00 Liabilities for Goods		
Imported Raw Cotton, P.S.F & Spare- parts	1,508,703,175	874,055,585
Details of Trade Creditors Shown on Annexure- D		

Saiham Textile Mills Ltd.

		Amount In Taka	
		June 30, 2018	June 30, 2017
18.00 Liabilities for Expenses & Others			
Electricity charges		239,427	286,901
Gas charges		7,112,283	5,995,431
Unclaimed Dividend Dhaka Bank		3,719,967	6,026,409
Unclaimed Dividend HSBC Bank		3,693,792	655,706
Workers Welfare Fund		-	6,000
Security Deposit with Saiham Skyview		1,119,690	1,119,690
W.P.P.F.	18.01	7,437,317	6,318,375
Auditor Fees		115,000	100,000
Provision for Salary & wages officer staff F/O		9,572,208	4,964,563
Provision for Gratuity		1,200,000	-
Provision for providend fund F/O		233,494	411,382
Provision for tax on salary H/O		-	10,200
Provision for office rent		-	350,000
Provision for remuneration		80,000	80,000
Total		34,523,178	26,324,656
18.01 Workers Profit Participation Fund (WPPF)			
Opening Balance as on 01 July, 2017		6,318,375	5,713,670
Provision made during the year		6,805,480	6,318,375
		13,123,855	12,032,045
Payment made during the year		(5,686,538)	(5,713,670)
Closing Balance as on June 30, 2018		7,437,317	6,318,375
→ 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.			
19.00 Provision for Tax			
Opening Balance		17,131,854	84,082,169
Add: Provision made during the year		17,563,563	22,918,759
		34,695,417	107,000,928
Less: Income tax paid last year		(17,131,854)	(89,869,074)
Less: income tax paid current year		(17,563,563)	-
Closing Balance		-	17,131,854
20.00 Cost of Goods Sold			
Opening Stock of Finished Goods		64,155,402	74,053,910
Add: Cost of Production	20.01	1,956,655,564	1,288,096,793
Cost of goods available for sale		2,020,810,966	1,362,150,703
Less: Closing Stock of Finished Goods		104,429,688	64,155,402
Cost of goods sold		1,916,381,278	1,297,995,301
20.01 Cost of Production			
Spare Parts	20.01.01	58,310,567	18,454,207
Packing Materials	20.01.02	24,271,796	16,654,973
Raw Materials	20.01.03	1,536,913,435	931,628,324
Raw Material Consumed		1,619,495,798	966,737,504
Direct Wages & Salaries		107,320,142	85,747,922
Prime Cost		1,726,815,940	1,052,485,426
Factory Overhead	20.02	225,197,033	223,659,701
Factory Cost		1,952,012,973	1,276,145,127
Add: Opening Work-in-Process		23,248,097	35,199,763
		1,975,261,070	1,311,344,890
Less: Closing Work-in-Process		18,605,506	23,248,097
		1,956,655,564	1,288,096,793

Saiham Textile Mills Ltd.

