


# Annual Report 2015-2016



**SAIHAM COTTON MILLS LTD.**  
সায়হাম কটন মিলস্ লিমিটেড

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**SAIHAM COTTON MILLS LTD.**

## **TRANSMITTAL LETTER**

To

**All Shareholders**

Bangladesh Securities and Exchange Commission

Registrar of Joint Stock Companies & Firms

Dhaka Stock Exchange Ltd.

Chittagong Stock Exchange Ltd.

**Sub: Annual Report for the period from May 01, 2015 to June 30, 2016**

Dear Sir

We are pleased to enclose a copy of the Annual Report together with the Audited Accounts including Financial Position as at June 30 2016, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period from May 01, 2015 to June 30, 2016 along with notes thereon for your record/necessary measures.

Yours Sincerely

Sd/

(Md. Sahinur Kabir)

Company Secretary



## EVENT HIGHLIGHTS



**SAIHAM COTTON MILLS LTD.**

**Achievement**  
Saiham Cotton Mills Ltd.  
won the 2nd prize in  
Best Corporate  
*Award 2015*



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

Saiham Cotton Mills Ltd. won the 2nd Prize in Best Corporate Award 2015 under the Textile from the Institute of Cost and Management Accountants of Bangladesh. The award was given in 13 categories to organizations across Bangladesh for their excellence in business practice. The award were received by the Managing Director of the company from the honorable Finance Minister Mr. Abul Maal Abdul Muhith, in presence of Mr. M. Khairul Hossain, Chairman of Bangladesh Securities and Exchange Commission, along with most of the management members of the reputed corporate and Cost & Management Accountant Professionals. This one of the most prestigious awards given to Saiham Cotton Mills Ltd. never ending endeavor to achieve the corporate excellence and transparent attitude about its business activities which was properly elaborated in its Annual Report.



**SAIHAM COTTON MILLS LTD.**

**Achievement**  
**Saiham Cotton Mills Ltd.**  
**Received Highest Tax Payer Award**  
**From National Board of Revenue**



Engr. Syed Ishtiaq Ahmed Managing Director of Saiham Cotton Mills Ltd.  
receiving Highest Taxpayer Award from state Minister of Finance  
MA Mannan on behalf of Saiham Cotton Mills Ltd.



**SAIHAM COTTON MILLS LTD.**

**Saiham Cotton Mills Ltd.  
received following  
Certificates for its success:**

**SAIHAM COTTON MILLS LTD.**

RECEIVED FOLLOWING CERTIFICATES FOR ITS SUCCESS:



Certificate of Registration from Moody International



Certificate of Registration from Cotton made in Arfica



Certificate of Compliance from CU inspections & Certifications India Private Limited



Certificate from Hohenstein Textile Testing Institute

**SAIHAM COTTON MILLS LTD.**

## **BOARD OF DIRECTORS**



**S. M. Faisal**  
Chairman



**Engr. Syed Ishtiaq Ahmed**  
Managing Director



**Syed Shafqat Ahmed, MBA**  
Director



**S. F. A. M Shahjahan**  
Director



**Mostafa Moin**  
Independent Director

*Notice of the 15<sup>th</sup> Annual  
General Meeting*

## **SAIHAM COTTON MILLS LTD.**

Asset Rose Dale, House # 02, Road # 55, Gulshan-2, Dhaka - 1212.

### **Notice of the 15<sup>th</sup> Annual General Meeting**

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting (AGM) of the Shareholders of the Company shall be held on December 19, 2016 at 11:00 A.M. at Saiham Cotton Mills Ltd. 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 period from May 01, 2015 to June 30, 2016 together with auditors' and directors' reports thereon.
2. To declare Dividend.
3. To approve re - appointment of the Managing Director.
4. To elect Directors.
5. To appoint Auditors and fix their remuneration.
6. To transact any other business with permission of the chair.

By order of the Board

Dated: Dhaka  
October 24, 2016

Sd/-  
( **Md. Sahinur Kabir** )  
Company Secretary

#### **Notes**

1. The Shareholders whose names will appear in the Share Register of the Company and/or Depository Register of CDBL as on record date November 17, 2016 will be entitled to attend and vote in the AGM and receive dividend.
2. Attendance to the AGM will be on production of the Attendance Slip sent with this Notice.
3. The Proxy Form, sent with this Notice, affixed with requisite revenue stamp of Tk. 20/- must be deposited at the Company's Dhaka Office at least 48 hours prior to the AGM.

## **MANAGEMENT APPARATUS**



## SAIHAM COTTON MILLS LTD.

<b>Registered Office</b>	: Noyapara, P. O : Saiham Nagar, U. Z : Madhabpur Dist : Habiganj-3333
<b>Dhaka Office</b>	: House # 02, Road # 55, Gulshan-2, Dhaka-1212
<b>Telephone</b>	: 9862284,9863323, 9887441
<b>Fax</b>	: 9864607, 8826254
<b>E-mail</b>	: info@saihamcotton.com
<b>Website</b>	: www.saihamcotton.com
<b>Auditors</b>	: Rahman Mostafa Alam & Co. Chartered Accountants Paramount Heights Box Culvert Road 65/2/1, Purana Paltan, Dhaka-1000
<b>Legal Advisor</b>	: Md. Shamsul Haque Flat # 9 B, (10 <sup>th</sup> Floor) Fayanaz Property 37/2, Purana Paltan, Dhaka-1000
<b>Tax Advisor</b>	: Jasim Chowdhury Paramount Heights Box Culvert Road 65/2/1, Purana Paltan, Dhaka-1000
<b>Principal Banker's</b>	: <b>HSBC Limited</b> Dhaka Main Office, Anchor Tower, 1/13 Sonargaon Road, Dhaka <b>Bank Asia Limited</b> Dhanmondi Branch, Dhaka-1205 <b>Bank Alfalah Limited</b> 168 Gulshan Avenue, Dhaka-1212 <b>Mutual Trust Bank Ltd.</b> Gulshan Branch, Dhaka-1212 <b>Standard Chartered Bank Limited</b> Gulshan Branch, Dhaka-1212
<b>Insurance Company's</b>	: <b>Green Delta Insurance Company Limited</b> 51-52, Mohakhali C/A, Dhaka-1212 <b>Pioneer Insurance Company Limited</b> Symphony, Plot # SE(F)9, Road # 142 South Avenue, Gulshan-1,Dhaka-1212 <b>Prime Insurance Company Limited</b> 36, Dilkusha, Dhaka-1000 <b>Karnaphuli Insurance Company Limited</b> 64, Motijheel C/A, Dhaka-1000 <b>Islami Insurance Bangladesh Limited</b> Malibagh Branch, Dhaka-1217
<b>Factory</b>	: Noyapara, P. O : Saiham Nagar U. Z : Madhabpur, Dist : Habiganj- 3333

**SAIHAM COTTON MILLS LTD.**

## **FACTORY HIGHLIGHTS**



## **MESSAGE FROM THE CHAIRMAN**

Dear Shareholders  
Assalamu Alaikum,

I, on behalf of the Members of the Board of Directors have the pleasure to welcome all our esteemed shareholders on this occasion of the 15<sup>th</sup> Annual General Meeting of Saiham Cotton Mills Ltd. We are delighted, encouraged and impressed at your joyful participation in this Annual General Meeting at this factory premises. Your spontaneous participation with taking trouble in long road journey manifests itself of your confidence on the Company. Thank you all.

Meanwhile, Annual Report for the period ended April 30, 2016 and two months ended on June 30, 2016 of this Company has been dispatched to you for your kind perusal. I believe you will get a comprehensive view from the Directors' Report and to assess the financial position of the Company. I assure you that we shall always be with you and your investment will always be secured. I presume the performance of the business operation during the period under review is quite satisfactory.

After addressing the legacies of the global financial crisis, ranging from debt overhangs to high unemployment, the world economy had moved favorably as a result of adopting effective program in Eurozone and financial austerity resulting from fiscal cliff. At the same time the upward pressure of sovereign debt crisis in Eurozone has fairly appeased. For meeting up the debt crisis, the comparatively small economies have been able to receive the long term sovereign debt. And the economic activities of the developing and emerging countries have also gathered pace recently.

Economy of Bangladesh is not getting its desired momentum as it continuously facing challenges from different aspects in every year. Turmoil at political ground, plunges in investments as well as inflationary pressure became the most common constraints in overall economic progress of the country. But albeit facing such challenges, being the 35<sup>th</sup> largest economy in the world on purchasing power parity basis, our country is expected to have upper middle class status by 2021.

The year 2015-2016 registered a modest turn around and performance revival in most sectors after the nationwide blockade in first quarter of 2015. The overall spinning industry recovered from the turmoil in the first quarter and started growing in the later part of 2015. Amidst the external and competitive challenges Saiham Cotton Mills Ltd. generated total sales of BDT 248,57,64,964 from May 2015 to April 2016 and BDT 31,67,41,306 from May 2016 to June 2016. Net profit for the year from May 2015 to April 2016 was BDT 16,98,70,675 and BDT 3,27,57,397 for next two months. The decline in profitability of the company was mostly downward trend of selling price and increasing cost of overheads. Earnings per share stood at BDT .93 for twelve months and .17 for next two months. With its track record, we are very much confident that our company is ready always to accept any challenges of the future, capitalize on opportunities rising and also uphold its impetus of growth in business & profitability in the years to come. We are most obliged & indebted to the continued trust, support and patronage received from our business partner clients and shareholders and would look forward to continuing this strong relationship.

I would like to express my profound gratitude to all our valued Shareholders, Regulatory bodies, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Jalalabad Gas System Ltd, Banks and Insurance, Registrar of Joint Stock Companies and Firms who extended their cooperation, suggestions & guidance in running the business successfully. I would also like to record my sincere thanks to the employees of the Company for their dedicated services for growth of the Company.

Thanking you all

Wishing you all the best

Sd/-  
S.M. Faisal  
Chairman



## SAIHAM COTTON MILLS LTD.

# DIRECTORS' REPORT TO THE SHAREHOLDERS

Bismillahir Rahmanir Rahim  
Dear Shareholders  
Assalamu Alaikum,

It is my great pleasure to welcome you at the 15<sup>th</sup> Annual General Meeting of Saiham Cotton Mills Ltd. I, on behalf of the Board of Directors, have the pleasure to present before you the report for the period ended June 30, 2016 along with the audited financial statements and auditors' report thereon.

### BACKGROUND

Saiham Spinning Mills Limited was incorporated on May 30, 2002 as a Private Limited Company vide incorporation No.C-459289(2401)/2002 and with effect from April 16, 2003 the name of the company has been changed to Saiham Cotton Mills Ltd. It has been converted into a public Limited Company on March 25, 2010. The Authorized capital of the company is Tk. 2,000 million and paid up capital is Tk. 1,487 million. The company was listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and share trading started in both the houses on June 24, 2012.

### REVENUE

The Company produces high quality yarn for the Apparels industry in Bangladesh and is a 100% export oriented industry. The revenue of the company is solely depended on the international factors such as Market Demand, Global Economic Scenario and last but not the least the Commodity price specially the Raw Cotton Price in the New York Cotton Exchange. During the financial year 2015-16, the market can be attributed into two parts where the market was very much stagnant during the first half and then moving into volatile situation in the latter parts with raw cotton price spiking up. The sudden upward movements of the raw materials was not reflected completely in the yarn price and was had it's affect on the profitability. Overall with an average raw cotton price staying down compared to last year, there was a dull mood in the overall yarn market.

The company has invested BDT 33,06,02,978 over the last one year in upgrading the infrastructure of the factory and enhance the capacity of the production. As per decision of prior AGM the management has taken foreign loan and invested US \$19,39,919.66 in BDT 15,12,51,323 in capacity building and product diversification and enrichment. All the machineries have arrived in site and installed properly. The management believes the new addition of investment in the capital machinery will give the company much buoyancy required in the volatile market scenario and resulting in further profit generation.

### Financial Result and Appropriation of Profit:

Particulars	June 30, 2016 (2 Months)	April 30, 2016 (12 Months)	April 30, 2015 (12 Months)
Net Profit for the period/year (after tax)	24,692,083	138,728,613	189,629,548
Add: Adjustment for revaluation of P.P.E and deferred tax	4,986,754	32,175,790	34,607,034
Less: Unrealized loss on sale of financial assets	970,751	2,396,691	(7,625,656)
Add: Adjustment reclassification of the status of investment	-	(101,628,327)	-
Add: Previous year's surplus	518,421,834	649,624,067	558,429,233
Add: Proportion of associate income	-	-	9,833,909
<b>Recommended for appropriations:</b>			
Dividend	-	(202,875,000)	(135,250,000)
<b>Total</b>	<b>549,071,422</b>	<b>518,421,834</b>	<b>649,624,068</b>

### Segment-wise or product-wise performance

Mentioned in section 17 of the notes to the financial statements.

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

The volatility and uncertainty in global markets makes it difficult to provide profit guidance for the year ahead. However the company has always maintained its sterling performance over the years despite various challenges it faces over the previous years.

The last few years the apparels sector were busy for trying to overcome the image crisis of the building collapse and fire incidents. However with the dynamic approach of the entrepreneurs of this country, Bangladesh is emerging itself not only as a sustainable apparels sourcing country along with an international compliance fulfillment may become a dependable international sourcing as well. However all this good achievements might result in more investment in the backward integrations which was hampered for the unstable infrastructure specially the utility sector. As such the country could not achieve its desired goal due to non fulfillment of the expansion required.

Moreover in the international arena the aftermath of Brexit, with the British currency coming down almost 30% has taken its effect on the apparel trade of the country. With almost a quarter of our economic activities with Britain, the fallout has taken toll on the apparels unit price, resulting in less yarn price. The EU is also facing economic challenges, having their own problem which causes reduced order and resulting adverse economic activities for our country. The positive note during the period is the reemergence of the US economy. However the absence of GSP and the new TPP with the East Asian Block the yarn business has negated the desired growth in this market.

**RISKS AND CONCERNS**

The risk is relevant to the spinning sector and Saiham Cotton Mills Ltd. is not exception. The first and foremost risk is the volatility of raw cotton price. With sudden volatility taking its course the Company has the possibility of being caught on the wrong side of the cotton price cycle anytime resulting in high-cost inventory on the one hand while compelling it to market yarn at lower prices on the other. However, Saiham Cotton Mills Ltd. has mitigated the impact through creating a dedicated cotton procurement cell manned by experts; the cell tracks events across the global industry leading to informed decisions. Also ref. the marketing stand point the company emphasis on the product mix by comprising the niche market and also the value added market in negating any such abrupt change on a short term basis. Moreover marketing on a large customer base moderates an over-dependence on few customers.

The fast changing Global scenario causes concern for continuous risks. Any political incident or decision taken in Global context has its affect on the business portfolio of the company. The exit of Britan from EU, New upcoming administration in the US, textile policy of our neighboring country to become the 2<sup>nd</sup> largest apparels exporter after China removing Bangladesh, the US Federal interest rate change is all related to the risk and uncertainty of the business. However, with proper understanding and prudent and timely decisions taken the company has succeeded in facing the Global Geo Political, economic threat and been able to expand its business and believes in continuing it in the days to come.

Lastly, risks and concern of the industry solely depends on the upcoming Government policy. However, Garments being the major foreign currency earner has always enjoyed special consideration from all the successive Governments and expectation is that it will continue in the future thus enabling to negate a lot of unforeseen risks.

**A DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN.**

<b>Particulars</b>	<b>June 30, 2016 (2 Months)</b>	<b>April 30, 2016 (12 Months)</b>	<b>April 30, 2015 (12 Months)</b>
Cost of goods sold	268,061,210 (84.63%)	2,261,134,157 (90.96%)	2,437,273,188 (89.41%)
Gross profit	48,680,096 (15.37%)	224,630,807 (9.04%)	288,810,286 (10.59%)
Net profit for the period/year	24,692,083 (7.80%)	138,728,613 (5.58%)	189,629,548 (6.96%)

**CHANGING OF FINANCIAL YEAR**

The Board of Directors of the Company in its meeting held on February 10, 2016 decided to change the financial year July 01 to June 30, instead of May 01 to April 30 in compliance with the provision of Section 09 of the Financial Act, 2015. Consequently a two month financial statement have been prepared and audited for period from May 01, 2016 to June 30, 2016. Accordingly the next yearly financial statement will be prepared and audited for the period from July 01, 2016 to June 30, 2017.

## **SAIHAM COTTON MILLS LTD.**

### **Discussion on continuity of any Extra-Ordinary gain or loss**

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

### **Related party transactions**

The Company has transactions with its Associate Companies which have been disclosed in related party transaction in note nos. 23 of the notes to the financial statements.

