



Ref: SCML/04/133 /2019

Dated: Dhaka  
April 30, 2019

**The Chairman**

Bangladesh Securities and Exchange Commission  
Securities Commission Bhaban  
Plot # E-6/C, Agargaon  
Sher-e-Bangla Nagar  
Dhaka- 1207.

Subject: Price Sensitive Information

Dear Sir,

This is for kind information of all concerned that the Board of Directors of Saiham Cotton Mills Ltd. in its Board Meeting held on April 30, 2019 at 3.00 P.M. at its Dhaka Office House # 34, Road # 136, Gulshan-1, Dhaka-1212 has taken the following price sensitive decision regarding the Un-audited 3rd Quarter Financial Statements for the period ended March 31, 2019.

| SL No. | Particulars                                      | July,2018<br>To<br>March,2019 | July,2017<br>To<br>March,2018 | January,2019<br>To<br>March, 2019 | January,2018<br>To<br>March, 2018 |
|--------|--|-------------------------------|-------------------------------|-----------------------------------|-----------------------------------|
| 01     | Profit before Tax                                | 159,210,696                   | 117,838,133                   | 45,579,743                        | 36,690,870                        |
| 02     | Profit after Tax                                 | 134,181,338                   | 93,844,260                    | 38,886,691                        | 29,931,260                        |
| 03     | Earnings Per Share (EPS)                         | 0.90                          | 0.63                          | 0.26                              | 0.20                              |
| 04     | NAV Per Share                                    | 22.59                         | 22.25                         |                                   |                                   |
| 05     | Net Operating Cash<br>Flow Per Share<br>(NOCFPS) | 0.11                          | (0.20)                        |                                   |                                   |

Thanking you

Yours faithfully

(Md. Sahinur Kabir, ACS)  
Company Secretary

Copy to: (i) **The Managing Director**  
Dhaka Stock Exchange Ltd.  
9/F, Motijheel C/A, Dhaka – 1000.

(ii) **The Managing Director**  
Chittagong Stock Exchange Ltd.  
Eunoos Trade Centre (Level-15)  
52-53, Dilkusha C/A, Dhaka – 1000.



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**The Chairman**

Bangladesh Securities and Exchange Commission  
Securities Commission Bhaban  
Plot # E-6/C, Agargaon  
Sher-e-Bangla Nagar  
Dhaka- 1207.

**Sub: Submission of un-audited 3rd Quarter Financial Statements of Saiham Cotton Mills Ltd.**

Dear Sir,

As per regulation in 17(3) of DSE Listing Regulations 2015, we are pleased to enclose herewith the un-audited 3rd Quarter Financial Statements for the period ended March 31, 2019 of Saiham Cotton Mills Ltd. The above un-audited 3rd Quarterly Financial Statements are also available in the website of the Company.

The website of Saiham Cotton Mills Ltd. is [www.saihamcotton.com](http://www.saihamcotton.com)

Thanking you,

Yours faithfully,

(Md. Sahinur Kabir, ACS)  
Company Secretary

CC to:

- 1) **The Managing Director**  
Dhaka Stock Exchange Ltd.  
9/F, Motijheel C/A.  
Dhaka-1000.
  
- 2) **The Managing Director**  
Chittagong Stock Exchange Ltd.  
Eunoos Trade Centre (Level – 15)  
52-53, Dilkusha C/A  
Dhaka – 1000.