		Amount In Taka	
		June 30, 2018	June 30, 2017
20.01.01 Consumption of Spare Parts			
This is arrived as follows:			
Opening Stock		39,320,244	45,702,718
Add: Purchase during the year		42,403,756	12,071,733
Spare parts available for use		81,724,000	57,774,451
Less: Closing Stock		23,413,433	39,320,244
Consumption		58,310,567	18,454,207
20.01.02 Consumption of Packing Materials			
This is arrived as follows:			
Opening Stock		3,122,548	4,389,716
Add: Purchase during the year		22,058,183	15,387,805
Packing Mat. available for use		25,180,731	19,777,521
Less: Closing Stock		908,935	3,122,548
Consumption		24,271,796	16,654,973
20.01.03 Consumption of Raw Materials			
This is arrived as follows:			
Opening Stock		1,162,334,405	804,557,587
Add: Purchase during the year		2,189,772,368	1,289,405,142
Available for use		3,352,106,773	2,093,962,729
Less: Closing Stock		1,815,193,338	1,162,334,405
Consumption		1,536,913,435	931,628,324
20.02 Factory Overhead:			
Electric Charges		3,553,894	3,173,451
Gas Charges		88,625,165	82,147,940
Carriage Inward		6,075,096	5,043,420
Insurance Premium		2,675,813	3,785,823
Factory Maintenance		878,975	839,956
Fuel & Lubricants		8,241,348	8,610,097
Depreciation		115,146,742	120,059,014
Total		225,197,033	223,659,701
21.00 Administrative and Marketing Expenses			
Directors' Remuneration		960,000	960,000
Salary & Allowances		30,866,037	39,137,749
Providend fund		2,733,488	1,295,430
Gratuity		1,200,000	-
Office Rent		1,778,000	4,200,000
Postage & Stamp		80,664	86,856
Printing		200,000	234,650
Stationery		240,038	272,561
Maintenance		1,807,895	106,665
Maintenance of Vehicle		3,004,087	1,344,336
Traveling		109,949	517,621
Conveyance		1,769,646	475,663
Entertainment		1,601,503	1,299,433
AGM Expenses		957,290	847,900
Paper & Periodicals		95,981	33,794
Advertisement		324,820	267,038
Subscription		1,137,236	1,391,562
Insurance Premium		4,872,412	2,764,491
Form, Fees & Others		6,471,246	1,742,222

Saiham Textile Mills Ltd.

		Amount In Taka	
		June 30, 2018	June 30, 2017
	Board Meeting Fees	367,500	345,000
	Medical Expenses	17,980	100,847
	Welfare Expenses	1,229,612	945,194
	Electric Expenses	324,826	606,596
	Utilities expenses	139,476	-
	Miscellaneous Expenses	1,221,008	255,621
	Selling & Distribution	1,043,032	1,918,420
	Fuel & Gas	2,569,984	-
	Office Maintenance	797,760	356,483
	Telephone, Telex & Fax	194,737	214,629
	Water & Sewerage Charges	-	303,517
	IT Expenses	1,977,389	226,572
	Auditors' Fees	115,000	100,000
	Consultancy fees	-	30,000
	Depreciation	9,553,336	6,013,771
	Total	79,761,932	68,394,621
22.00	Financial Expenses		
	Bank Interest	52,680,223	66,755,836
	Bank Charges & Commission	5,705,285	5,119,216
	Total	58,385,508	71,875,052
23.00	Non-Operating Income		
	Interest on FDR	16,072,588	38,934,781
	Gain/(Loss) on Dollar Fluction	4,492,399	-
	Interest on saving A/C	63,350	141,709
	Total	20,628,337	39,076,490
24.00	Other Income		
	Office Rent	2,239,380	2,239,380
	Total	2,239,380	2,239,380
25.00	Net Assets Value (NAV) Per Share		
	Total Assets	4,964,752,159	4,348,236,740
	Less: Total outside liabilities	(2,521,307,412)	(1,908,758,813)
	Net Assets Value	2,443,444,747	2,439,477,927
	*Divided by number of Ordinary Shares	90,562,500	90,562,500
	Net Assets Value (NAV) Per Share	26.98	26.94
26.00	Earnings Per Share (EPS)		
	Net profit after tax	109,175,886	92,381,746
	Number of total outstanding shares	90,562,500	90,562,500
	Earnings Per Share (EPS)	1.21	1.02

Saiham Textile Mills Ltd.

27.00 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 June 30, 2018 is as follows:

Name of the related party	Relationship	Nature of transaction	June 30, 2018	June 30, 2017
Faisal Spinning Mills Ltd.	Common Director	Trade & other Receivable/Payable	153,998,592	213,164,560
Saiham Cotton Mills Ltd.	Common Director	Trade & Other Receivable	-	24,615,385
Saiham Knit Composite Ltd.	Common Director	Trade & Other Receivable	33,611,542	26,798,777
Mrs. Momena Begum	Share holder	Short term loan	17,500,000	17,500,000
Director Remuneration	Managing Director	Remuneration	960,000	960,000
Board Meeting Fee	Directors	Meeting Fee	367,500	345,000

28.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act 1994.