### **Utilization of Proceeds from public issues:**

With the IPO fund the company has set up a brand new 100% export oriented spinning unit. In the year 2014 that has been reported accordingly to the regulators. No further issue of any instrument was made during the period.

### **Variance within the Quarterly Financial Statement and Annual Financial Statements**

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

### **Fairness of Financial Statements**

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

### **Proper Books of Accounts**

Proper books of accounts of the Company have been maintained.

### **Accounting Policies**

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

### **Application of IAS/BAS/IFRS/BFRS**

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed. The list of BAS/BFRS complied is listed on Note 1 of the audited accounts.

### **Internal Control**

The Board of Directors assures its Shareholders that the Company has a risk management process to ensure that the systems of internal control is sound in design and has been effectively implemented and monitored. Although it is possible that all risks to the business are not known at present. The company takes reasonable steps to identify material risks that may hamper business results and systematically reviews these risks in light of the changing internal and external environment in order to assess that controls are adequate to address these risks.

### **Going Concern**

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

## **DIRECTORS**

In terms of Article 127 of the Articles of Association of the Company Mr. S. M. Faisal and Engr. Syed Ishtiaq Ahmed Directors retire by rotation from the Board in the 15<sup>th</sup> Annual General Meeting. Being eligible under Article 128 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.**

#### **Mr. S. M. Faisal, Chairman**

Mr. S. M. Faisal M.A. LLB from Dhaka University set up one of the most sophisticated textile mills named Saiham Textile Mills Ltd. in the early 1980s in one of the remotest and most non-developed areas in Bangladesh i.e. Noyapara, Habiganj. Within 20 years the same area has been transformed into an industrial region and now more than Tk. 60,000 million of investment has made and employment of over 8,000 people. He is an ex-Director of Bangladesh Textile Mills Association (BTMA), the apex body of textile sector in Bangladesh and also an ex-Director of National Tea Company Limited. He was the Chairman of Saiham Cement Industries Limited, a cement manufacturing plant in Mongla. He is well renowned for his philanthropic work in the locality.

## SAIHAM COTTON MILLS LTD.

### Names of companies in which Mr. S. M. Faisal holds the directorship:

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

### Engr. Syed Ishtiaq Ahmed, Managing Director

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

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

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

### RE – APPOINTMENT OF MANAGING DIRECTOR

The Re-appointment of Syed Engr. Ishtiaq Ahmed as Managing Director of the company expired on April 15, 2016. He has been re-appointed as Managing Director of the Company for a further period of 5 (five) years effective from April 16, 2016 by the Board of Directors of the company in its meeting held on April 16, 2016. His appointment as Managing Director has been placed for the approval by the shareholders in this 15<sup>th</sup> Annual General Meeting.

### BOARD MEETINGS

In accordance with directives of the regulatory authorities, the Board supervises, study and review the activities of the company and make businesses decisions etc. During the period 8 (eight) Board Meetings were held.

### Remuneration to Directors including Independent Director

The Independent Director of the Company is receiving a sum of Taka 96,000/-(ninety six thousand) as Board Meeting fee. The information regarding Directors remuneration is incorporated in the notes no 25.00 of the notes to the financial statement on page no. 53

### Number of Board Meetings held during the period and attendance by each Director

Name of Directors	Number of Board Meeting held during the period ended 30.06.2016	Number of Board Meeting attended	Remarks
Mr. S. M. Faisal	8	8	
Engr. Syed Ishtiaq Ahmed	8	8	
Mr. S. F.A. M. Shahjahan	8	8	
Syed Shafqat Ahmed, MBA	8	8	
Mr. Mostafa Moin	8	8	

## **SAIHAM COTTON MILLS LTD.**

### **DIVIDEND**

The Board of Directors has recommended 10% cash dividend for the period ended June 30, 2016 (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 17, 2016.

### **REPORT OF THE AUDIT COMMITTEE**

The Audit Committee of Saiham Cotton Mills Ltd is a sub- committee of the Board of Directors; and is appointed and authorized by the Board in pursuance of BSEC Circular to review the activities of business. The Audit committee consists of the following members:

Mr. Mostafa Moin, Independent Director	: Chairman
Mr. S. F. A. M. Shahjahan, Director	: Member
Syed Shafqat Ahmed MBA, Director	: Member

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

The Committee is authorized 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 period ended June 30, 2016 and placed its recommendation to the Board of Directors.

### **External audit**

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

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

### **Independence of External Auditor**

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

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

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

The Committee met four times during last financial period 2015-16 to carry out the following tasks:

- The Audit Committee reviewed the financial statements for the period ended June 30, 2016;
- Reviewed and discussed the Management Letter, by external auditor Rahman Mostafa Alam & Co. for the period ended June 30, 2016 on the annual audit on financial statements of Saiham Cotton Mills Ltd;
- The expression of interest sent by the audit firm was reviewed by the Audit Committee and recommended Rahman Mostafa Alam & Co. Chartered Accountants, as auditor of the Company for the year to be ended June 30, 2017;

- 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 09, 2016.

The Board of Directors  
Saiham Cotton Mills Ltd  
House # 2, Road # 55  
Gulshan-2, 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 period ended 30 June 2016. 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/-  
(Mr. Mostafa Moin)  
Chairman  
Audit Committee  
Saiham Cotton Mills Ltd.

### CONTRIBUTION TO THE NATIONAL EXCHEQUER

During the period under review the Company has contributed amounting to BDT 3,25,91,137 the including VAT, Tax, Import duty, supplementary duty and others.

### AWARDS & ACHIEVEMENTS

Our stupendous performance and management in the year 2015 - 2016 has led us achieve some prestigious awards from different credible organizations.

- ICMAB Best Corporate Award 2015
- Highest Tax Payer Award 2015 - 2016

### CORPORATE SOCIAL RESPONSIBILITY

Over the years, our company's commitment to Corporate Social Responsibility (CSR) activities is a part and parcel of the company's business model. Our company has been contributing to the welfare of the community, research and development and protection of environment. Few initiatives of our company are mentioned below:

- Contributing donation to Primary school, High school, College, Mosque, Madrasha etc.
- Tree plantation program in patronizing a green environment.
- Distribution of blanket among distressed in winter season.
- Free eye treatment by setting up eye camp.

### HUMAN RESOURCES

The HR Department of our company operates with specific policy approved by the Board of Directors. We provide on-the-job training and development opportunities to enhance our employees career progression. To promote team spirit, integrity and employee relations our company organized an Annual Picnic during the year. Our company also contributed meal for labor concerning the good health.

## JAIHAM COTTON 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.

### APPOINTMENT OF AUDITORS

Rahman Mostafa Alam & Co. Chartered Accountants will retire and being eligible has offered themselves for re-appointment for the year 2017. The Board of Directors of the Company recommend Rahman Mostafa Alam & Co. Chartered Accountants to be appointed as auditors of the Company for the year ended 30.06.2017 for onward approval by shareholders in AGM.

### Corporate Governance Compliance Report

In accordance with the requirement of BSEC Notification no. SEC/CMRRCD/2006-158/134/admin/44 dated 07 August 2012 is shown in Annexure II of the Annual Report.

### 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	
Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:	
Mr. S. M. Faisal - Chairman	3,03,87,500
Engr. Syed Ishtiaq Ahmed - Managing Director	1,29,59,017
Mr. Shafqat Ahmed - Director	1,29,59,017
Mr. S.F.A.M. Shahjahan - Director	42,90,000
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.	Nil

## **SAIHAM COTTON MILLS LTD.**

### **Key operating and financial data**

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

On behalf of the Board of Directors we convey our sincerest gratitude and warmest respect to our valued shareholders. We highly cherish the confidence bestowed upon us by our honorable sponsors, shareholders, patrons and well-wishers. The Board of Directors also expresses deepest thanks to Bangladesh Securities and Exchange Commission (BSEC), Joint Stock Companies & Firms, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd. and Central Depository Bangladesh Limited for their cordial help and assistance. The Board of Directors also highly appreciates the financial institutions, insurers and the contribution of the management and all members of staff for their meritorious and relentless services with extreme sincerity and dedication.

For and on behalf of the Board

Sd/-

(Engr. Syed Ishtiaq Ahmed)

Managing Director

October 16, 2016



## **STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL**

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

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

### **Control activities**

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

### **Information and Communication**

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

### **Monitoring**

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

## **DIRECTORS RESPONSIBILITIES FOR FINANCIAL STATEMENTS**

The Directors are responsible for preparing the annual report and financial statements in accordance with the Companies Act 1994, Securities and Exchange Commission Rules 1987, Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

The Companies Act 1994 requires Directors to ensure that the company keeps proper books of accounts of all transactions and prepares financial statements that give a true and fair view of the state of the company's affairs and of the profit for the period.

The Directors are also required to ensure that the financial statements have been prepared and presented in accordance with the International Financial Reporting Standards (IFRS) and BFRS as applicable in Bangladesh and provided as required by the Companies Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Commission Rules 1987 and the regulations of the Dhaka/Chittagong Stock Exchanges Ltd. They are also responsible for taking reasonable measures to safeguard the assets of the company, and in that context to have proper regard to the establishment of appropriate systems of internal control with a view to preventing and detecting fraudulent activities and other irregularities.

The Directors are of the view that these financial statements have been prepared under the generally accepted accounting principles and in accordance with the Bangladesh Accounting Standards as laid down by the Institute of Chartered Accountants of Bangladesh.

The Directors endeavor to ensure that the company maintains sufficient records to be able to disclose, with reasonable accuracy, the financial position of the company and to be able to ensure that the financial statements of the company meet the requirements of the Companies Act, Bangladesh Accounting Standards, and the regulations of the Dhaka/Chittagong Stock Exchanges Ltd.

The Directors have a reasonable expectation, after making enquiries and following a review of the company's plan for the ensuing year including cash inflows and borrowings facilities, that the Company has adequate resources to continue its operational existence in the foreseeable future, and therefore to continue to adopt the going concern basis in preparing the accounts.

Rahman Mostafa Alam & Co. auditors of the company, have examined the financial statements made available by the Board of Directors together with all relevant financial records, related data, minutes of shareholders and Directors meetings and expressed their opinion in the Annual Report.

By order of the Board

Saiham Cotton Mills Ltd.



Engr. Syed Ishtiaq Ahmed  
Managing Director

**Saiham Cotton Mills Ltd.**

Annexure : I  
(Taka in Million)

**The Key Operating and Financial Data :**  
**Financial Highlights**

Particulars	2016	2016	2015	2014	2013	2012
	2 Months	12 Months	12 Months	12 Months	12 Months	12 Months
Turnover	317	2,486	2,726	1,880	1,982	1,727
Gross profit	49	225	288	294	377	379
Net profit after tax	25	139	189	200	259	225
Net cash operating activities	(34)	326	398	1,208.29	5.85	94

**Table: Summary of Balance Sheet**

Particulars	2016	2016	2015	2014	2013	2012
	2 Months	12 Months	12 Months	12 Months	12 Months	12 Months
Authorized capital	2,000	2,000	2,000	2,000	2,000	2,000
Paid-up capital	1,488	1,488	1,352	1,352	1,352	1,352
Reserve and surplus	1,133	1,102	1,265	1,165	1,090	989
Shareholders' equity	3,373	3,346	3,369	3,268	3,194	3,093
Deferred tax liabilities	161	158	157	137	139	125
Non-current liabilities	589	607	663	137	139	125
Current liabilities	1,555	1,449	1,187	1,643	1,067	1,029
Fixed Assets	2,472	2,476	2,324	2,268	1,192	1,273
Other Non-current Assets	948	997	1,073	1,058	1,173	230
Total Non-current Assets	3,420	3,472	3,397	3,326	2,365	1,503
Current Assets	2,097	1,929	1,822	1,724	2,036	2,745
Book value per share	10	10	10	10	10	10
Earning per share	0.17	0.93	1.4	1.48	1.92	2.48
<b>Dividend per share :</b>						
Cash	10%		5%	10%	10%	10%
Stock	-	-	10%	-	-	-
Number of shareholders	15,931	16,405	18,302	24,446	31,052	143,722

**Table : Ratios**

Particulars	2016	2016	2015	2014	2013	2012
	2 Months	12 Months	12 Months	12 Months	12 Months	12 Months
Debt to Equity Ratio	0.64	0.61	0.55	0.54	0.38	0.37
Current Ratio	1.35	1.33	1.54	1.05	1.91	2.7
Gross profit/Sales (%)	15.37%	9.04%	10.59%	15.64%	19.01%	21.94%
Operating profit/Sales (%)	4.49%	2.68%	5.19%	8.20%	12.03%	13.67%
Profit after tax/Sales (%)	7.80%	5.58%	6.96%	10.65%	13.07%	13%
Return on Asset (%)	0.61%	3.20%	4.70%	4.96%	5.99%	5.96%
Return on Equity (%)	0.84%	4.70%	6.61%	7.19%	8.26%	8.83%

## SAIHAM COTTON MILLS LTD.

### Annexure : II

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

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

## JAIHAM COTTON MILLS LTD.

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

## SAIHAM COTTON MILLS LTD.

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

## SAIHAM COTTON MILLS LTD.

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

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

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

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

Dear Sirs:

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

- (i) We have reviewed the financial statements for the period ended on June 30, 2016 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,



Engr. Syed Ishtiaq Ahmed  
Managing Director



Abu Bakar Siddique  
Chief Financial Officer (CFO)



**SAIHAM COTTON MILLS LTD.**



**KAZI ZAHIR KHAN & CO.**

CHARTERED ACCOUNTANTS

কাজী জহির খান এন্ড কোং

চার্টার্ড একাউন্ট্যান্টস

**CERTIFICATE OF COMPLIANCE TO THE SHAREHOLDER OF  
Saiham Cotton Mills Ltd.  
(AS REQUIRED UNDER THE BSEC GUIDELINES)**

We have examined compliance to the Bangladesh Securities and Exchange Commission (BSEC) guideline on Corporate Governance by **Saiham Cotton Mills Limited** for the period ended 30th June, 2016. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/Admin/44 dated 7<sup>th</sup> August 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

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

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by Bangladesh Securities and Exchange Commission (BSEC).

We also state that such compliance is neither an assurance as to the rupture viability of the Company nor a certificate on the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Dated : Dhaka  
October 16, 2016

  
**KAZI ZAHIR KHAN & CO.**  
CHARTERED ACCOUNTANTS



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Branch Office : 281/3, Jafraabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207, Tel : 8113474, e-mail : aamahmudco@gmail.com



## Auditors' Report

to

### the Shareholders of Saiham Cotton Mills Ltd.

We have audited the accompanying financial statements of Saiham Cotton Mills Ltd. (the Company) which comprise the Financial Position as at June 30, 2016; Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the period ended and a summary of significant accounting policies and other explanatory information disclosed in note 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 the Companies Act 1994 and other applicable laws and regulations for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 (BSA). 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 our 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, 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 Cotton Mills Ltd. as at June 30, 2016 and its financial performance and its cash flows for the period then ended in accordance with the applicable sections of the Companies Act 1994 and other applicable laws and regulations.

#### We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- 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 those books;
- the statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- the expenditure incurred was for the purpose of the company's business.