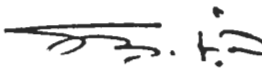
**Saiham Cotton Mills Ltd.**

Statement of Financial Position (Unaudited)  
As at March 31, 2019

| Particulars                          | Notes | Amount in Taka       |                      |
|--------------------------------------|-------|----------------------|----------------------|
|                                      |       | March 31, 2019       | June 30, 2018        |
| <b>Assets :</b>                      |       |                      |                      |
| <b>Non Current Assets :</b>          |       |                      |                      |
| Property, plant and equipment        | 3.00  | 2,484,861,998        | 2,597,872,808        |
| Investment                           | 4.00  | 526,212,049          | 528,299,680          |
| <b>Total Non-current Assets</b>      |       | <b>3,011,074,046</b> | <b>3,126,172,488</b> |
| <b>Current Assets :</b>              |       |                      |                      |
| Trade and other receivables          | 5.00  | 1,176,121,905        | 1,015,623,914        |
| Inventories                          | 6.00  | 2,215,492,433        | 2,018,814,946        |
| Advance, deposits and pre-payments   | 7.00  | 98,325,035           | 82,932,134           |
| Cash and cash equivalents            | 8.00  | 19,428,957           | 77,989,286           |
| <b>Total Current Assets</b>          |       | <b>3,509,368,330</b> | <b>3,195,360,280</b> |
| <b>Total Assets</b>                  |       | <b>6,520,442,377</b> | <b>6,321,532,768</b> |
| <b>Equity and Liabilities :</b>      |       |                      |                      |
| <b>Shareholders Equity :</b>         |       |                      |                      |
| Share capital                        | 9.00  | 1,487,750,000        | 1,487,750,000        |
| Share premium                        |       | 751,750,000          | 751,750,000          |
| Revaluation surplus                  | 10.00 | 358,298,189          | 374,327,126          |
| Retained earnings                    |       | 757,954,307          | 753,690,396          |
| AFS Reserve                          |       | 4,495,744            | 700,367              |
| <b>Total Shareholders Equity</b>     |       | <b>3,360,248,240</b> | <b>3,368,217,889</b> |
| <b>Non-current Liabilities :</b>     |       |                      |                      |
| Deferred tax liabilities             | 11.00 | 195,642,790          | 189,288,677          |
| Term Loan                            | 12.00 | 145,926,529          | 280,187,310          |
| <b>Total Non-current Liabilities</b> |       | <b>341,569,319</b>   | <b>469,475,987</b>   |
| <b>Current Liabilities :</b>         |       |                      |                      |
| Short Term Loan                      | 13.00 | 2,172,961,222        | 1,807,583,035        |
| Term Loan Current Maturity           | 12.00 | 140,703,730          | 204,113,547          |
| Trade creditors                      | 14.00 | 447,510,575          | 408,762,035          |
| Income tax provision                 | 15.00 | 3,408,849            | 2,180,043            |
| Payable and accruals                 | 16.00 | 54,040,441           | 61,200,232           |
| <b>Total Current Liabilities</b>     |       | <b>2,818,624,817</b> | <b>2,483,838,892</b> |
| <b>Total Liabilities</b>             |       | <b>3,160,194,136</b> | <b>2,953,314,879</b> |
| <b>Total Equity and Liabilities</b>  |       | <b>6,520,442,377</b> | <b>6,321,532,768</b> |
| <b>Net Assets Value Per Share</b>    | 23.00 | 22.59                | 22.64                |

  
Managing Director

  
Director

  
Chairman

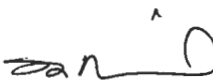
  
Chief Financial Officer

  
Company Secretary




**Saiham Cotton Mills Ltd.**  
Statement of profit or Loss and Other Comprehensive Income (Unaudited)  
For the period ended March 31,2019