Attendance Status of Board meeting of the Directors. During the year ended June 30, 2018 Seven Board meeting were held. The attendance status of all meeting is as follows:

Name of the Directors	Position	Meeting held	Attendance
S.M. Faisal	Managing Director	7	7
S.F.A.M. Shahjahan	Chairman	7	7
Syed Ishtiaq Ahmed	Director	7	7
Syed Shafqat Ahmed	Director	7	7
Mrs. Yasmin Faisal	Director	7	7
Rio Aziza Salim	Director	7	7
Mostafa Moin	Independent Director	7	7
Syed Nasir Uddin Haider	Independent Director	7	7

29.00 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, 2018

Spinning unit:

Salary Range (Monthly)	Officers & Staffs			Total Employees
	Head Office	Factory Office	Workers	
Below 3,000	-	-	-	-
Above 3,000	25	94	512	631
	25	94	512	631

Melange Unit:

Salary Range (Monthly)	Officers & Staffs			Total Employees
	Head Office	Factory Office	Workers	
Below 3,000	-	-	-	-
Above 3,000	3	95	475	573
Total	3	95	475	573

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
Total		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		
June 30,2017	82.00 Kg	66.07 kg	80.57	19.43
June 30,2018	94.00 Kg	86.76 Kg	92.30	7.70

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

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

Particulars	Opening	Import	Local Purchase loan	total Purchase	Consumption
Raw Materials	1,162,334,405	2,189,772,368	-	3,352,106,773	1,536,913,435
Packing Materials	3,122,548	-	22,058,183	25,180,731	24,271,796
Spare parts	39,320,244	37,801,603	4,602,153	81,724,000	58,310,567

30.00 Contingent Liability:

Nature of Contingent Liability:

Bank Guranted- Jalalabad Gas T&D System Ltd

Bank Guranted- Jalalabad Gas T&D System Ltd

Bank Guranted- Jalalabad Gas T&D System Ltd

Bank Guranted- Jalalabad Gas T&D System Ltd

Amount In Taka	
June 30, 2018	June 30, 2017

7,275,252	7,275,252
2,307,059	2,307,059
1,731,136	-
33,801	-
11,347,248	9,582,311

31.00 Events after reporting period:

The Board of Directors at their board meeting held on October 24, 2018. 15% Cash Dividend has been recommended to the shareholders for the year ended June 30, 2018 .

→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.

During the year, the Board of Directors of the company holds 07 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)
As at June 30, 2018

Saiham Textile Mills Ltd.

Annexure-A

Particulars	Cost		Rate of dep. (%)	Depreciation		Written down value as at 30th June, 2018
	As at 1st July, 2017	Addition during the year		As at 1st July, 2017	Charged during the year	
Land & Land Development	10,084,462		-	-	-	10,084,462
Factory Building & Other Construction	54,986,002		5	32,510,735	1,123,763	21,351,504
Building Office Space	17,380,400	127,335,090	5	5,849,887	3,759,903	135,105,700
Plant & Machineries	625,752,276	3,106,127	7.5	440,327,670	14,023,325	174,507,408
Furniture & Fixtures	3,890,396	28,800	10	3,144,983	75,981	698,232
Motor Vehicles	18,125,782		15	9,638,150	1,273,145	7,214,487
Sundry Assets	9,572,655		10	7,892,153	168,050	1,512,452
Office Equipments	7,615,746	610,465	10	2,897,131	502,385	4,826,696
Sub-Total (a)	747,407,719	131,080,482		502,260,709	20,926,552	355,300,940

(b) Revaluation:

Particulars	Cost		Rate of dep. (%)	Depreciation		Written down value as at 30th June, 2018
	As at 1st July, 2017	Addition during the year		As at 1st July, 2017	Charged during the year	
Land & Land Development	114,647,735	-	-	-	-	114,647,735
Factory Building & Other Construction	160,640,988	-	5	41,001,339	5,981,982	113,657,667
Building Office Space	34,229,830	-	5	8,736,681	1,274,657	24,218,492
Plant & Machineries	329,368,472	-	7.5	118,870,627	15,787,338	194,710,507
Motor Vehicles	1,053,862	-	15	638,863	62,250	352,749
Sub-Total (b)	639,940,887	-		169,247,509	23,106,228	447,587,149