Dated: Dhaka  
October 24, 2016

  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants

# SAIHAM COTTON MILLS LTD.

## Saiham Cotton Mills Ltd. Statement of Financial Position As at June 30, 2016

Particulars	Notes	Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<b>Assets :</b>				
<b>Non Current Assets :</b>				
Property, plant and equipment	3.00	2,472,160,291	2,475,517,448	2,324,343,225
Investment	4.00	947,805,721	996,641,166	1,073,059,313
<b>Total Non-current Assets</b>		<b>3,419,966,012</b>	<b>3,472,158,614</b>	<b>3,397,402,538</b>
<b>Current Assets :</b>				
Trade and other receivables	5.00	655,561,289	761,157,616	714,132,179
Inventories	6.00	1,310,867,694	940,065,240	924,816,558
Advance, deposits and pre-payments	7.00	70,650,867	61,335,931	62,880,377
Cash and cash equivalents*	8.00	59,628,913	166,812,922	121,920,695
<b>Total Current Assets</b>		<b>2,096,708,763</b>	<b>1,929,371,709</b>	<b>1,823,749,809</b>
<b>Total Assets</b>		<b>5,516,674,775</b>	<b>5,401,530,323</b>	<b>5,221,152,348</b>
<b>Equity and Liabilities :</b>				
<b>Shareholders Equity :</b>				
Share capital	09.00	1,487,750,000	1,487,750,000	1,352,500,000
Share premium		751,750,000	751,750,000	751,750,000
Tax holiday reserve		100,715,999	100,715,999	100,715,999
Revaluation surplus	10.00	422,841,932	427,080,673	454,430,095
General reserve		60,400,000	60,400,000	60,400,000
Retained earnings		549,071,422	518,421,835	649,624,067
<b>Total Shareholders Equity</b>		<b>3,372,529,353</b>	<b>3,346,118,507</b>	<b>3,369,420,161</b>
<b>Non-current Liabilities :</b>				
Deferred tax liabilities	11.00	160,510,750	157,996,367	156,733,505
Term Loan	12.00	428,333,086	448,584,726	506,425,285
<b>Total Non-current Liabilities</b>		<b>588,843,836</b>	<b>606,581,093</b>	<b>663,158,790</b>
<b>Current Liabilities :</b>				
Short Term Loan	13.00	967,272,466	1,024,855,891	869,232,805
Term Loan Current Maturity	12.00	189,145,230	189,145,230	159,209,310
Trade creditors	14.00	315,025,922	131,129,709	44,017,889
Liabilities against capital machinery		28,201,158	49,130,583	61,332,492
Income tax provision	15.00	17,188,730	16,253,047	19,350,646
Payable and accruals*	16.00	38,468,080	38,316,263	35,430,255
<b>Total Current Liabilities</b>		<b>1,555,301,586</b>	<b>1,448,830,723</b>	<b>1,188,573,397</b>
<b>Total Liabilities</b>		<b>2,144,145,422</b>	<b>2,055,411,816</b>	<b>1,851,732,187</b>
<b>Total Equity and Liabilities</b>		<b>5,516,674,775</b>	<b>5,401,530,323</b>	<b>5,221,152,348</b>
<b>Net Assets Value per Share</b>	22.00	<b>22.67</b>	<b>22.49</b>	<b>22.65</b>

\*Prior balance restated detailed disclosed in note 8.00 and 16.00.

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

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka  
October 24, 2016

Sd/-  
Rahman Mostafa Alam & Co.  
Chartered Accountants

## SAIHAM COTTON MILLS LTD.

### Saiham Cotton Mills Ltd. Statement of Profit or Loss and Other Comprehensive Income For the period from May 01,2015 to June 30,2016

Particulars	Notes	Amount in Taka		
		May 01, 2016 to June 30, 2016	May 01, 2015 to April 30, 2016	May 01, 2014 to April 30, 2015
Turnover		316,741,306	2,485,764,964	2,726,083,474
Cost of goods sold	17.00	(268,061,210)	(2,261,134,157)	(2,437,273,188)
<b>Gross Profit</b>		<b>48,680,096</b>	<b>224,630,807</b>	<b>288,810,286</b>
Administrative and marketing expenses	18.00	(12,782,037)	(69,200,822)	(65,666,437)
Financial expenses	19.00	(21,675,046)	(88,744,396)	(81,573,970)
<b>Operating Profit</b>		<b>14,223,012</b>	<b>66,685,588</b>	<b>141,569,878</b>
Non operating income	20.00	20,172,254	111,678,621	112,523,856
<b>Operating Profit before WPPF</b>		<b>34,395,266</b>	<b>178,364,209</b>	<b>254,093,734</b>
Provision for WPPF		(1,637,870)	(8,493,534)	(12,099,702)
<b>Profit Before Tax</b>		<b>32,757,397</b>	<b>169,870,675</b>	<b>241,994,032</b>
<b>Provision for Tax</b>		<b>(8,065,314)</b>	<b>(31,142,062)</b>	<b>(52,364,484)</b>
Current Tax	15.01	(4,802,918)	(25,052,831)	(28,429,386)
Deferred Tax	11.1.1	(3,262,396)	(6,089,231)	(23,935,098)
<b>Net Profit After Tax</b>		<b>24,692,083</b>	<b>138,728,613</b>	<b>189,629,548</b>
<b>Other Comprehensive Income/(Loss) :</b>		<b>970,751</b>	<b>(99,231,636)</b>	<b>2,208,253</b>
Adjustment for unrealized loss/(gain) on marketable securities		970,751	2,396,691	(7,625,656)
Proportion of associate income		-	-	9,833,909
Adjustment for reclassification of the status of investment		-	(101,628,327)	-
<b>Total Comprehensive Income for the year</b>		<b>25,662,834</b>	<b>39,496,977</b>	<b>191,837,801</b>
Earnings Per Share (EPS)	21.00	<b>0.17</b>	<b>0.93</b>	<b>1.27</b>

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

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka  
October 24, 2016

Sd/-  
Rahman Mostafa Alam & Co.  
Chartered Accountants

# SAIHAM COTTON MILLS LTD.

## Saiham Cotton Mills Ltd. Statement of Cash Flows

For the period from May 01,2015 to June 30, 2016

Particulars	Amount in Taka		
	May 01,2016 to June 30,2016	May 01,2015 to April 30,2016	May 01,2014 to April 30,2015
<b>A. Cash Flows From Operating Activities</b>			
Collection from sales	422,337,633	2,438,739,527	2,961,644,798
Payment for cost and expenses	(451,110,180)	(2,107,189,308)	(2,555,105,926)
Interest paid on borrowings	(21,675,046)	(88,744,396)	(81,573,970)
Collection from non operating income	20,172,254	111,678,621	114,732,109
Income tax paid	(3,867,235)	(28,150,430)	(39,517,334)
<b>Net cash from operating activities</b>	<b>(34,142,573)</b>	<b>326,334,013</b>	<b>400,179,676</b>
<b>B. Cash Flows From Investing Activities</b>			
Acquisition of property,plant and equipment	(24,083,142)	(257,389,253)	(205,488,619)
Investment in Unquoted company (FSML)	-	33,256,970	(9,833,908)
Investment in shares of listed company	(193,804)	6,463,405	10,616,497
Investment in FDR	50,000,000	(62,533,864)	23,000,000
Liability against capital machinery	(20,929,425)	(61,332,492)	(476,684,501)
<b>Net cash used in investing activities</b>	<b>4,793,629</b>	<b>(341,535,234)</b>	<b>(658,390,531)</b>
<b>C. Cash Flows From Financing Activities</b>			
Short term loan	(57,583,425)	155,623,086	166,587,103
Term Loan	(20,251,640)	(27,904,639)	208,400,216
Current account with associate company	-	-	16,443,724
Dividend paid	-	(67,625,000)	(135,250,000)
<b>Net cash provided by financing activities</b>	<b>(77,835,065)</b>	<b>60,093,447</b>	<b>256,181,043</b>
<b>D.Net Increase/Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(107,184,009)</b>	<b>44,892,226</b>	<b>(2,029,812)</b>
<b>Cash &amp; Cash Equivalents at beginning of the year</b>	<b>166,812,921</b>	<b>121,920,695</b>	<b>123,950,508</b>
<b>Cash &amp; Cash Equivalents at ending of the year</b>	<b>59,628,913</b>	<b>166,812,921</b>	<b>121,920,695</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>(0.23)</b>	<b>2.19</b>	<b>2.69</b>

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Company Secretary

Signed in terms of our separate report of even date.

Dated : Dhaka  
October 24, 2016

Sd/-  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants

**Saiham Cotton Mills Ltd.**  
**Statement of Changes in Equity**  
 For the period from May 01, 2015 to June 30, 2016

Particulars	Share capital	Share premium	Tax holiday reserve	General reserve	Revaluation surplus	Retained earnings	Total equity
<b>Balance as at May 01, 2014</b>	<b>1,352,500,000</b>	<b>751,750,000</b>	<b>100,715,999</b>	<b>60,400,000</b>	<b>483,846,073</b>	<b>558,429,233</b>	<b>3,307,641,305</b>
Net profit for the year	-	-	-	-	-	191,837,801	191,837,802
Adjustment for depreciation on revalued assets	-	-	-	-	(29,415,979)	-	(29,415,979)
Adjustment for revaluation of P.P.E and deferred tax	-	-	-	-	-	34,607,034	34,607,034
Dividend paid for the prior year (2014)	-	-	-	-	-	(135,250,000)	(135,250,000)
<b>Balance as at April 30, 2015</b>	<b>1,352,500,000</b>	<b>751,750,000</b>	<b>100,715,999</b>	<b>60,400,000</b>	<b>454,430,095</b>	<b>649,624,067</b>	<b>3,369,420,161</b>
<b>Balance as at May 01, 2015</b>	<b>1,352,500,000</b>	<b>751,750,000</b>	<b>100,715,999</b>	<b>60,400,000</b>	<b>454,430,095</b>	<b>649,624,067</b>	<b>3,369,420,161</b>
Net profit for the year	-	-	-	-	-	39,496,977	39,496,977
Adjustment for depreciation on revalued assets	-	-	-	-	(27,349,422)	-	(27,349,422)
Adjustment for revaluation of P.P.E and deferred tax	-	-	-	-	-	32,175,790	32,175,790
Cash Dividend paid for the prior year (2015)	-	-	-	-	-	(67,625,000)	(67,625,000)
Stock Dividend paid for the prior year (2015)	135,250,000	-	-	-	-	(135,250,000)	-
<b>Balance as at April 30, 2016</b>	<b>1,487,750,000</b>	<b>751,750,000</b>	<b>100,715,999</b>	<b>60,400,000</b>	<b>427,080,673</b>	<b>518,421,835</b>	<b>3,346,118,506</b>
<b>Balance as at May 01, 2016</b>	<b>1,487,750,000</b>	<b>751,750,000</b>	<b>100,715,999</b>	<b>60,400,000</b>	<b>427,080,673</b>	<b>518,421,835</b>	<b>3,346,118,506</b>
Net profit for the period	-	-	-	-	-	25,662,834	25,662,834
Adjustment for depreciation on revalued assets	-	-	-	-	(4,238,741)	-	(4,238,741)
Adjustment for revaluation of P.P.E and deferred tax	-	-	-	-	-	4,986,754	4,986,754
<b>Balance as at June 30, 2016</b>	<b>1,487,750,000</b>	<b>751,750,000</b>	<b>100,715,999</b>	<b>60,400,000</b>	<b>422,841,932</b>	<b>549,071,422</b>	<b>3,372,529,353</b>

**Sd/-**  
**Managing Director**

**Sd/-**  
**Director**

**Sd/-**  
**Company Secretary**

# **Saiham Cotton Mills Ltd.**

## **Saiham Cotton Mills Ltd.** Notes to the Financial Statements As at and for the year ended June 30, 2016

### **1. Corporate Information and Nature of Business Activities**

#### **1.1. Corporate Information:**

**Saiham Cotton Mills Ltd. (SCML)** was incorporated on May 30, 2002 as a Private Limited Company under the Company Act, 1994 and subsequently it was converted as a Public Limited Company in April, 2010. The registered office of the company is situated at Noyapara, P.O: Saiham Nagar, U.Z: Madhabpur, Habiganj. while Dhaka office is situated at Asset Rose Dale, House # 02(4th floor), Road # 55, Gulshan – 2, Dhaka – 1212 .

**Saiham Cotton Mills Ltd. (SCML)** had floated its 4,75,00,000 shares of Tk. 10/- each at Tk. 20/- each including premium of Tk. 10/- per share to general public through Initial Public Offering (IPO) after obtaining consent from Securities and Exchange Commission (SEC) vide their letter no. SEC/CI/IPO-159/2011/898 dated December 18, 2011.

#### **1.2. Nature of Business Activities:**

The company operates as industrial spinning plant having one of the largest and modern cotton mill for 100% export oriented industries in Bangladesh. The Company manufactures auto coned electronically cleared cotton carded and combed grey yarn.

### **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, 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 assuming Going Concern basis based on the accrual basis of accounting following under the historical cost convention except property, plant and equipment (PPE), investment in shares and investment in FDR.

#### **2.3 Basis of Reporting:**

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

#### **2.4 Use of estimates and judgments:**

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

#### **2.5 Going concern:**

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

#### **2.6 Components of the Financial Statement:**

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 at June 30, 2016;
- ii) The Statement of Profit or Loss and Other Comprehensive Income for the period from May 01, 2015 to June 30, 2016;

- iii) Statement of Changes in Equity for the period from May 01,2015 to June 30, 2016;
- iv) The Statement of Cash Flows for the period from May 01,2015 to June 30, 2016 and
- v) Accounting Policies and explanatory notes the financial statements for the period from May 01,2015 to June 30, 2016.

**2.7 Regulatory and Legal Compliance:**

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

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

**2.8 Property, Plant and Equipments (PPE):**

Property, plant and 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 Equipments**

No depreciation has been charged on Land and Land development considering the unlimited useful life. Depreciation has been charged from the date when the assets become usable. The rates of depreciation at the following rates are applied from the use of commercial production. Depreciation has been charged on PPE under diminishing balance method.

<b>Name of assets</b>	<b>Rates</b>
Building and Others Construction	5.00%
Plant and Machineries	7.50%
Furniture and Fixtures	10.00%
Motor Vehicles	15.00%
Office Equipments	10.00%
Sundry Assets	10.00%

**Revaluation of property, plant and equipment**

**Basis of valuation:**

**Land and land development:** To determine the basis of valuation of land which is 135 k. m. away from capital of Bangladesh by Dhaka – Sylhet highway from Madhabpur upa-zilla in Noyapara Union it is a very developed area surrounded by Tea gardens. The area has developed into an industrial zone with Textile, Spinning, Jute, Power station, Gremmen phone Tower, Tea industries already existing. Moreover the Hobiganj Gas field is available with in five minutes of drive and SahajiBazer Power Station is located within 10 minutes of locality. The Government Mouza rate Tk. 13,434.46 per decimal.

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

**Plant and machinery:** Here the deprecation is applied from the year of 2005 as per supplied documents stated the industries stated commercial production from the year of 2005. Deduction due depreciation from the new cost of the plant and machineries on the following basis the valuer have arrived at present valuation of same.



## JAIHAM COTTON MILLS LTD.

**Vehicles and transport:** The value of the vehicles and transports were considered their blue book and other record, purchase cost, date of purchase type and make of the vehicles and also present realizable condition. The market values of the vehicles are determined considering price escalation on the basis of professional judgment.

Date of Revaluation: December 20, 2010.

Date of incorporation of the valuation in the financial statements December 31, 2010.

**Valuer : Vigilant Survey Associates**

### 2.09 Investment in Shares:

Investment in marketable ordinary shares has been shown at market price and classified as available for sale financial instruments. Any adjustment for diminution in value of share as on closing of the year on an individual investment basis is made in the financial statement which is reflected in the other comprehensive income statement.

### 2.10 Inventories:

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value. Costs including an appropriate portion of fixed and variable overhead expenses are assigned to inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. 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 as follows:

Raw Cotton	At cost
Stores & Spares	At cost
Packing Materials	At cost
Work-in-Process	100% Materials plus portion of labour charges, Gas charges.
Finished Goods (Yarn)	Cost or Market price which ever is lower

### 2.11 Revenue Recognition:

In compliance with the requirements of BAS - 18 "Revenue", revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding discounts, rebates, and sale taxes.

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

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

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

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the Company.

### 2.13 Earnings per Share (EPS):

Earnings per share (EPS) are calculated in accordance with the BAS – 33 "Earnings per share" which has been shown on the face of statement of comprehensive income.

#### i) Basic Earning 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 number of shares outstanding during the year.

#### ii) Diluted earnings per share

No diluted earnings per share are required to be calculated for the year as there was no scope for dilution during the year under review.

**2.14 Cash & Cash Equivalent:**

According to BAS – 7 “Statement of Cash Flows” cash comprises of cash in hand and cash at bank. Considering the provisions of BAS – 7 cash in hand and bank balances have been considered as cash and cash equivalents.

**2.15 Cash Flow Statement:**

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

**2.16 Payable and Accruals:**

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

**2.17 Foreign Currency Translation:**

Transactions in foreign currencies are translated in to BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated in to BDT at the rate of exchange ruling at the financial position date. Gain or losses resulting from foreign currency transactions are taken to the Comprehensive Income statement complying with BAS 21.

**2.18 Borrowing costs:**

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

**2.19 Revaluation Reserve:**

When an assets carrying amount is increased as a result of a revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus /reserve as per BAS-16: Property, Plant and Equipment. The company revalued the assets of land and land development, Building & Civil Engineering, Plant and Machinery and vehicle & Transport during the year December 31, 2009 which has absolutely owned by the company and the increase amount of net off deferred tax transferred to revaluation reserve. The tax effects on revaluation gain are measured and recognized in the financial statement as per BAS-12: Income Taxes.

**2.20 Taxation:****Current Tax:**

Current tax provision has been made as per 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 “.