Grand Total (a+b)

Grand Total (a+b)	1,387,348,606	131,080,482	1,518,429,088	671,508,218	44,032,780	802,888,089
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Depreciation Charge to :

Cost of Production	36,916,410
Administrative Expenses	7,116,371
Total	44,032,780

Saiham Textile Mills Limited (Melange unit)
Property, Plant and Equipment
As at June 30, 2018

Annexure-B

Particulars	Cost		Rate of dep. (%)	Depreciation		Written down value as at 30th June, 2018
	As at 1st July, 2017	Addition during the year		As at 1st July, 2017	Charged during the year	
Land & Land Development	53,437,390	283,700	-	-	-	53,721,090
Factory Building & Other Construction	246,137,473	29,389,594	5	42,901,546	10,896,536	221,728,985
Plant & Machineries	1,198,649,127	15,878,180	7.5	308,804,285	67,333,795	838,389,227
Furniture & Fixtures	397,795	6,980	10	98,800	30,249	275,727
Motor Vehicles	17,837,434		15	4,124,885	2,056,882	11,655,667
Sundry Assets	1,762,015	431,342	10	113,371	186,431	1,893,555
Office Equipments	2,046,600	401,300	10	613,219	163,403	1,671,278
Sub-Total (a)	1,520,267,834	46,391,096		356,656,105	80,667,297	1,129,335,528

Depreciation Charge to :

Cost of Production

Administrative Expenses

78,230,332

2,436,965

80,667,297

Total

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited

As at June 30, 2018

Schedule of Trade debtor

Annexure-C

Particulars	Amount in Taka	
	June 30, 2018	June 30, 2017
Advanced Composit Textile Ltd	47,627,280	10,931,033
AKH Knitting & Dyeing	15,969,994	9,345,305
Alim Knit (BD) Ltd.	-	31,987,250
Amena Textile Ltd	482,066	1,553,733
Apparel Today Ltd	5,381,355	5,004,848
Apperals Village Ltd	-	529,300
Apparel-21 Ltd	15,583,308	-
APS Apperals Ltd	539,179	443,190
APS Design works Ltd	-	56,393,902
APS Holdings Limited	3,679,414	-
Alpha Clothing Ltd	3,718,494	-
Aswad Composite Mills Ltd.	443,701	1,978,950
Biswas Fashion Ltd	-	19,773,305
Best Dresswear Ltd	2,148,329	-
BD Knit design Ltd	449,966	-
Century Apparels Ltd	7,247,132	-
Cotton Zone Ltd	-	733,120
Crossline knit Fabrics Ltd	-	3,517,475
DAL knitware ltd	-	6,173,060
Day Fashiond Ltd.	-	670,163
Diltex knitwear Ltd	4,832,293	-
Dip Knitwear Ltd	4,370,663	626,865
Dird composite Textile Ltd	43,142,054	325,875
Dowas-land Apparels Ltd.	9,265,530	-
Essential Clothing Ltd	11,483,764	1,343,200
Eurotex knitwear Ltd	4,466,363	-
Everway Yarn Dyeing ltd	18,678,609	-
Fakir Apparels Ltd	-	6,515,661
Farest Knitting & Dyeing Ltd	-	1,086,250
Fariha knit tex Ltd	-	1,070,845
Fashion Island	-	2,985,805
Friends Knitwear & Accessories Ltd	4,930,919	-
FOUR H DYEING & PRINTING LTD	1,159,106	-
Fame Apparels Limited	38,178,222	-
Generation Next Fashion Ltd	24,415,760	37,958,593
Giant Textile Ltd	24,842,958	-
Grameen Fabrics & Fashions Ltd	9,881,501	-
Gramtech knit dying finishing & Garments	1,931,172	5,925,000
Green Life Knit Composite Ltd.	-	-
GreenLife Knittex Ltd	-	262,400
Golden Rain Attires Ltd	5,167,349	-
Handz clothing BD Ltd.	1,426,404	-
Hams Garments Ltd	-	2,112,460
Hassen Apperals Ltd	2,886,575	3,264,122
Horizon Fashion Wear Ltd.	-	6,703,387
Home textile Limited	-	4,218,600
Hotapara Garments Ltd	2,467,244	236,000
Hwa well Textiles (BD) Ltd	-	-
Imam Dyeing Knitting Printing and Fishing Inds. Ltd	-	5,506,695
Jamia Knitwear Ltd	-	1,313,573
JS Knitting & Garments Ltd	-	1,947,618

Saiham Textile Mills Ltd.

Particulars	Amount in Taka	
	June 30, 2018	June 30, 2017
Jointex Knitwerars Ltd.	-	2,041,360
Karoni Knit Composite Ltd	-	4,187,000
KC Apperals Ltd	-	4,627,425
KDS Textile Mills Ltd	35,155,626	-
Knit bangla	-	6,518,962
Knit City Ltd	-	2,224,640
Knit Horizon Ltd	-	1,540,500
LIBAS Textile Ltd	27,746,205	6,937,148
Lantabur Apparels Ltd	-	647,400
LIBAS knitwear Ltd	-	3,156,445
Liberty Knitwear Ltd	-	6,768,000
Link Tex Sportswear Ltd	2,316,845	-
Logos Apparels Ltd	9,840,944	-
M.S.Attairs Ltd	-	2,161,440
Maliha Knit Fashion Ltd	-	5,476,675
Momtex Expo Ltd	-	26,866,540
MA Star Knitting Fashion Ltd	1,223,550	-
Majumder Knitware Ltd	3,140,245	-
M.M Fashion & Composite Ltd	26,805,255	-
Mozart Knit Ltd	-	943,800
Multifabs Ltd	-	433,000
Muzauddin Textile Ltd	12,759,580	5,882,340
Mukul Knitwear Ltd.	475,419	-
Muzauddin Knit Fashion Ltd	30,334,477	-
Naz knitwear Ltd	9,006,716	1,477,103
Nexus Fashion Ltd.	9,255,318	3,839,400
Network Clothing Ltd	-	5,409,525
Newtex Dying & Printing Ltd	1,889,844	-
New Resuli Apparels	6,372,522	-
Nigara Textiles Ltd	-	2,742,683
Norp Knit Industries Ltd	23,009,093	-
Northern Fashion Ltd	-	7,435,452
Northern Trading	21,757,446	21,636,499
One Composite Mills Ltd	-	136,670
ORBID Apperals Ltd	-	579,663
Orion Knit Textiles Ltd	-	2,206,075
Oli Knitting Fabrics Ltd	1,371,833	9,214,382
Pacific Cotton Ltd	5,912,681	2,263,153
Pacific Dyeing & Finishing Mills Ltd	-	3,986,645
Pakiza Knit Composite Ltd	-	391,050
Peak Apparels Ltd	-	1,204,750
Pentagon Fashion wear Ltd	1,257,600	2,530,370
Pinnacle Garments Pvt. Ltd	3,724,078	4,512,297
Polo Composite Knit Ind. Ltd	2,788,972	670,252
R.A.Z Apparels Ltd	-	729,170
Rising Knit Textiles Ltd	-	604,824
Riviera resources Ltd	-	2,266,400
RBSR Fashions Ltd	1,091,192	8,600,809
Rich Plus knitwear Ltd	1,227,215	-
Sadma Fashion wear Ltd	-	1,198,628
Saiham Cotton Mills	-	24,615,385
Saiham Knit Composite Ltd	33,611,542	26,798,777
S.B. Knitting Ltd	6,942,954	-
Scandex Knitwear Ltd	-	22,265,760
S.M. Knitwear Ltd	322,921	-
Shafi Knit Ltd	-	4,746,123

Saiham Textile Mills Ltd.