**2.21 Trade Debtors:**

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

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

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

## **SAIHAM COTTON MILLS LTD.**

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

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

### **2.24 Related Party Disclosures:**

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

### **2.25 Reporting period:**

These financial statements cover the period from May 01, 2015 to June 30, 2016.

### **2.26 Comparative Figure:**

Comparative information has been disclosed in respect of the year 2015 for all numerical information in the financial statements and also the narrative and descriptive where it is relevant for understanding of the current year’s financial statements.

### **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 statement and events after the statement of financial position date that are not adjusting event are disclosed in the notes when material.

### **2.28 Approval of the financial statement:**

These financial statements have been approved by the Board of Directors on October 24, 2016.

### **2.29 Frequency of reporting /reporting period:**

- i) The Management of the company decided to prepares the financial statement for the period of 14 months from May 01, 2015 to June 30, 2016 in compliance with uniform accounting year of all the entities except Bank and FIs as circulated by the Finance Act 2015
- ii) As the result of above circumstances the financial statements are not entirely comparable with comparative.

### **2.30 General:**

- i) Figures appearing in these Financial Statements have been rounded off to the nearest Bangladesh Taka.
- ii) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- iii) The company has not incurred any expenditure in foreign currency against royalties and technical fees.
- iv) Comparative figure and account titles in the financial statements have been re-arranged/re-classified/restated where necessary to confirm to changes in presentation in the current year.

## SAIHAM COTTON MILLS LTD.

Amount in Taka		
June 30, 2016	April 30, 2016	April 30, 2015

### 3.00 Property, Plant and Equipment:

This is arrived of as follows:

Cost	3,409,127,290	3,385,044,148	3,078,524,312
Less: Accumulated depreciation	936,966,999	909,526,700	754,181,087
<b>Written down value</b>	<b>2,472,160,291</b>	<b>2,475,517,448</b>	<b>2,324,343,225</b>

- ▶ An elaborate Schedule of PPE has been shown in Annexure - A;
- ▶ Depreciation has not been charged on Land & Land Development;
- ▶ Depreciation has been charged on value of PPE under diminishing balance method;
- ▶ Fractions have been avoided in calculating Depreciation of PPE.

### 4.00 Investment

Investment in Unquoted company (FSML)	4.01	60,499,400	60,499,400	195,384,697
Investment in shares of listed company	4.02	26,833,386	25,668,831	29,735,545
Investment in Unquoted company (SKCL)		20,350,000	20,350,000	20,350,000
Investment in FDR	4.03	840,122,935	890,122,935	827,589,071
		<b>947,805,721</b>	<b>996,641,166</b>	<b>1,073,059,313</b>

#### 4.01 Investment in Unquoted company (FSML)

	60,499,400	60,499,400	195,384,697
	<b>60,499,400</b>	<b>60,499,400</b>	<b>195,384,697</b>

#### 4.02 Investment in Shares of Listed Company:

Investment in ordinary shares comprises of shares of various listed company's shares .

Name of the company	No. of Shares	June 30,2016		April 30,2016	April 30,2015
		Cost	Market Value	Market Value	Market Value
Asia Insurance Ltd.	-	-	-	-	419,567
BEXIMCO Ltd.	-	-	-	-	5,947,857
BSCCL	12,132	2,907,624	1,336,946	1,298,124	1,167,848
DBH	3,500	382,373	373,450	375,200	-
FUWANGCER	75,000	1,321,080	1,215,000	1,200,000	-
GENNEXT	8,728	221,583	63,714	62,687	-
MTB	792	21,097	13,622	12,276	-
PLFSL	119,573	3,508,335	1,040,285	968,541	-
SINOBANGLA	20,000	660,130	574,000	566,000	-
SPCL	1,030	179,816	145,642	122,570	-
UNIQUEHRL	105,673	5,894,509	4,934,929	5,241,381	-
UNITEDAIR	495,000	6,482,551	3,217,500	2,722,500	-
ZAHEENSPIN	13,800	280,518	230,460	217,200	-
Green Delta F. Services Ltd. BO-1203620023711436	-	10,302	10,302	3,717	-
GENNEXT	55,000	547,180	401,500	405,000	80,040
ACTIVEFINE	10,000	595,811	479,000	478,000	-
MEGHNALIFE	6,500	388,128	371,150	325,000	-
UPGDCL	7,000	1,149,007	1,036,000	2,978,500	-
BSCCL	10,000	1,068,405	1,102,000	-	-
ISLAMIINS	22,000	393,181	345,400	316,000	-
QSM DRYCELL	5,000	653,805	413,000	335,500	-
SPCL	3,090	572,581	436,926	279,336	-

## SAIHAM COTTON MILLS LTD.

SUNLIFEINS	10,000	334,619	279,000	286,000	-
UNITEDAIR	22,000	210,840	143,000	99,000	2,028,138
SAIHAMTEX	544,500	15,707,262	7,677,450	7,350,750	15,510,720
Lankabangla	-	-	-	-	418,292
Mutual Trust Bank Ltd.	-	-	-	-	9,372
PLFSL	-	-	-	-	1,445,750
SQURPHARMA	-	-	-	-	496
UNIQUEHRL	-	-	-	-	1,286,190
BRAC EPL BALANCE TK.	-	993,110	993,110	25,549	1,421,275
<b>Total</b>		<b>44,503,719</b>	<b>26,833,386</b>	<b>25,668,831</b>	<b>29,735,545</b>

		Amount in Taka			
		June 30, 2016	April 30, 2016	April 30, 2015	
<b>4.03</b>	<b>Investment in FDR :</b>				
	<b>Purpose</b>				
	Dhaka Bank(04316)	Bank Guarantee	900,000	900,000	900,000
	Bank Asia(0048960/1858)	Bank Guarantee	1,600,000	1,600,000	1,600,000
	Bank Asia(0132931/5700)		-	-	3,729,071
	Bank Asia(9865)		5,883,058	5,883,058	-
	Bank Asia (0214090)		1,360,000	1,360,000	1,360,000
	Bank Asia		-	-	10,000,000
	BA COR(0203056/12904/002550129)		-	-	10,000,000
	Bank Asia,9943		10,379,877	10,379,877	-
	UCBL(0358982/41100017659)		-	-	5,000,000
	AB Hobi(3400879/78006)		-	-	10,000,000
	Lankabangla,155		15,000,000	15,000,000	-
	Uttara Finance, 5956/14		-	20,000,000	20,000,000
	Uttara Finance, 7629/15		-	-	15,000,000
	Lankabangla,75		15,000,000	15,000,000	-
	Bank Asia		-	-	15,000,000
	UNICAP,2015 10 320		40,000,000	40,000,000	-
	Uttara Finance, 7860,15		-	25,000,000	25,000,000
	UNICAP, 1293		-	25,000,000	-
	FAS Finance		-	-	5,000,000
	UNICAP,0311	Term Loan	15,000,000	15,000,000	15,000,000
	AB Bank, 3444322		20,000,000	-	-
	HSBC Ltd, 103		-	-	50,000,000
	HSBC Ltd, 104		-	-	50,000,000
	HSBC Ltd, 131		-	-	50,000,000
	UNICAP,2015 08 211	Term Loan	50,000,000	50,000,000	-
	Lankabangla,001122800000167		50,000,000	50,000,000	-
	IDLC Finance, 71201	Term Loan	20,000,000	20,000,000	-
	UNICAP,2015 08 232	Term Loan	20,000,000	20,000,000	-
	HSBC Ltd, 132	Term Loan	50,000,000	50,000,000	50,000,000
	Lankabangla,001220200000002		-	-	30,000,000
	Uttara Finance, 0100120113714		-	-	30,000,000
	IDLC,71201	Term Loan	60,000,000	60,000,000	-
	HSBC Ltd, 105	Term Loan	50,000,000	50,000,000	50,000,000
	HSBC Ltd, 106	Term Loan	50,000,000	50,000,000	50,000,000
	HSBC Ltd, 107	Term Loan	50,000,000	50,000,000	50,000,000
	HSBC Ltd, 101	Term Loan	10,000,000	10,000,000	-
	UNICAP , 0748	Term Loan	50,000,000	50,000,000	50,000,000
	UNICAP, 0437		-	-	20,000,000

## SAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
UNICAP, 0436		-	-	30,000,000
FAS , 279/15		20,000,000	20,000,000	-
UFIL, 21015		30,000,000	30,000,000	-
Prime Finance, 4519/14		-	-	50,000,000
Lankabangla,169	Term Loan	50,000,000	50,000,000	-
Lankabangla,3994		-	-	30,000,000
Uttara Finance,8616	Term Loan	30,000,000	30,000,000	-
Uttara Finance,5815		-	-	20,000,000
UNICAP,2016 03 075	Term Loan	20,000,000	20,000,000	-
AB Bank, 3369992		-	-	20,000,000
Lankabangla,78	Term Loan	20,000,000	20,000,000	-
AB Bank, 773248		10,000,000	10,000,000	10,000,000
UNICAP, 0482		-	-	20,000,000
UNICAP, 0481		-	-	30,000,000
Lankabangla,225		50,000,000	50,000,000	-
UNICAP, 0878		-	30,000,000	-
Lankabangla,119		-	20,000,000	-
		<b>840,122,935</b>	<b>890,122,935</b>	<b>827,589,071</b>

► Out of total Tk. 840,122,935, Taka 2,500,000 Fixed Deposit Receipts are lien with bank against bank guarantee and Taka 495,000,000 Fixed Deposit Receipts are lien marked with HSBC Ltd. against term loan.

<b>5.00 Trade and other receivables</b>	655,561,289	761,157,616	714,132,179
	<b>655,561,289</b>	<b>761,157,616</b>	<b>714,132,179</b>

► Details of trade debtors shown in Annexure - 'B, C & D'.

► The above amount is receivable from debtors against export L/C

6.00 Inventories :	Amount in Taka				
	June 30, 2016		April 30, 2016		April 30, 2015
This represents as follows:	Quantity	Amount in Tk.	Quantity	Amount in Tk.	Amount in Tk.
Raw Materials	1,68,99,306 LBS	963,260,450	1,24,74,332 LBS	687,652,890	573,844,712
Work in Process	2,39,694 LBS	13,610,769	2,58,898 LBS	14,801,452	14,187,582
Finished Goods	12,81,928 kgs	284,588,089	7,68,382 kgs	171,190,900	253,579,303
Stores & Spare Parts		46,055,607	N/A	61,226,201	81,483,337
Oil & Lubricants	N/A	1,145,887	N/A	1,973,045	1,291,766
Packing Materials	N/A	2,206,892	N/A	3,220,752	429,858
		<b>1,310,867,694</b>		<b>940,065,240</b>	<b>924,816,558</b>

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

► Inventories are physically verified by the Management team .

<b>7.00 Advance, deposits and prepayments :</b>			
Security Deposit with Jalalabad Gas	13,506,031	13,506,031	8,316,093
Security Deposit with Hobigonj Palli Biddut	283,005	283,005	283,005
Advance against salary & wages	1,073,850	1,193,850	627,850
Advance against office rent	500,000	500,000	500,000
Security deposit with CDBL	500,000	500,000	500,000
Advance against local suppliers	13,311,424	6,595,557	6,238,614
Advance against L/C Margin and commission	41,476,557	38,757,488	46,414,815
	<b>70,650,867</b>	<b>61,335,931</b>	<b>62,880,377</b>

## JAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<ul style="list-style-type: none"> <li>▶ All the advances and deposits amount are considered good and recoverable;</li> <li>▶ Advance due from staffs and workers are regularly being realized through their salaries;</li> <li>▶ There is no amount due from Directors or Officers of the Company under any agreement;</li> <li>▶ Advance against suppliers due mainly to advances given to suppliers for packing materials, spare parts etc.</li> <li>▶ No amount was due by the directors (including managing director), managing agent, managers of the company and any of them severally or jointly with any other person, except as security and other deposits stated above;and</li> <li>▶ L/C Margin deposit against various import L/C represent margin and commission of Raw cotton, Spare Parts, Packing Materials.</li> </ul>				
<b>8.00</b>	<b>Cash and cash equivalents :</b>			
	This consists of :			
	Cash in hand	8.01	1,974,321	2,552,819
	Cash at banks	8.02	57,654,592	164,260,103
			<b>59,628,913</b>	<b>166,812,922</b>
				<b>121,920,695</b>
<ul style="list-style-type: none"> <li>▶ Cash in hand stands for cash balance only.</li> <li>▶ Bank balances were confirmed and reconciled with Bank statements.</li> </ul>				
<b>8.01</b>	<b>Cash in hand:</b>			
	Head office		172,893	119,150
	Factory Office		1,801,428	2,433,669
			<b>1,974,321</b>	<b>2,552,819</b>
				<b>1,548,971</b>
<b>8.02</b>	<b>Cash at banks:</b>			
	Janata Bank, Motijheel Branch - CD A/C # 023733012107		21,327	22,202
	Janata Bank, Noyapara Branch - CD A/C # 0210005125		5,431,838	1,426,682
	Janata Bank Ltd. SND A/C # 145		4,892,189	2,163,577
	Dhaka Bank, Local Office - CD A/C # 020110000010671		1	1
	Dhaka Bank, Islami Branch- CD A/C # 2015		88,919	89,494
	Standard Chartered Bank, A/C # 01-1183017-01		166,610	166,610
	HSBC CD A/C # 001234608-011		2,407,638	82,103,643
	HSBC Margin Account # 001234608-091		2,237,832	16,605,355
	HSBC BDT Margin Account # 001 234608-095		10,568	10,568
	HSBC FC Account # 001234608-047		7,110,761	10,526,767
	HSBC Dividend Account # 001 234608-012		1,792,805	1,792,805
	HSBC Dividend Account # 001 234608-015		1,925,188	1,934,188
	HSBC Dividend Account # 001 234608-901		2,348,298	2,351,698
	HSBC Dividend Account # 001 234608-902		981,451	1,004,295
	HSBC CD A/C # 001234608-013		412	412
	HSBC CD A/C # 001234608-014		306,887	358,257
	HSBC Offshore A/C # 005		4,097,099	488,420
	Bank Asia \$ Margin A/C # 11047000002		17,067,631	39,457,881
	Bank Asia ERQ A/C # 11042000002		1,632,711	1,632,711
	Bank Al Falah STD A/C # 0702 03700151		41,598	41,598
	Premier Bank Ltd. A/C #1021311869		1,758,071	63,520
	Mutual Trust Bank A/C # 599		1,469,657	178,867
	BRAC Bank Ltd. STD A/C # 1526101985342001		-	-
	BRAC Bank A/C # 1501201985342002 (Restated 2015)		1,865,101	1,840,552
			<b>57,654,592</b>	<b>164,260,103</b>
				<b>120,371,724</b>

Share money deposit for IPO/Right was not fully repaid to the unsuccessful applicant. The said money is lying with BRAC Bank Ltd. CD A/C no. 1501201985342002. The above mention account were not shown in the earlier years inadvertently. Now shown under the Cash at Banks.