Particulars	Amount in Taka	
	June 30, 2018	June 30, 2017
Sharp Knitting & Dyeing Ltd.	-	931,213
Shishir Knitting & Dyeing Ltd.	4,505,986	-
Silver composite Textile Mills	-	1,086,250
Skylark knit composite Ltd	-	846,880
Smart knitwears Ltd	-	32,047,137
Sheperd Textile Ltd	4,310,819	-
Sunman Knit Fabric Ltd	-	432,705
Tania Fashion Ltd	-	1,724,800
Tanzila Textile Ltd	14,705,666	2,782,815
Taqwa Fabrics Ltd	3,146,608	8,594,015
Tean-T- Shart Fashion Ltd	-	6,981,625
Tex Tailoar Expor BD Ltd	-	510,340
The Delta Composite Knitting Ind.Ltd.	7,238,420	-
Unilliance Fabrics Ltd	-	2,508,645
Uttara Knitware ltd	-	293,288
Viyellatex Ltd	-	321,530
West Apparels Ltd	21,639,616	14,479,515
York Fashion Ltd.	2,210,598	10,858,748
Zaheen Knitwear Ltd	-	464,718
Zalo Knitting Ltd	-	999,200
Zaman Knit apperals Ltd	-	921,535
Zian Apparels Ltd.	5,844,829	-
Faisal Spinning Mills	153,998,592	-
Total	813,737,911	561,697,052

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited As at June 30, 2018 Schedule of Liabilities for Goods

Annexure-D

Particulars	June 30, 2018	June 30, 2017
Plexus Cotton Ltd-Raw cotton	-	30,182,268
Ecom Agroindustrial corp.Ltd-Raw cotton	-	116,804,419
Manjeet Cotton Pvt. LTD-Raw cotton	-	70,762,738
Faircot SA-Raw cotton	-	85,704,985
Louise Drefus Commudiates-Raw cotton	-	60,539,525
P.D.Sekhsaria Trading com.Ltd-Raw cotton	-	144,012,307
Louis Drefus company suisee- Raw cotton	-	48,000,416
Kangwal polyster com. Ltd-PSF	-	76,422,747
Energy equipment eng.PTE ltd-spares	-	5,013,628
Universal enterprise-spares	-	1,627,557
Saurer (Schathast) spares	-	5,189,622
Havasit Lakaka Pvt ltd-spares	-	883,046
Mitsubishi-spares	-	2,414,283
Kanai Juyo Kogyo Co. Ltd-Spares	-	3,182,970
Inarco Ltd- Spares	-	1,018,531
Payable local suppliers	-	9,131,982
Faisal Spinning Mills Ltd	-	213,164,560
Glencore Grain B.V	154,928,549	-
Unitec Fibres Pvt. Ltd.	5,317,193	-
Strykar Overseas LLP	50,946,707	-
Grasim Industries Limited	37,137,767	-
Thai Rayon Public Company Limited	134,763,508	-
Manjeet Cotton Pvt. Ltd.	65,438,583	-
Faircot SA	158,398,504	-
Kangwal Polyester Co. Ltd.	111,352,650	-
Engelhart CTP (US) LLC	54,748,287	-
Louis Dreyfus Company Suisse SA	62,372,674	-
Cargill Cotton Ltd.	77,099,616	-
Namoi Cotton Alliance	51,649,667	-
Jess Smith & Sons Cotton LLc	48,271,044	-
Dharmdeep Commodities Pvt. Ltd.	210,517,884	-
Gujrat Cotton Corporation	57,884,690	-
GCC and Company	49,550,236	-
RCMA Asia Pte. Ltd.	159,880,127	-
Square Textile Mills Ltd.	5,131,912	-
Habasit Lakoka Pvt. Ltd.	2,951,893	-
Trutzschler	4,571,677	-
ASSL Textile	130,000	-
SAURER (Schlafhorst)	434,960	-
Kanai Juyo Kogyo co Ltd	3,860,268	-
Local Supplier	1,364,778	-
Total	1,508,703,175	874,055,585

Saiham Textile Mills Ltd.

Saiham Textile Mills Limited

Property, Plant and Equipment (Spinning unit)

As at June 30, 2018

Annexure -A

Particulars	Cost		Rate of dep. (%)	Depreciation		Written down value as at 30th June, 2018
	As at 1st July 2017	Addition during the year		Charged during the year	Total as at 30th June, 2018	
Land & Land Development	10,084,462		-	-	-	10,084,462
Factory Building & Other Construction	54,986,002		5	1,123,763	33,634,498	21,351,504
Building Office Space	17,380,400	127,335,090	5	3,759,903	9,609,790	135,105,700
Plant & Machineries	625,752,276	3,106,127	7.5	14,023,325	454,350,995	174,507,408
Furniture & Fixtures	3,890,396	28,800	10	75,981	3,220,964	698,232
Motor Vehicles	18,125,782		15	1,273,145	10,911,295	7,214,487
Sundry Assets	9,572,655		10	168,050	8,060,203	1,512,452
Office Equipments	7,615,746	610,465	10	502,385	3,399,516	4,826,696
Sub-Total (a)	747,407,719	131,080,482		20,926,552	523,187,261	355,300,940

(b) Revaluation:

Particulars	Cost		Rate of dep. (%)	Depreciation		Written down value as at 30th June, 2018
	As at 1st July 2017	Addition during the year		Charged during the year	Total as at 30th June, 2018	
Land & Land Development	114,647,735	-	-	-	-	114,647,735
Factory Building & Other Construction	160,640,988	-	5	5,981,982	46,983,321	113,657,667
Building Office Space	34,229,830	-	5	1,274,657	10,011,338	24,218,492
Plant & Machineries	329,368,472	-	7.5	15,787,338	134,657,965	194,710,507
Motor Vehicles	1,053,862	-	15	62,250	701,113	352,749
Sub-Total (b)	639,940,887	-		23,106,228	192,353,738	447,587,149
Grand Total (a+b)	1,387,348,606	131,080,482		44,032,780	715,540,999	802,888,089

Depreciation Charge to :

Cost of Production
Administrative Expenses

Total

36,916,410
7,116,371
44,032,780

Saiham Textile Mills Limited (Melange unit)

Property, Plant and Equipment

As at June 30, 2018

Annexure -B

Particulars	Cost			Rate of dep. (%)	Depreciation			Written down value as at 30th June, 2018
	As at 1st July 2017	Addition during the year	Total as at 30th June, 2018		As at 1st July 2017	Charged during the year	Total as at 30th June, 2018	
Land & Land Development	53,437,390	283,700	53,721,090	-	-	-	-	53,721,090
Factory Building & Other Construction	246,137,473	29,389,594	275,527,067	5	42,901,546	10,896,536	53,798,082	221,728,985
Plant & Machineries	1,198,649,127	15,878,180	1,214,527,307	7.5	308,804,285	67,333,795	376,138,080	838,389,227
Furniture & Fixtures	397,795	6,980	404,775	10	98,800	30,249	129,049	275,727
Motor Vehicles	17,837,434		17,837,434	15	4,124,885	2,056,882	6,181,767	11,655,667
Sundry Assets	1,762,015	431,342	2,193,357	10	113,371	186,431	299,802	1,893,555
Office Equipments	2,046,600	401,300	2,447,900	10	613,219	163,403	776,622	1,671,278
Sub-Total (a)	1,520,267,834	46,391,096	1,566,658,930		356,656,105	80,667,297	437,323,402	1,129,335,528

Depreciation Charge to :

Cost of Production

Administrative Expenses

78,230,332

2,436,965

80,667,297

Total



Saiham Textile Mills Ltd.

Saiham Tower, House # 34 (11th Floor) Road # 136, Gulshan-1, 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 37th ANNUAL GENERAL MEETING of the Company to be held on December 18, 2018 and /or at any
adjustment thereof.

As witness my/ our hand this _____ day of _____2018

(Signature of the Shareholder)

(Signature of Proxy)

Revenue
Stamp
Tk. 20.00

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.

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

ATTENDANCE SLIP

I / we hereby record my / our attendance at the 37th ANNUAL GENERAL MEETING of the Company being held on December 18, 2018 at 11.00 A.M. at Mills Premises, Noyapara, P.O - Saiham Nagar, U.Z.- Madhabpur, Dist - Habiganj to transact the following businesses:

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 : Saiham Tower, House # 34 (11th Floor), Road # 136
Gulshan-1, Dhaka-1212, Phone: 9862284, 9863323, 9887441
Fax: 880-2-9894607, 8826254, E-mail: share@saiham.com
website : www.saihamtextile.com