## SAIHAM COTTON MILLS LTD.

Amount in Taka		
June 30, 2016	April 30, 2016	April 30, 2015

### 09.00 Share capital :

#### This represents :

Authorized capital

**200,000,000 Ordinary shares of Tk.10 each**

	2,000,000,000	2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital :			
35,000,000 Ordinary Shares @ Tk. 10 each fully paid up	350,000,000	350,000,000	350,000,000
17,500,000 Ordinary Shares @ Tk 10 each fully paid up other than cash	175,000,000	175,000,000	175,000,000
15,000,000 Ordinary Shares @ Tk.10 each fully paid up other than cash	150,000,000	150,000,000	150,000,000
20,250,000 Ordinary Shares @ Tk.10 each fully paid up other than cash	202,500,000	202,500,000	202,500,000
47,500,000 Ordinary Shares @ Tk.10 each fully paid up other than cash	475,000,000	475,000,000	475,000,000
13,525,000 Ordinary Shares @ Tk.10 each fully paid up other than cash	135,250,000	135,250,000	-
<b>148,775,000 Ordinary Shares</b>	<b>1,487,750,000</b>	<b>1,487,750,000</b>	<b>1,352,500,000</b>

Percentage of shareholding position of different shareholders are as follows :

Name of the Shareholders	30.06.2016		30.04.2016		30.04.2015	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Sponsors	75,074,998	50.46	75,074,998	50.46	68,250,000	50.46
Institutions	42,627,427	28.65	39,468,458	26.53	34,520,805	25.52
General Public	31,072,575	20.89	34,231,544	23.01	32,479,195	24.01
	<b>148,775,000</b>	<b>100</b>	<b>148,775,000</b>	<b>100.00</b>	<b>135,250,000</b>	<b>100.00</b>

#### Classification of Shareholders by holding :

The number of shareholders and shareholding position as at June 30, 2016 are given below :

Range of holding	No. of shareholding	No. of shareholders	% of shareholding
Upto 500 shares	3,241,705	12,113	2.25
501 to 5,000 shares	4,833,599	2,704	3.35
5,001 to 10,000 shares	3,561,990	482	2.44
10,001 to 20,000 shares	4,206,137	302	2.95
20,001 to 30,000 shares	2,615,124	105	1.61
30,001 to 40,000 shares	1,309,215	37	1.15
40,001 to 50,000 shares	1,139,704	25	0.87
50,001 to 100,000 shares	5,376,530	76	3.61
100,001 to 1,000,000 shares	16,633,927	73	12.06
Over 1,000,000 shares	105,857,069	14	69.71
<b>Total</b>	<b>148,775,000</b>	<b>15,931</b>	<b>100.00</b>

### 10.00 Revaluation Surplus :

This calculation is arrived as follows :

Opening Balance	427,080,673	454,430,095	483,846,073
Adjustment for depreciation on revalued assets	(4,238,741)	(27,349,422)	(29,415,979)
<b>Closing Balance</b>	<b>422,841,932</b>	<b>427,080,673</b>	<b>454,430,095</b>



## SAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<b>11.00</b>	<b>Deferred tax Liabilities :</b>			
	This is arrived as follows :			
	Opening Balance	157,996,367	156,733,505	137,989,462
	Add: Deferred Tax expenses for the period/year 11.1.1	3,262,396	6,089,231	23,935,098
		<b>161,258,763</b>	<b>162,822,736</b>	<b>161,924,560</b>
	Adjustment for depreciation of revalued assets	(748,013)	(4,826,369)	(5,191,055)
	<b>Closing Balance</b>	<b>160,510,750</b>	<b>157,996,367</b>	<b>156,733,505</b>
<b>11.01</b>	<b>Deferred tax liability for the period/year is arrived as follows :</b>			
		30.06.16	30.04.2016	30.04.2015
	<b>A.Property, plant and equipment</b>			
	Carrying amount	1,974,699,195	1,973,069,597	1,789,719,584
	Tax base amount	1,402,088,619	1,422,208,328	1,377,986,202
	<b>Taxable temporary difference</b>	<b>572,610,576</b>	<b>550,861,268</b>	<b>411,733,382</b>
	Tax rate	15%	15%	15%
	<b>Deferred tax liability</b>	<b>85,891,586</b>	<b>82,629,190</b>	<b>61,760,007</b>
	<b>B.Calculation of deferred tax on revaluation of property, plant and equipment :</b>			
	Revalued value of land	60,705,668	60,705,668	60,705,668
	Revalued value of other than land	436,755,429	441,742,183	473,917,974
	<b>Tax Rate</b>			
	On land	15%	15%	15%
	On other than land	15%	15%	15%
	<b>Deferred tax liabilities</b>			
	For land	9,105,850	9,105,850	9,105,850
	For other than land	65,513,314	66,261,327	71,087,696
		<b>74,619,165</b>	<b>75,367,178</b>	<b>80,193,546</b>
		<b>160,510,751</b>	<b>157,996,368</b>	<b>141,953,554</b>
	Deferred tax on proportionate income of associate company	-	-	14,779,952
	<b>Total deferred tax liability (A+B)</b>	<b>160,510,751</b>	<b>157,996,368</b>	<b>156,733,505</b>
	<b>Calculation of deferred tax :</b>			
	Deferred tax liability as on June 30, 2016	160,510,751	157,996,368	156,733,505
	Deferred tax liability as on April 30, 2016	157,996,368	156,733,505	137,989,462
	<b>Deferred tax increased during the period/ year 11.1.1</b>	<b>2,514,383</b>	<b>1,262,863</b>	<b>18,744,043</b>
<b>11.1.1</b>	Deferred tax liability other than revalued assets as on June 30, 2016	85,891,586	82,629,190	76,539,959
	Deferred tax liability other than revalued assets as on April 30, 2016	82,629,190	76,539,959	52,604,861
	<b>Net increased in deferred tax expenses for the period/year</b>	<b>3,262,396</b>	<b>6,089,231</b>	<b>23,935,098</b>
	Adjustment of revaluation surplus for deferred tax			
	Deferred tax liability for revaluation as on June 30,2016	74,619,164	75,367,178	80,193,546
	Deferred tax liability for revaluation as on April 30,2016	75,367,178	80,193,546	85,384,600
	<b>Adjustment of revaluation surplus for deferred tax</b>	<b>(748,014)</b>	<b>(4,826,369)</b>	<b>(5,191,054)</b>
		<b>2,514,382</b>	<b>1,262,862</b>	<b>18,744,044</b>
	Current Tax	4,802,918	25,052,831	28,429,386
	Deferred tax	3,262,396	6,089,231	23,935,098
	<b>Provision for Tax</b>	<b>8,065,314</b>	<b>31,142,062</b>	<b>52,364,484</b>

Deferred tax liabilities have been recognized and measured in accordance with the provision of BAS-12 'Income Taxes'. Related deferred tax expenses /income have been disclosed in note-15.

## SAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<b>12.00</b>	<b>Term Loan</b>			
	<b>This is arrived as follows :</b>			
	Opening Balance as on May 01,2016	637,729,956	665,634,594	247,207,188
	Addition during the period/year	15,402,514	135,848,809	467,570,744
		<b>653,132,470</b>	<b>801,483,403</b>	<b>714,777,932</b>
	Adjusted/Payment during the period/year	(35,654,154)	(163,753,447)	(49,143,337)
	<b>Closing Balance as on June 30,2016</b>	<b>617,478,316</b>	<b>637,729,956</b>	<b>665,634,595</b>
	Less: Term Loan Current Maturity	189,145,230	189,145,230	159,209,310
		<b>428,333,086</b>	<b>448,584,726</b>	<b>506,425,285</b>

### Repayment terms:

#### HSBC Ltd.

The above loan created in form of foreign currency term loan which was explained are as follows:

These long term loan are repayable in 16-20 equal installments and interest rate is libor +4.5% per annum.

Repayment of these loan started in between May 2014 to June 2016 and will be completed in between 19.02.2019 to 01.05.2021.

### Security details :

#### HSBC Ltd.

The loan from HSBC Ltd. is secured by the hypothecation of stock of raw cotton, work in process, finished goods, book debts, term deposit, personal guarantee of all the directors, corporate guarantee of Faisal Spinning Mills Ltd, Saiham Textile Mills Ltd. and pari passu charge on all the floating assets and book debts of the company with RJSC and HSBC.

<b>13.00</b>	<b>Short Term Loan</b>				
	Bank Loan and Overdraft	13.01	967,272,466	1,024,855,891	868,466,023
	Share Loan		-	-	766,782
			<b>967,272,466</b>	<b>1,024,855,891</b>	<b>869,232,805</b>
<b>13.01</b>	<b>Bank Loan and Overdraft :</b>				
	This consists of as follows :				
	Cash Credit ( Hypo ) Bank Asia Ltd.		305,550,684	242,959,939	72,166,867
	Cash Credit ( Hypo ) Bank Al Falah		39,746,233	98,223,801	65,098,222
	Short Term Loan - HSBC		155,000,000	230,000,000	230,000,000
	Short Term Loan - Bank Al Falah Ltd.		-	70,000,000	-
	L/C liabilities under EDF		377,592,891	383,672,151	495,548,371
	IDBP Loan - HSBC Ltd.		89,382,658	-	-
	IDBP Loan - Bank Asia Ltd.		-	-	5,652,563
			<b>967,272,466</b>	<b>1,024,855,891</b>	<b>868,466,023</b>

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

<b>14.00</b>	<b>Trade Creditors :</b>				
	This is arrived as follows :				
	Local purchases		315,025,922	131,129,709	44,017,889
			<b>315,025,922</b>	<b>131,129,709</b>	<b>44,017,889</b>

## JAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<b>15.00</b>	<b>Income Tax Provision</b>			
	Opening Balance	16,253,047	19,350,646	30,438,594
	Add : Provision made during the year	4,802,918	25,052,831	28,429,386
		<b>21,055,965</b>	<b>44,403,477</b>	<b>58,867,980</b>
	Less: Payment made during the year	3,867,235	28,150,430	39,517,334
	Advance income tax paid	3,867,235	28,150,430	39,517,334
	Income tax paid last year	-	-	-
	<b>Closing Balance</b>	<b>17,188,730</b>	<b>16,253,047</b>	<b>19,350,646</b>
<b>15.01</b>	<b>Provision made during the year</b>			
	Operating profit after net off WPPF	14,223,013	66,685,588	129,470,177
	Add: Disallowable Depreciation	27,440,299	155,345,613	149,363,811
	Less :Allowable Depreciation allowance	44,202,851	262,297,710	274,324,101
		(2,539,539)	(40,266,509)	4,509,887
	<b>Income tax provision @15%</b>	<b>(380,931)</b>	<b>(6,039,976)</b>	<b>676,483</b>
	Non operating income other than dividend income & realised gain	19,211,670	90,829,287	108,086,430
	<b>Income tax provision @25%</b>	<b>4,802,918</b>	<b>22,707,322</b>	<b>27,021,608</b>
	Dividend Income	-	316,272	1,313,630
	<b>Income tax provision @20%</b>	<b>-</b>	<b>63,254</b>	<b>262,726</b>
	Realised gain on marketable securities net of carried forward loss	-	-	3,123,796
	<b>Income tax provision @15%</b>	<b>-</b>	<b>-</b>	<b>468,569</b>
	Gain on Sale of share of Associate Company	-	20,843,870	
	Realised gain/loss on marketable securities	-	(5,628,838)	
	<b>Net gain on investment in shares</b>	<b>-</b>	<b>15,215,032</b>	
	<b>Income tax provision @15%</b>	<b>-</b>	<b>2,282,255</b>	
	<b>Total Income Tax Provision</b>	<b>4,802,918</b>	<b>25,052,831</b>	<b>28,429,386</b>
<b>16.00</b>	<b>Payable and Accruals</b>			
	This is arrived as follows :			
	Salary and wages	9,520,385	8,928,558	8,814,007
	Gas Charges	7,672,109	7,761,307	4,216,633
	Audit Fees	230,000	115,000	57,500
	Electricity bill	-	19,056	13,150
	Telephone bill	5,942	5,640	5,889
	Sundry expenses	50,766	2,125,000	890,633
	Unclaimed dividend	7,047,742	7,082,986	6,801,641
	Unpaid share money deposit (Restated amount of 2015)	1,865,101	1,840,552	1,796,439
	WPPF	12,076,035	10,438,165	12,834,363
		<b>38,468,080</b>	<b>38,316,263</b>	<b>35,430,255</b>
	Share money deposit for IPO/Right was not fully repaid to the unsuccessful applicant. The said money is lying with BRAC Bank Ltd. CD A/C no. 1501201985342002. The above mention account were not shown in the earlier years inadvertently. Now shown under the Payable and Accruals.			
<b>16.01</b>	<b>Works Profit Participation Fund (WPPF)</b>			
	This is arrived as follows :			
	Opening Balance	10,438,165	12,834,363	7,346,613
	Provision made during the period/year	1,637,870	8,493,534	12,099,702
		<b>12,076,035</b>	<b>21,327,897</b>	<b>19,446,315</b>
	Payment made during the period/year	-	(10,889,732)	(6,611,952)
	<b>Closing Balance</b>	<b>12,076,035</b>	<b>10,438,165</b>	<b>12,834,363</b>

## SAIHAM COTTON MILLS LTD.

		Amount in Taka			
		June 30, 2016	April 30, 2016	April 30, 2015	
<b>17.00</b>	<b>Cost of Goods Sold</b>				
	This is made up as follows :				
	<b>Materials Consumption</b>				
	Raw Cotton	17.01	276,673,756	1,759,847,703	2,104,884,210
	Packing Materials	17.02	3,518,960	21,167,661	29,673,033
	Stores and Spares	17.03	32,532,355	29,702,728	47,927,013
	<b>Total materials consumption</b>		<b>312,725,071</b>	<b>1,810,718,092</b>	<b>2,182,484,256</b>
	Direct Wages and Salaries		19,993,762	100,345,389	89,959,191
	<b>Prime cost</b>		<b>332,718,833</b>	<b>1,911,063,481</b>	<b>2,272,443,447</b>
	Add. Factory Overhead	17.04	47,548,883	268,296,143	243,304,996
	<b>Total manufacturing cost</b>		<b>380,267,716</b>	<b>2,179,359,624</b>	<b>2,515,748,443</b>
	Add. Opening Work-in-process		14,801,452	14,187,582	14,525,147
	<b>Cost of goods available for use</b>		<b>395,069,168</b>	<b>2,193,547,206</b>	<b>2,530,273,590</b>
	Less. Closing Work-in-process		13,610,769	14,801,452	14,187,582
	<b>Cost of Production</b>		<b>381,458,399</b>	<b>2,178,745,754</b>	<b>2,516,086,008</b>
	Add. Opening Stock of Finished Goods		171,190,900	253,579,303	174,766,483
	<b>Cost of goods available for sales</b>		<b>552,649,299</b>	<b>2,432,325,057</b>	<b>2,690,852,491</b>
	Less. Closing Stock of Finished Goods		284,588,089	171,190,900	253,579,303
	<b>Cost of Goods Sold</b>		<b>268,061,210</b>	<b>2,261,134,157</b>	<b>2,437,273,188</b>
<b>17.01</b>	<b>Raw Cotton :</b>				
	This is arrived as follows :				
	Opening Stock of Raw Cotton		687,652,890	573,844,712	335,240,934
	Add. Purchase during the year		552,281,316	1,873,655,881	2,343,487,988
	<b>Raw Cotton available for use</b>		<b>1,239,934,206</b>	<b>2,447,500,593</b>	<b>2,678,728,922</b>
	Less. Closing Stock of Raw Cotton		963,260,450	687,652,890	573,844,712
	<b>Consumption during the year</b>		<b>276,673,756</b>	<b>1,759,847,703</b>	<b>2,104,884,210</b>
<b>17.02</b>	<b>Packing Materials :</b>				
	This is arrived as follows :				
	Opening Stock of Packing Materials		3,220,752	429,858	4,552,504
	Add. Purchase during the year		2,505,100	23,958,555	25,550,387
	<b>Packing Materials available for use</b>		<b>5,725,852</b>	<b>24,388,413</b>	<b>30,102,891</b>
	Less. Closing Stock of Packing Materials		2,206,892	3,220,752	429,858
	<b>Consumption during the year</b>		<b>3,518,960</b>	<b>21,167,661</b>	<b>29,673,033</b>
<b>17.03</b>	<b>Stores and Spares :</b>				
	This is arrived as follows :				
	Opening Stock of Spare Parts		61,226,201	81,483,337	46,752,026
	Add. Purchase during the year		17,361,761	9,445,592	82,658,324
	<b>Stores and Spares available for use</b>		<b>78,587,962</b>	<b>90,928,929</b>	<b>129,410,350</b>
	Less. Closing Stock of Spare Parts		46,055,607	61,226,201	81,483,337
	<b>Consumption during the year</b>		<b>32,532,355</b>	<b>29,702,728</b>	<b>47,927,013</b>
<b>17.04</b>	<b>Factory Overhead :</b>				
	Gas Charges		14,854,188	75,384,177	49,316,726
	Fuel and Lubricants		2,244,738	11,835,239	21,153,223
	Insurance Premium		202,500	8,177,909	7,104,426
	Covered Van and Lorry expenses		214,385	8,653,409	7,680,257
	Factory Repair & Maintenances of Capital Assets		3,186,940	12,808,352	9,296,507
	Staff Quarter exp		79,570	304,385	896,901
	Misc. Expenses		655	204,330	898,666
	Depreciation		26,765,907	150,928,342	146,958,290
			<b>47,548,883</b>	<b>268,296,143</b>	<b>243,304,996</b>

## JAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<b>18.00</b>	<b>Administrative and Marketing Expenses :</b>			
	This consists of as follows :			
	Directors Remuneration	350,000	2,100,000	2,100,000
	Salary and Allowances	3,477,174	23,458,828	20,088,237
	Festival Bonus	653,175	1,459,341	1,242,880
	Office Rent	109,000	654,000	700,000
	Rest house Exp.	-	130,161	234,660
	Staff Quarter Exp	-	220,736	-
	Incentive Bonus	925,000	5,150,000	5,200,000
	Grauity	166,250	-	-
	Entertainments	177,783	1,298,238	1,272,380
	Electric Bill	85,946	179,160	128,257
	Rent a car	443,705	1,972,220	1,710,155
	Fuel & Lubricants	826,129	3,875,368	477,409
	Paper and Periodicals	-	38,520	111,918
	Fees, Forms, and others	225,215	3,614,916	4,737,280
	Board Meeting Fees	12,000	84,000	60,000
	Maintenance of Vehicles	525,083	1,237,134	3,565,045
	IT Expenses	318,139	2,126,975	2,517,235
	Insurance Premium	267,254	489,174	622,008
	Printing & Stationery	150,823	2,047,082	1,653,376
	Plantation	-	-	25,335
	Donation and Subscription	54,690	1,729,098	783,902
	Miscellaneous Expenses	397,314	2,098,891	1,456,549
	Office Maintenance	178,245	577,357	393,937
	Traveling and Conveyance	78,265	668,263	6,567,590
	Transportation cost	55,200	99,900	366,735
	Telephone and Mobile Expenses	19,042	161,181	167,940
	Audit fees	115,000	115,000	57,500
	Certification	-	714,128	90,000
	Uniform and Upkeep	-	205,746	216,598
	Medical and Welfare	60,520	289,091	578,786
	Postage and Stamp	7,230	128,827	65,243
	Selling & Distribution Exp.	2,260,144	4,853,308	3,690,800
	Business Development Exp	132,919	1,699,130	1,021,390
	Advertisement	36,400	375,751	231,511
	VAT Exp.	-	573,472	746,967
	AGM Expenses	-	358,556	379,293
	Depreciation	674,392	4,417,270	2,405,521
		<b>12,782,037</b>	<b>69,200,822</b>	<b>65,666,437</b>
<b>19.00</b>	<b>Financial Expenses :</b>			
	The above amount comprise of as follows -			
	Interest on Cash Credit ( Hypo )	6,883,986	23,847,499	29,695,331
	Interest on Term Loan	8,163,356	31,576,798	35,416,004
	Interest on Bank Asia Ltd.	-	1,114,834	9,126,614
	Interest on HSBC Ltd.	4,147,407	23,659,987	2,802,174
	Interest on Bank Al Falah	1,727,000	2,682,225	-
	Bank Charges and Commission	753,297	5,684,095	4,091,912
	Overdue Interest	-	178,958	441,935
		<b>21,675,046</b>	<b>88,744,396</b>	<b>81,573,970</b>

## SAIHAM COTTON MILLS LTD.

		Amount in Taka		
		June 30, 2016	April 30, 2016	April 30, 2015
<b>20.00</b>	<b>Non operating income :</b>			
	Interest on FDR	12,177,250	71,289,741	102,752,139
	Interest on STD A/C	107,681	406,677	864,606
	Insurance claim	-	1,453,610	1,776,265
	Short weight claim	-	2,413,597	-
	Overdue Interest	28,603	345,320	175,085
	Gain on Sale of share of Associate Company	-	20,843,870	-
	Gain on dollar fluctuation on export	-	5,151,042	1,807,522
	Realised gain/loss on marketable securities	186,720	(5,628,838)	3,123,796
	Cash incentive	7,672,000	15,087,330	710,813
	Dividend Income	-	316,272	1,313,630
		<b>20,172,254</b>	<b>111,678,621</b>	<b>112,523,856</b>
<b>21.00</b>	<b>Earnings per share(EPS) :</b>			
	The computation of EPS is given below :			
	Net profit after tax	24,692,083	138,728,613	189,629,548
	Number of total outstanding shares	148,775,000	148,775,000	148,775,000
	<b>Earnings per share (EPS)</b>	<b>0.17</b>	<b>0.93</b>	<b>1.27</b>
<b>22.00</b>	<b>Net asset value (NAV) per share :</b>			
	Total assets	5,516,674,775	5,401,530,323	5,221,152,348
	Total outside liabilities	2,144,145,422	2,055,411,816	1,851,732,187
	<b>Net assets</b>	<b>3,372,529,352</b>	<b>3,346,118,505</b>	<b>3,369,420,161</b>
	Divided by number of ordinary shares	148,775,000	148,775,000	148,775,000
	<b>Net assets value (NAV) per share</b>	<b>22.67</b>	<b>22.49</b>	<b>22.65</b>

### 23.00 Related Party Transactions:

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

Name of Party	Nature of Transaction	Relationship	30.06.2016	30.04.2016
Faisal Spinning Mills Ltd	Trade & other receivables	Group Company	134,300,945	273,527,166
Saiham Knit Composite Ltd.	Trade & other receivables	Group Company	125,298,163	147,048,687
Saiham Textile Mills Ltd.	Payable	Group Company	259,340,314	118,830,492
Director's Remuneration	Remuneration	MD/Director	350,000	2,100,000
Board meeting fess	Meeting fee	MD/Director	12,000	84,000
Mr. Syed Ishtiaq Ahmed	Sale of share of Associate	MD/Director	-	33,256,970

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

Attendance Status of Board Meeting of Director

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

The attendance status of all meeting is as follows :

Name of Director	Position	30.06.2016		30.04.2016	
		Meeting Held	Attended	Meeting Held	Attended
Mr. S. M. Faisal	Chairman	1	1	7	7
Mr. Syed Ishtiaq Ahmed	Managing Director	1	1	7	7
Mr. S. F. A. M. Shahjahan	Director	1	1	7	7
Mr. Syed Shafqat Ahmed	Director	1	1	7	7
Mr. Mostafa Moin	Independent Director	1	1	7	7

## SAIHAM COTTON MILLS LTD.

Amount in Taka		
June 30, 2016	April 30, 2016	April 30, 2015

**25.00** Disclosures as per requirement of Schedule XI, part II of the Companies Act 1994 :

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

Number of Employees for the period ended June 30,2016

Salary Range (Monthly)	Officer & Staff		Worker	Total Employees
	Head Office	Factory		
Below 3,000	-	-	-	-
Above 3,000	18	181	1030	1229
<b>Total</b>	<b>18</b>	<b>181</b>	<b>1030</b>	<b>1229</b>

Number of Employees for the year ended April 30,2016

Salary Range (Monthly)	Officer & Staff		Worker	Total Employees
	Head Office	Factory		
Below 3,000	-	-	-	-
Above 3,000	18	190	1091	1299
<b>Total</b>	<b>18</b>	<b>118</b>	<b>962</b>	<b>1299</b>

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

Name	Designation	Amount in Taka		
		June 30, 2016 Remuneration	April 30, 2016 Remuneration	April 30, 2015 Remuneration
Mr. S. M. Faisal	Chairman	-	-	-
Mr. Syed Ishtiaq Ahmed	Managing Director	350,000	2,100,000	2,100,000
Mr. S. F. A. M. Shahjahan	Director	-	-	-
Mr. Syed Shafqat Ahmed	Director	-	-	-

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

Details of production capacity & utilization

Year	Installed capacity p.a in kgs	Actual production p.a in kgs	% of Capacity Utilization	% of Excess/ Shortage
June 30,2016			<b>87</b>	<b>(13)</b>
April 30,2016	13,492,000		79	(21)
April 30,2015	11,980,000		85	(15)

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

Value of Raw Cotton, Packing Materials and Stores and Spares for the period ended June 30,2016.

Particulars	Local Purchase	Import	Total purchase	Consumption	% of consumption
Raw Cotton	-	552,281,316	552,281,316	276,673,756	22
Packing Material	2,505,100	-	2,505,100	3,518,960	61
Spares parts	17,361,761	-	17,361,761	32,532,355	41

Value of Raw Cotton, Packing Materials and Stores and Spares for the year ended April 30,2016.

Particulars	Local Purchase	Import	Total purchase	Consumption	% of consumption
Raw Cotton	-	1,873,655,881	1,873,655,881	1,759,847,703	72
Packing Material	23,958,555	-	23,958,555	21,167,661	87
Spares parts	3,778,237	5,667,355	9,445,592	29,702,728	33

## SAIHAM COTTON MILLS LTD.

Amount in Taka		
June 30, 2016	April 30, 2016	April 30, 2015

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

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

### 26.00 Contingent Liability:

Nature of contingent liability

Bank Guarantee - Jalalabad Gas T & D System Ltd.	899,745	899,745	899,745
Bank Guarantee - Jalalabad Gas T & D System Ltd.	1,831,701	1,831,701	1,831,701
Bank Guarantee - Jalalabad Gas T & D System Ltd.	1,354,412	1,354,412	1,354,412
Bank Guarantee - Jalalabad Gas T & D System Ltd.	3,729,071	3,729,071	3,729,071
Bank Guarantee - Jalalabad Gas T & D System Ltd.	27,303	27,303	27,303
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,564,947	2,564,947	2,564,947
Bank Guarantee - Jalalabad Gas T & D System Ltd.	4,105	4,105	-
Bank Guarantee - Jalalabad Gas T & D System Ltd.	10,379,877	10,379,877	-
	<b>20,791,161</b>	<b>20,791,161</b>	<b>10,407,179</b>

### 27.00 Contingent Assets:

There was no Contingent Assets as on June 30, 2016.

### 28.00 Claim against the Company:

There was no claim against the company which is to be acknowledged as debt as on June 30, 2016

### 29.00 Event after reporting period :

The Board of Directors at their board meeting held on 24 October, 2016 recommended to the shareholders 10% cash dividend for the period ended June 30, 2016. This will be considered for approval by shareholders at the next Annual General Meeting (AGM).

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

### 30.00 Restated

Share money deposit for IPO was not fully repaid to the unsuccessful applicant. The said money is lying with BRAC Bank Ltd. CD A/C no. 1501201985342002. The above mention account were not shown in the earlier years inadvertently. To rectify this prior year error same amount of Tk. 1,796,439 shown under Cash at Banks (note # 8.02) in the name of BRAC Bank Ltd. CD A/C no. 1501201985342002 and Payable and Accruals (note# 16.00) in the name of Unpaid share money deposit.

### 31.00 General Comments & Observations :

- ▶ There was no preference share issued by the company .
- ▶ The company has not incurred any expenditure in foreign currency against royalties and technical fees .
- ▶ Auditors are paid only statutory audit fees .
- ▶ No foreign exchange remitted to the any shareholders during the period.
- ▶ No amount of money was expended by the company for compensating any members of the Board for special service rendered.



# SAIHAM COTTON MILLS LTD.

## Saiham Cotton Mills Ltd. Property, plant and equipment As at April 30, 2016

Annexure - A

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 30.04.2016
	Balance as on 01.05.2015	Addition during the year	Balance as on 30.04.2016		Balance as on 01.05.2015	Charge during the year	Balance as on 30.04.2016	
Land and Land Development	73,819,332	9,817,121	83,636,453	-	-	-	83,636,453	
Building & Other Construction	478,545,118	67,511,692	546,056,810	5.00	71,730,767	20,622,016	453,704,027	
Plant and Machineries	1,693,356,471	187,675,602	1,881,032,073	7.50	464,195,217	93,360,067	1,323,476,789	
Furnitures & Fixtures	6,796,046	172,250	6,968,296	10.00	1,544,866	526,553	4,896,877	
Motor Vehicles	26,298,940	-	26,298,940	15.00	9,312,681	2,547,939	14,438,320	
Office Equipments	12,621,246	1,940,748	14,561,994	10.00	1,451,764	1,133,121	11,977,109	
Sundry Assets	51,070,101	39,402,423	90,472,524	10.00	4,552,376	4,980,126	80,940,022	
<b>Sub - Total</b>	<b>2,342,507,254</b>	<b>306,519,836</b>	<b>2,649,027,090</b>		<b>552,787,671</b>	<b>123,169,822</b>	<b>1,973,069,597</b>	

Revaluation of property, plant and equipment

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 30.04.2016
	Balance as on 01.05.2015	Addition during the year	Balance as on 30.04.2016		Balance as on 01.05.2015	Charge during the year	Balance as on 30.04.2016	
Land and Land Development	60,705,668	-	60,705,668	-	-	-	60,705,668	
Building & Other Construction	179,528,126	-	179,528,126	5.00	40,612,684	6,945,772	131,969,670	
Plant and Machineries	492,633,171	-	492,633,171	7.50	159,028,352	25,020,361	308,584,457	
Motor Vehicles	3,150,093	-	3,150,093	15.00	1,752,380	209,657	1,188,056	
Sub - Total	736,017,058	-	736,017,058		201,393,416	32,175,790	502,447,851	
<b>Grand Total</b>	<b>3,078,524,312</b>	<b>306,519,836</b>	<b>3,385,044,148</b>		<b>754,181,087</b>	<b>155,345,613</b>	<b>2,475,517,448</b>	

Allocation:  
Cost of Production  
Administrative and Marketing Expenses

150,928,342  
4,417,270  
**155,345,613**

**Saiham Cotton Mills Ltd.**  
Property, plant and equipment  
As at June 30, 2016

Annexure - A

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 30.06.2016
	Balance as on 01.05.2016	Addition during the period	Balance as on 30.06.2016		Balance as on 01.05.2016	Charge during the period	Balance as on 30.06.2016	
Land and Land Development	83,636,453	6,500	83,642,953	-	-	-	83,642,953	
Building & Other Construction	546,056,810	6,312,755	552,369,565	5.00	92,352,783	3,807,170	456,209,612	
Plant and Machineries	1,881,032,073	17,428,586	1,898,460,659	7.50	557,555,284	16,652,389	1,324,252,986	
Furnitures & Fixtures	6,968,296	37,500	7,005,796	10.00	2,071,419	81,927	4,852,450	
Motor Vehicles	26,298,940	-	26,298,940	15.00	11,860,620	360,958	14,077,362	
Office Equipments	14,561,994	262,401	14,824,395	10.00	2,584,885	201,805	12,037,705	
Sundry Assets	90,472,524	35,400	90,507,924	10.00	9,532,502	1,349,295	79,626,127	
<b>Sub - Total</b>	<b>2,649,027,090</b>	<b>24,083,142</b>	<b>2,673,110,232</b>		<b>675,957,493</b>	<b>22,453,544</b>	<b>1,974,699,195</b>	

Revaluation of property, plant and equipment

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 30.06.2016
	Balance as on 01.05.2016	Addition during the period	Balance as on 30.06.2016		Balance as on 01.05.2016	Charge during the period	Balance as on 30.06.2016	
Land and Land Development	60,705,668	-	60,705,668	-	-	-	60,705,668	
Building & Other Construction	179,528,126	-	179,528,126	5.00	47,558,456	1,099,747	130,869,923	
Plant and Machineries	492,633,171	-	492,633,171	7.50	184,048,714	3,857,306	304,727,151	
Motor Vehicles	3,150,093	-	3,150,093	15.00	1,962,037	29,701	1,158,355	
<b>Sub - Total</b>	<b>736,017,058</b>	<b>-</b>	<b>736,017,058</b>		<b>233,569,207</b>	<b>4,986,754</b>	<b>497,461,097</b>	
<b>Grand Total</b>	<b>3,385,044,148</b>	<b>24,083,142</b>	<b>3,409,127,290</b>		<b>909,526,700</b>	<b>27,440,299</b>	<b>2,472,160,291</b>	

Allocation:  
Cost of Production  
Administrative and Marketing Expenses

26,765,907  
674,392  
27,440,299

## SAIHAM COTTON MILLS LTD.

### Saiham Cotton Mills Ltd.

Property, plant and equipment  
As at April 30, 2015

Annexure -B

Party Name	L/C No	Amount in Taka
Ahsan Composite Ltd.	222815040171-1	6,063,750
Ahsan Composite Ltd.	222815040171-2	6,063,750
Ahsan Composite Ltd.	222815030032	485,100
Ahsan Composite Ltd.	222815030040 amnd-1	6,656,265
Alim knit ( BD ) Ltd.	296914040962-1	5,236,000
Alim knit ( BD ) Ltd.	296914040962-2	5,236,000
Appollo Fashion Ltd.	009315040289-1	5,005,000
Appollo Fashion Ltd.	009315040289-1	5,005,000
Appollo Fashion Ltd.	009315040289-1	5,005,000
Appollo Fashion Ltd.	009315040289-2	5,005,000
Cotton Club ( BD ) Ltd.	102114041527-1	5,236,000
Cotton Club ( BD ) Ltd.	102114041527-2	5,236,000
Cotton Club ( BD ) Ltd.	102115040226-1	8,316,000
Cotton Club ( BD ) Ltd.	102115040226-2	8,316,000
Cotton Club ( BD ) Ltd.	102115040226-3	8,316,000
Cotton Club ( BD ) Ltd.	102115040282-1	5,159,000
Cotton Club ( BD ) Ltd.	102115040282-2	5,159,000
Cotton Club ( BD ) Ltd.	102115040226 Amnd-01	1,039,500
Cotton Field BD Ltd.	102115030020-1	11,666,655
Dex Knitwears	0000182215040154	1,058,750
Dhaka Fareast Ltd.	003315040015	1,116,500
Dird Composite Textiles Ltd	021515040097	1,781,934
Dird Composite Textiles Ltd	0000021515040404	371,910
Dress up Ltd.	221714041706	1,270,500
Embroid Knitwear Ltd.	080715045800	2,932,160
Eurotex Knit Wear Ltd.	0000182215040230	1,372,525
Fulpur Knit & Garments	108214044611	1,142,295
Fulpur Knit & Garments	108215040123	3,394,160
Fulpur Knit & Garments	108215040189	2,233,000
Generation Next Fashion Ltd.	134314041838-1	4,384,380
Haji Fashion Ltd.	029014040230	862,400
Haji Fashion Ltd.	029014040232	1,478,400
Haji Fashion Ltd.	029014040254	2,425,500
Haji Fashion Ltd.	029014040259	2,668,050
Haji Fashion Ltd.	029014040261	2,546,775
Haji Fashion Ltd.	029014040262	2,304,225
Haji Fashion Ltd.	029014040266	3,153,150
Haji Fashion Ltd.	029014040270	2,668,050
Haji Fashion Ltd.	029014040271	2,910,600
IFS Texwear ( PVT ) Ltd	303714040372-4	6,545,000
Jointex Knitwears Ltd.	013815040075	1,975,050
JP Garments Ltd.	0000194615040485	1,455,300
Kushiara Composite Knit Ltd.	100314043186	1,386,000
Landmark Design Wear Ltd.	094715040259-1	5,505,500
Landmark Design Wear Ltd.	094715040259-2	6,034,875
Mondol Fabrics Ltd.	009315041096-1	5,005,000
Mondol Fabrics Ltd.	009315041096-2	5,005,000

## SAIHAM COTTON MILLS LTD.

Party Name	L/C No	Amount in Taka
Mondol Fabrics Ltd.	009315041096-3	5,005,000
Mondol Fashions Ltd.	102114041124-4	5,929,000
Mondol Fashions Ltd.	102115040233-1	8,008,000
Muazuddin Textile Ltd.	106615040426	1,020,250
Muazuddin Textile Ltd.	106615040504	889,350
Naz Knitwear Ltd.	135014040695-2	7,589,120
Naz Knitwear Ltd.	135014040696	8,063,440
Naz Knitwear Ltd.	135014040860	6,006,000
Oli Knitting Fabrics Ltd.	1350-14-04-0830	2,489,795
Oli Knitting Fabrics Ltd.	135015040049	5,929,000
Oli Knitting Fabrics Ltd.	1350-15-04-00095	7,183,523
Orbid Apparels Ltd.	009514040589	381,920
Orbid Apparels Ltd.	009514040627	572,880
Orbid Apparels Ltd.	009514040654	2,402,015
Orbid Apparels Ltd.	009514040656	575,383
Saiham Knit Com	222814041797	1,378,493
Saiham Knit Com	208114040613 Amnd-02	2,628,395
Saiham Knit Com	222814042121	1,573,303
Saiham Knit Com	208114040658	1,186,378
Saiham Knit Com	208114040669	2,919,840
Saiham Knit Com	208114040650	739,200
Saiham Knit Com	222815040020	2,586,430
Saiham Knit Com	208115040013	2,586,815
Saiham Knit Com	208115040022	2,253,020
Saiham Knit Com	208115040013 Amnd-01	863,940
Saiham Knit Com	208115040021	865,095
Saiham Knit Com	208115040004	2,579,500
Saiham Knit Com	208115040004 Amnd-1	5,971,350
Saiham Knit Com	222815040020 Amnd-1	3,041,500
Saiham Knit Com	222815040020 Amnd-2	2,744,473
Saiham Knit Com	208115040027	304,150
Saiham Knit Com	208115040036	2,574,880
Saiham Knit Com	208115040022 Amnd-1	1,976,783
Saiham Knit Com	208115040013 Amnd-02	3,071,338
Saiham Knit Com	208115040048	6,731,340
Saiham Knit Com	208115040076	6,470,118
Saiham Knit Com	208115040013 amnd-03	4,479,283
Saiham Knit Com	208115040088	13,339,480
Saiham Knit Com	208115040089	2,231,845
Saiham Knit Com	222815040403	6,707,085
Saiham Knit Com	208115040013 Amnd-04	2,366,788
Saiham Knit Com	208115040109	504,889
Saiham Knit Com	208115040013 amnd-05	2,710,400
Saiham Knit Com	208115040126	2,818,200
Saiham Knit Com	208115040089 amnd-01	1,038,345
Saiham Knit Com	208115040088 Amnd-01	3,323,128
Saiham Knit Com	222815040403 Amnd-01	2,956,415
Saiham Knit Com	208115040161	13,315,995
Saiham Knit Com	208115040177	1,283,205
Saiham Knit Com	208115040161 Amnd-01	2,043,195
Saiham Knit Com	208115040203	1,050,280
Faisal Spinning Mills Ltd.	209714990051	68,076,838
Saiham Textile Mills Ltd.	209714990063	38,038,200
Samo Tex Fashion Ltd.	029014040312	2,001,038
Sariha Knit Wears Ltd.	050015040064	1,961,960

## JAIHAM COTTON MILLS LTD.

Party Name	L/C No	Amount in Taka
Saturn Textiles Ltd.	101315040178	3,270,498
Scandex Textile Ind. Ltd.	235715030017-1	6,872,250
Scandex Textile Ind. Ltd.	235715030017-2	6,872,250
Scandex Textile Ind. Ltd.	235715030017-3	6,872,250
Scandex Textile Ind. Ltd.	235715030017-4	7,927,150
Scandex Textile Ind. Ltd.	235715030017-5	7,007,000
Scandex Textile Ind. Ltd.	209515030002	5,782,123
Scandex Textile Ind. Ltd.	235715030043-1	7,007,000
Scandex Textile Ind. Ltd.	235715030043-2	7,007,000
Scandex Textile Ind. Ltd.	235715030043-3	8,008,000
Scandex Textile Ind. Ltd.	235715030043-4	8,008,000
Smart Knitwear Ltd.	009514040646	786,748
Smart Knitwear Ltd.	009514040647	692,808
Smart Knitwear Ltd.	009514040692	1,226,610
Smart Knitwear Ltd.	009514040693	976,745
Smart Knitwear Ltd.	009515040060	2,662,660
Smart Knitwear Ltd.	009515040061	2,371,600
Smart Knitwear Ltd.	0000009515040153	2,179,100
Smart Knitwear Ltd.	0000009515040200	1,641,063
Tex Way Apparel Ind. Ltd.	089215040005	953,260
Zaara Composite Textiles Ltd.	181614041857	1,232,000
A.K Fashion Ltd.	222815030046-2	4,325,860
Chorka Textile Ltd	194514045065	8,008,000
Cotton Club ( BD ) Ltd.	102114041136-1	6,256,250
Cotton Club ( BD ) Ltd.	102114041136-2	6,256,250
Cotton Club ( BD ) Ltd.	102114041136-3	6,256,250
Cotton Club ( BD ) Ltd.	102114041136-4	6,256,250
Cotton Club ( BD ) Ltd.	102114041137-3	5,909,750
Cotton Club ( BD ) Ltd.	102114041137-4	5,909,750
Cotton Club ( BD ) Ltd.	102114041138-4	6,160,000
Cotton Club ( BD ) Ltd.	102114041139-1	6,256,250
Cotton Club ( BD ) Ltd.	102114041139-2	6,256,250
Cotton Club ( BD ) Ltd.	102114041139-3	6,256,250
Cotton Club ( BD ) Ltd.	102114041139-4	6,256,250
Dex Knitweares	086515030015	612,150
Dress up Ltd.	221714041763	1,235,850
Flamingo Fashions Ltd.	BBCDAK503602-2	10,010,000
Flamingo Fashions Ltd.	BBCDAK503602-3	10,010,000
Flamingo Fashions Ltd.	BBCDAK503602-4	10,010,000
Landmark Fabrics Ltd.	009315040829-1	4,633,475
Martin Knit Wear Ltd.	043714040340	5,141,675
Nexus Fashion Ltd.	134915030011	3,509,660
Raisa Fashion Ltd.	215014040682	1,615,075
Raz Apparels	216215040407	2,541,000
Saturn Textiles Ltd.	101315040151	601,948
Saturn Textiles Ltd.	101315040156	4,281,200
Saturn Textiles Ltd.	101315040193	199,700
Saturn Textiles Ltd.	101315040193 Amnd-1	508,200
Mondol Fabrics Ltd.	009315041096-4	5,005,000
Moonlux Composite Knit Garments Ltd.	0686150308808	4,027,100
Saiham Knit Com	208115040142 Amnd-01	1,701,700
Saiham Knit Com	208115040142 Amnd-02	1,471,085
Saiham Knit Com	222815040403 Amnd-02	204,050
Landmark Fabrics Ltd.	009315040829-1	5,293,750
Saturn Textiles Ltd.	101315040587	1,270,500
<b>Total</b>		<b>714,132,179</b>

## SAIHAM COTTON MILLS LTD.

### Saiham Cotton Mills Ltd. Statement of Trade and Other Receivables As on April 30, 2016

Annexure -C

Party Name	LC #	Amount in Taka
Ahsan Composite Ltd.	222815030255-0	9,534,566
Alema Textile Ltd.	0686160305472-0	1,659,089
Appollo Knitwear ( BD ) Ltd.	009315044262-0	5,050,500
APS APPARELS LTD.	100815041156-0	10,300,020
APS APPARELS LTD.	100816040389-0	10,489,500
APS APPARELS LTD.	100816040403-0	9,867,123
APS DESIGN WORKS LTD.	100815040989-0	6,257,160
APS DESIGN WORKS LTD.	100815041102-0	3,888,495
APS DESIGN WORKS LTD.	100815041102-0	9,053,460
Bliithe Fashions Ltd.	12011604000117-0	1,275,640
Century Apparels Ltd.	216216040592-0	323,090
Chorka Textile Ltd.	215016040213-0	1,062,167
Chorka Textile Ltd.	0000194515044746-0	7,347,000
COMPTEx BANGLADESH LIMITED	1759160400070-0	5,550,375
COMPTEx BANGLADESH LIMITED	101016040153-0	5,550,375
Cotton Club (BD) Ltd.	102115041779-0	4,195,800
Cotton Club (BD) Ltd.	102115041779-0	7,342,650
Cotton Field BD Ltd.	102115041552-0	6,503,490
Dress Up Ltd.	0000221716040578-0	3,578,726
Dress Up Ltd.	00000221715041941-0	354,312
Fakhruddin Textile Mills Ltd.	086216040371-0	4,393,935
FAR EAST KNITTING AND DYEING IND LTD.	075116041172-0	757,575
Fatullah Fashion	088515040758-0	1,077,765
FYNE KNIT WEAR LTD.	0108-16-04-00219-0	1,324,785
Generation Next Fashion Ltd.	134315041733-01	1,603,417
Generation Next Fashion Ltd.	134315041844-0	1,188,720
Green Life Knittex Ltd.	106616030083-0	1,534,381
Green Life Knittex Ltd.	106616041059-01	752,525
Hams Garments Ltd.	214916040090-0	6,185,891
Hams Garments Ltd.	2966160400174-0	1,111,110
Hams Garments Ltd.	2966160400126-0	1,416,083
Horizon Fashion Wear Ltd.	222816040115-02	1,368,898
Horizon Fashion Wear Ltd.	222816040115-0	4,044,241
H.R Textile Mills Ltd.	23541603003	2,986,280
Jinnat Fashions Ltd.	249016030031-0	5,050,500
Jinnat Fashions Ltd.	249016030031-0	5,037,500
Karoni Knit Composite Ltd.	0665160405813-0	260,684
KC Apparels Ltd.	ILC0798160404680-0	444,030
Knit City Ltd.	208715041996-0	672,204
Knit Plus Ltd.	1890160400085-0	2,171,715
Knit Plus Ltd.	1890150400385-0	5,596,500
Landmark Fabrics Ltd.	009315042842-01	5,094,383
MASCO Industries Limited	0000194516041006-0	5,355,625
MASCO Industries Limited	0000194516040854-0	5,341,875
Mita Apparels ( Pvt ) Ltd.	108315040125-0	2,060,604
Mita Apparels ( Pvt ) Ltd.	108315040127-0	839,160
Modele De Capital Ind. Ltd.	1689160400747-0	1,849,260
Modele De Capital Ind. Ltd.	1689160402876-0	1,363,635
Modele De Capital Ind. Ltd.	1689160401960-0	7,397,040
Modele De Capital Ind. Ltd.	1689160401960-0	7,397,040
Modele De Capital Ind. Ltd.	1689160401960-0	6,340,320
Muazuddin Knit Fashion Ltd.	209015042160-0	8,008,000
Muazuddin Knit Fashion Ltd.	209015042160-0	8,293,480
Muazuddin Knit Fashion Ltd.	0000000115042683-0	7,803,243

## SAIHAM COTTON MILLS LTD.

Party Name	LC #	Amount in Taka
Muazuddin Knit Fashion Ltd.	0000000115042685-0	4,046,126
Muazuddin Textile Ltd.	106615043198-0	8,075,620
Muazuddin Textile Ltd.	106615043387-0	496,080
Muazuddin Textile Ltd.	0000000115042520-0	6,341,874
Muazuddin Textile Ltd.	106615043199-0	959,595
Muazuddin Textile Ltd.	0000000115042561-0	4,421,040
Muazuddin Textile Ltd.	0000000115042561-0	6,337,500
Niloy Knitwear	108315040131-0	3,799,530
Oli Knitting Fabrics Ltd.	135016040333-0	8,033,792
Pacific Cotton Ltd.	0961160400036-0	1,681,666
Pacific Cotton Ltd.	0000194916040097-0	3,665,599
Pacific Cotton Ltd.	096115040269-02	359,450
Pacific Cotton Ltd.	0961160400036-02	916,104
Pacific Cotton Ltd.	096115040333-0	2,382,380
Pacific Cotton Ltd.	096115040269-01	1,446,900
Pacific Cotton Ltd.	0961160400036-01	2,497,474
Pacific Cotton Ltd.	096115040333-01	1,297,764
Pacific Cotton Ltd.	0000194915044750-01	1,522,842
Pacific Cotton Ltd.	0000194915044750-0	199,080
Pacific Cotton Ltd.	096115040269-0	3,306,048
Raisa Fashion Ltd.	215015040425-0	1,106,293
Raisa Fashion Ltd.	215015040410-0	1,256,100
RBSR FASHIONS LTD.	091516040089-0	5,025,170
Rifa's Knitwears & Designer Ltd.	0000264160400045-0	1,388,888
Saiham Knit Composite Ltd.	208116040019-03	8,540,784
Saiham Knit Composite Ltd.	208116040046-0	10,489,500
Saiham Knit Composite Ltd.	208115040565-06	5,168,604
Saiham Knit Composite Ltd.	208115040375-01	2,525,250
Saiham Knit Composite Ltd.	208115040565-04	541,958
Saiham Knit Composite Ltd.	208116040036-01	6,876,450
Saiham Knit Composite Ltd.	208115040370-03	6,993,000
Saiham Knit Composite Ltd.	208115040430-04	6,940,941
Saiham Knit Composite Ltd.	208116040078-0	6,993,000
Saiham Knit Composite Ltd.	208116040131-0	605,749
Saiham Knit Composite Ltd.	208116040073-0	7,562,930
Saiham Knit Composite Ltd.	208116040101-0	264,180
Saiham Knit Composite Ltd.	208116040019-01	10,994,744
Saiham Knit Composite Ltd.	208115040565-07	906,565
Saiham Knit Composite Ltd.	208116040019-02	9,857,411
Saiham Knit Composite Ltd.	208116040136-02	3,625,482
Saiham Knit Composite Ltd.	208116040063-0	4,079,250
Saiham Knit Composite Ltd.	208116040107-0	10,314,675
Saiham Knit Composite Ltd.	208116040081-0	578,088
Saiham Knit Composite Ltd.	208116040136-01	5,273,305
Saiham Knit Composite Ltd.	208115040375-02	4,040,400
Saiham Knit Composite Ltd.	208116040081-01	554,584
Saiham Knit Composite Ltd.	208116040019-0	12,147,812
Saiham Knit Composite Ltd.	208116040036-0	686,480
Saiham Knit Composite Ltd.	208116040072-0	2,261,070
Saiham Knit Composite Ltd.	208116040136-02	3,881,698
Saiham Knit Composite Ltd.	208116040046-01	4,662,000
Saiham Knit Composite Ltd.	208115040584-01	2,544,675
Saiham Knit Composite Ltd.	208115040565-05	277,001
Saiham Knit Composite Ltd.	208115040565-03	1,305,360
Saiham Knit Composite Ltd.	208115040565-02	2,222,414
Saiham Knit Composite Ltd.	208116040021-0	3,333,330
Saturn Textiles Limited	101316040296-0	3,202,794
Saturn Textiles Limited	101316040141-0	2,778,693

## SAIHAM COTTON MILLS LTD.

Party Name	LC #	Amount in Taka
Saturn Textiles Limited	101316040141-01	2,579,834
Saturn Textiles Limited	101315041238-0	2,195,193
SMART KNITWEARS LTD.	0000095160400158-0	2,814,100
SMART KNITWEARS LTD.	000009515040726-0	320,901
Spicy Fashion Ltd.	1351-15-04-1628-0	699,104
Target Fashion Ltd.	141615042693-0	1,059,828
The Immaculate Textile Ltd.	0664160406742-01	875,485
The Immaculate Textile Ltd.	0664160407353-0	1,641,607
The Immaculate Textile Ltd.	0664160403539-0	2,139,741
Tosrifa Industries Ltd.	075116030361-0	5,682,978
Uniform Textile Limited	0008160400036-0	811,965
VIYELLATEX LTD.	0686150428370-01	6,310,835
VIYELLATEX LTD.	0686150428432-01	10,518,058
Winsome Knit Composite Ltd.	121115041806-0	1,612,260
Winsome Knit Composite Ltd.	121115041809-0	813,325
Zian Apparels Ltd.	215416040132-0	749,788
Advanced Composite Textile Ltd.	0000001160400641-0	5,160,875
Advanced Composite Textile Ltd.	0000001160400641-0	5,160,875
All Round Knitwear Ltd.	001015040365-0	1,446,900
All Round Knitwear Ltd.	001015040374-0	1,046,750
All Round Knitwear Ltd.	001015040383-0	1,240,200
All Round Knitwear Ltd.	001015040385-0	2,232,360
All Round Knitwear Ltd.	001015040411-0	3,306,912
Appollo Knitwear ( BD ) Ltd.	0093160300509-0	5,050,500
ARH KNIT COMPOSITE LIMITED	089915040620-0	877,295
Crossline Factory ( Pvt ) Ltd.	121115042293-0	633,061
Crossline Factory ( Pvt ) Ltd.	121115042294-0	4,405,590
Dress Up Ltd.	0000221716040166-0	558,080
Emon Fashion	090316040009-0	1,247,862
Esquire Knit Composite Ltd.	1689160401983-01	396,270
Fakhruddin Textile Mills Ltd.	086216041508-0	4,999,995
Four Knit Wear Ltd.	0000027115041373-0	2,315,968
Four Knit Wear Ltd.	0000027115041414-0	1,967,830
Generation Next Fashion Ltd.	134315041840-0	5,839,155
Generation Next Fashion Ltd.	134315041733-0	4,807,920
Generation Next Fashion Ltd.	134315041752-0	5,453,000
Haseen Knit Composite Ltd.	0673150427049-0	1,056,900
JP GARMENTS LIMITED	0000194615041535-0	1,634,880
JP GARMENTS LIMITED	0000194615041703-0	3,098,288
M.S.Attires Ltd	0000221715041601-0	1,034,900
Marp Knit Composite Ltd.	201315040247-0	1,567,800
NAZ Knitwear Ltd.	1350-15-04-0824-0	3,414,915
Niloy Knitwear	108315040133-0	529,914
Saturn Textiles Limited	101315041207-02	1,794,870
SMART KNITWEARS LTD.	000009516040038-0	2,633,836
The Delta Composite Knitting Ind.Ltd.	009315043396-0	8,519,360
The Delta Composite Knitting Ind.Ltd.	009315044071-0	5,439,000
The Delta Composite Knitting Ind.Ltd.	089015041061-0	466,100
The Delta Composite Knitting Ind.Ltd.	089015041080-0	4,998,750
The Delta Composite Knitting Ind.Ltd.	089015041080-0	5,530,000
The Delta Composite Knitting Ind.Ltd.	009315043398-0	3,199,500
The Delta Composite Knitting Ind.Ltd.	009315043398-0	6,501,858
The Delta Composite Knitting Ind.Ltd.	009315044071-0	5,439,000
The Delta Composite Knitting Ind.Ltd.	089016040409-0	1,729,645
Current account with sister concern		154,696,674
<b>Total</b>		<b>761,157,616</b>



# SAIHAM COTTON MILLS LTD.

## Saiham Cotton Mills Ltd. Statement of Trade and Other Receivables As on June 30, 2016

Annexure -D

Party Name	LC #	Amount in Taka
AKH Knitting & Dyeing	1880160400252-0	5,394,000
AKH Knitting & Dyeing	0000194916041799-0	2,814,683
AKH Knitting & Dyeing	0000194916041798-0	3,906,000
AKH Knitting & Dyeing	0000194916041798-0	5,629,365
AKH Knitting & Dyeing	1880160400252-0	5,394,000
AKH Knitting & Dyeing	1880160400197-0	4,300,695
Alema Textile Ltd.	0686160312130-0	505,827
Alema Textile Ltd.	0686160305472-03	3,320,781
Alema Textile Ltd.	0686160305472-02	794,288
APS APPARELS LTD.	100816040403-0	9,867,123
APS APPARELS LTD.	100816040389-0	10,489,500
APS APPARELS LTD.	100816040728-0	3,254,076
APS APPARELS LTD.	100816040403-0	9,635,577
APS APPARELS LTD.	100816040836-0	3,727,750
APS APPARELS LTD.	100816040630-0	6,547,196
ARH KNIT COMPOSITE LIMITED	089916040255-0	863,247
Blithe Fashions Ltd.	12011604000117-0	1,275,640
Century Apparels Ltd.	216216040592-0	323,090
Chorka Textile Ltd.	215016040213-0	1,062,167
Chorka Textile Ltd.	0000194516042947-0	1,054,195
Chorka Textile Ltd.	00000194516042119-0	5,862,100
COMPTEx BANGLADESH LIMITED	1759160400070-0	5,550,375
COMPTEx BANGLADESH LIMITED	101016040153-0	5,550,375
Confidence Knitting Industries Ltd.	1689160403128-0	1,171,296
Cotton Club (BD) Ltd.	102115041779-0	4,195,800
DIRD COMPOSITE TEXTILES LTD.	0000215160400685-0	330,330
Dress Up Ltd.	0000221716040578-0	3,578,726
Fakhruddin Textile Mills Ltd.	086216040371-0	4,393,935
FAR EAST KNITTING AND DYEING IND LTD.	075116041172-0	757,575
FYNE KNIT WEAR LTD.	0108-16-04-00219-0	1,324,785
Generation Next Fashion Ltd.	134315041733-01	1,603,417
Genetic Fashions Limited	0013/16/04/00132-0	289,433
Green Life Knit Composite Ltd.	106616041474-0	979,603
Green Life Knit Composite Ltd.	106616041435-0	903,844
Green Life Knittex Ltd.	106616041059-01	752,525
Greenland Garments Ltd.	126916030018-0	491,660
H.R Textile Mills Ltd.	0000235416030038-0	2,986,280
H.R Textile Mills Ltd.	0000235416040199-0	771,210
Hams Garments Ltd.	214916040090-0	6,185,891
Hams Garments Ltd.	2966160400174-0	1,111,110
Hams Garments Ltd.	2966160400126-0	1,416,083
Hams Garments Ltd.	2966160400190-0	3,612,275
Hossain Dyeing And Printing Mills Ltd.( Unit-2)	2960160401359-0	697,552
Index Apparels Ltd.	1211160400733-0	821,500
Islam Knit Designs Ltd.	ILC0796160309565-0	7,503,955
Islam Knit Designs Ltd.	ILC0796160309567-0	3,748,248
Karoni Knit Composite Ltd.	0665160405813-0	260,684
Karoni Knit Composite Ltd.	0665160411856-0	370,241
KC Apparels Ltd.	ILC0798160404680-0	444,030
Knit Bazar (Pvt.) Ltd.	0968160400286-0	696,153
Knit Concern Ltd.	ILC0798160405390-0	3,552,240
Knit Plus Ltd.	1890160400085-0	2,171,715
Knit Plus Ltd.	1890160400157-0	4,415,150
Knit Plus Ltd.	1890160400157-0	4,351,200

## SAIHAM COTTON MILLS LTD.

Party Name	LC #	Amount in Taka
Lantabur Apparels Ltd.	3137160400174-0	2,628,800
Lantabur Apparels Ltd.	3137160400174-0	2,948,100
LIBAS TEXTILE LTD.	089016040527-0	4,955,350
MASCO Industries Limited	0000194516041006-0	5,355,625
MASCO Industries Limited	0000194516040854-0	5,341,875
MASCO Industries Limited	0000194516043508-0	4,273,500
MASCO Industries Limited	0000194516043145-0	4,273,500
MEGHNA KNIT COMPOSITE LTD	1689160300982-0	3,809,125
MEGHNA KNIT COMPOSITE LTD	1689160301377-0	1,902,238
Mita Apparels ( Pvt ) Ltd.	108315040125-0	2,060,604
Mita Apparels ( Pvt ) Ltd.	108316040029-0	1,458,041
Modele De Capital Ind. Ltd.	1689160400747-0	1,849,260
Modele De Capital Ind. Ltd.	1689160402876-0	1,363,635
Modele De Capital Ind. Ltd.	1689160401960-0	7,397,040
Modele De Capital Ind. Ltd.	1689160401960-0	7,397,040
Modele De Capital Ind. Ltd.	1689160401960-0	6,340,320
Modele De Capital Ind. Ltd.	1689160402876-03	2,610,720
Modele De Capital Ind. Ltd.	1689160402876-01	697,984
N.R Knitting Mills Ltd.	1689160404119-0	3,836,250
Oli Knitting Fabrics Ltd.	135016040333-0	8,033,792
Oli Knitting Fabrics Ltd.	135016040368-0	1,374,656
Pacific Cotton Ltd.	0961160400036-0	1,681,666
Pacific Cotton Ltd.	0961160400036-02	916,104
Pacific Cotton Ltd.	0961160400036-01	2,497,474
Pacific Cotton Ltd.	096115040333-01	1,297,764
Pacific Cotton Ltd.	0961160400177-0	1,655,981
RBSR FASHIONS LTD.	091516040089-0	5,025,170
RBSR FASHIONS LTD.	091516040512-0	2,871,763
Rifa's Knitwears & Designer Ltd.	0000264160400045-0	1,388,888
Saiham Knit Composite Ltd.	208116040019-03	8,540,784
Saiham Knit Composite Ltd.	208115040370-03	6,993,000
Saiham Knit Composite Ltd.	208116040131-0	605,749
Saiham Knit Composite Ltd.	208116040019-01	10,994,744
Saiham Knit Composite Ltd.	208116040019-02	9,857,411
Saiham Knit Composite Ltd.	208116040136-02	3,625,482
Saiham Knit Composite Ltd.	208116040107-0	10,314,675
Saiham Knit Composite Ltd.	208116040136-01	5,273,305
Saiham Knit Composite Ltd.	208116040081-01	554,584
Saiham Knit Composite Ltd.	208116040136-02	3,881,698
Saiham Knit Composite Ltd.	208116040113-02	6,876,450
Saiham Knit Composite Ltd.	208116040213-0	7,372,575
Saiham Knit Composite Ltd.	208116040113-01	7,129,558
Saiham Knit Composite Ltd.	208116040073-01	256,410
Saiham Knit Composite Ltd.	208116040218-0	1,138,111
Saiham Knit Composite Ltd.	208116040073-02	2,713,478
Saiham Knit Composite Ltd.	208116040113-0	13,752,900
Saiham Knit Composite Ltd.	208116040183-0	11,431,250
Saiham Knit Composite Ltd.	208116040113-03	13,986,000
Saturn Textiles Limited	101316040296-0	3,202,794
Saturn Textiles Limited	101316040141-0	2,778,693
Saturn Textiles Limited	101316040141-01	2,579,834
Saturn Textiles Limited	101316040710-0	2,339,547
Silk International Ltd.	094616040050-0	396,270
SMART KNITWEARS LTD.	0000095160400158-0	2,814,100
Southern Knitwear Ltd.	1559160400221-0	5,244,750
Southern Knitwear Ltd.	1559160400221-01	3,201,525
Taqwa Fabrics Ltd.	1347-16-04-0749-0	2,874,900
Taqwa Fabrics Ltd.	1347-16-04-0749-01	893,550

## JAIHAM COTTON MILLS LTD.

Party Name	LC #	Amount in Taka
The Immaculate Textile Ltd.	0664160403539-0	2,139,741
The Immaculate Textile Ltd.	0664160406742-01	875,485
The Immaculate Textile Ltd.	0664160407353-0	1,641,607
The Immaculate Textile Ltd.	0664160407955-0	933,954
Tosrifa Industries Ltd.	0691160311379-0	1,895,880
Uniform Textile Limited	0008160400036-0	811,965
VIYELLATEX LTD.	0686150428370-01	6,310,835
VIYELLATEX LTD.	0686150428432-01	10,518,058
Zian Apparels Ltd.	215416040132-0	749,788
Advanced Composite Textile Ltd.	0000001160400641-0	5,160,875
Advanced Composite Textile Ltd.	0000001160400641-0	5,160,875
Advanced Composite Textile Ltd.	0000001160400641-0	5,160,875
Advanced Composite Textile Ltd.	0000001160400641-0	5,160,875
Advanced Composite Textile Ltd.	0000001160400641-0	5,147,625
Advanced Composite Textile Ltd.	0000001160400641-0	4,566,235
Advanced Composite Textile Ltd.	0000001160400641-0	5,147,625
Amber Denim Mills Ltd.	1202160400621-0	784,770
B.Brothers Garments Co. Ltd(Unit-2)	0000000216040516-0	4,195,800
Emon Fashion	090316040009-0	1,247,862
Esquire Knit Composite Ltd.	1689160401983-01	396,270
Fakhruddin Textile Mills Ltd.	086216041508-0	4,999,995
JP GARMENTS LIMITED	0000194615041703-0	3,098,288
Modele De Capital Ind. Ltd.	1689160403721-0	5,244,750
Modele De Capital Ind. Ltd.	1689160403721-0	5,425,000
Modele De Capital Ind. Ltd.	1689160403721-0	5,439,000
Modele De Capital Ind. Ltd.	1689160403721-0	5,231,250
NAZ Knitwear Ltd.	1350-15-04-0824-0	3,414,915
Saturn Textiles Limited	101315041207-02	1,794,870
The Delta Composite Knitting Ind.Ltd.	089015041080-0	4,998,750
The Delta Composite Knitting Ind.Ltd.	089016040409-0	1,729,645
Faisal Spinning Mills Ltd.		134,300,945
<b>Total</b>		<b>655,561,289</b>



House # 2, Road # 55, Gulshan-2, Dhaka-1212, Bangladesh.

### PROXY FORM

I/ We .....of.....  
.....being a Shareholder of **Saiham Cotton Mills Ltd.**  
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 15<sup>th</sup> ANNUAL GENERAL MEETING  
of the Company to be held on December 19, 2016 and /or at any adjustment thereof.

As witness my/ our hand this. ....day of .....2016

Revenue  
Stamp  
Tk. 20.00

\_\_\_\_\_  
(Signature of the Shareholder)

\_\_\_\_\_  
(Signature of Proxy)

BO ID No. 

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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. Stamp Proxy Form must be deposited at the Company's Dhaka Office before 48 hours of the meeting.



House # 2, Road # 55, Gulshan-2, Dhaka-1212, Bangladesh.

### ATTENDANCE SLIP

I / we hereby record my / our attendance at the 15<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on December 19, 2016 at 11:00 A.M. at Saiham Cotton Mills Ltd. Mill Premises, Noyapara, Saiham Nagar, Madhabpur, Habiganj

BO ID No. 

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No. of Shares held ..... Dated.....

\_\_\_\_\_  
(Signature of Proxy)

\_\_\_\_\_  
(Signature of the Shareholder)

Date .....

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



## **SAIHAM COTTON MILLS LTD.**

**Dhaka Office :** House # 02, Road # 55, Gulshan-2, Dhaka-1212  
Phone : 9862284, 9863323, 9887441, Fax : 880-2-9894607, 8826254  
E-mail : [info@saihamcotton.com](mailto:info@saihamcotton.com), website : [www.saihamcotton.com](http://www.saihamcotton.com)