| Particulars  | Notes | Amount in Taka                      |                                     |                                       |                                       |
|--|-------|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
|  |       | July 01,2018<br>to<br>March 31,2019 | July 01,2017<br>to<br>March 31,2018 | January01,2019<br>to<br>March 31,2019 | January01,2018<br>to<br>March 31,2018 |
| Turnover   |       | 2,362,493,545                       | 2,298,532,305                       | 904,274,695                           | 724,812,574                           |
| Cost of goods sold   | 17.00 | (2,105,967,976)                     | (2,131,501,971)                     | (810,434,446)                         | (661,413,967)                         |
| <b>Gross Profit</b>  |       | <b>256,525,569</b>                  | <b>167,030,334</b>                  | <b>93,840,250</b>                     | <b>63,398,607</b>                     |
| Administrative and marketing expenses                        | 18.00 | (52,836,358)                        | (49,781,107)                        | (19,121,793)                          | (15,899,369)                          |
| Unrealized Gain/(loss) for exchange rate fluctuation         |       | (2,978,062)                         |                                     | (1,648,795)                           |                                       |
| Financial expenses   | 19.00 | (88,306,479)                        | (67,627,770)                        | (32,818,910)                          | (28,940,948)                          |
| <b>Operating Profit</b>                                      |       | <b>112,404,671</b>                  | <b>49,621,458</b>                   | <b>40,250,752</b>                     | <b>18,558,291</b>                     |
| Non operating income   | 20.00 | 54,597,428                          | 69,222,582                          | 7,523,249                             | 19,967,123                            |
| Other income   | 21.00 | 169,133                             | 4,886,000                           | 84,731                                | -                                     |
| <b>Operating Profit before WPPF</b>                          |       | <b>167,171,231</b>                  | <b>123,730,040</b>                  | <b>47,858,731</b>                     | <b>38,525,414</b>                     |
| Provision for WPPF   | 16.01 | (7,960,535)                         | (5,891,907)                         | (2,278,987)                           | (1,834,544)                           |
| <b>Profit Before Tax</b>                                     |       | <b>159,210,696</b>                  | <b>117,838,133</b>                  | <b>45,579,743</b>                     | <b>36,690,870</b>                     |
| <b>Provision for Tax</b>                                     |       | <b>(25,029,357)</b>                 | <b>(23,993,872)</b>                 | <b>(6,693,052)</b>                    | <b>(6,759,610)</b>                    |
| Current Tax  | 15.00 | (16,268,316)                        | (11,604,887)                        | (4,062,501)                           | (2,995,068)                           |
| Deferred Tax   | 11.00 | (8,761,041)                         | (12,388,985)                        | (2,630,551)                           | (3,764,542)                           |
| <b>Net Profit After Tax</b>                                  |       | <b>134,181,338</b>                  | <b>93,844,260</b>                   | <b>38,886,691</b>                     | <b>29,931,260</b>                     |
| <b>Other Comprehensive Income/(Loss) :</b>                   |       | <b>3,795,377</b>                    | <b>(3,620,293)</b>                  | <b>3,433,429</b>                      | <b>(3,568,838)</b>                    |
| Adjustment for unrealized loss/gain on marketable securities |       | 4,217,085                           | (3,620,293)                         | 3,814,921                             | (3,568,838)                           |
| Deferred Tax Adjustment                                      |       | (421,708)                           |                                     | (381,492)                             |                                       |
| <b>Total Comprehensive Income for the year</b>               |       | <b>137,976,715</b>                  | <b>90,223,967</b>                   | <b>42,320,120</b>                     | <b>26,362,422</b>                     |
| <br>   |       |                                     |                                     |                                       |                                       |
| Earnings Per Share (EPS)                                     | 22.00 | 0.90                                | 0.63                                | 0.26                                  | 0.20                                  |

  
Managing Director

  
Director

  
Chairman

  
Chief Financial Officer

  
Company Secretary





# SAIHAM COTTON MILLS LTD.

quality . commitment . great Value

**Saiham Cotton Mills Ltd.**  
Statement of Changes in Equity  
For the period ended March 31, 2019

| Particulars                                    | Share capital | Share       | Tax holiday | General    | Revaluation  | AFS Reserve | Retained      | Total equity  |
|--|---------------|-------------|-------------|------------|--------------|-------------|---------------|---------------|
| Balance as at July 01, 2017                    | 1,487,750,000 | 751,750,000 | 100,715,999 | 60,400,000 | 397,705,914  | 11,421,414  | 585,030,753   | 3,394,774,089 |
| Total Comprehensive Income during the year     | -             | -           | -           | -          | -            | (3,620,293) | 93,844,261    | 90,223,968    |
| Adjustment for depreciation on revalued assets | -             | -           | -           | -          | (17,230,160) | -           | -             | (17,230,160)  |
| Dividend paid (2016-2017)                      | -             | -           | -           | -          | -            | -           | (178,530,000) | (178,530,000) |
| Adjustment for revaluation of P.P.E and        | -             | -           | -           | -          | -            | -           | 20,270,777    | 20,270,777    |
| Balance as at March 31, 2018                   | 1,487,750,000 | 751,750,000 | 100,715,999 | 60,400,000 | 380,475,754  | 7,801,121   | 520,615,790   | 3,309,508,664 |
| Balance as at July 01, 2018                    | 1,487,750,000 | 751,750,000 | -           | -          | 374,327,126  | 700,367     | 753,690,396   | 3,368,217,889 |
| Total Comprehensive Income during the period   | -             | -           | -           | -          | -            | 3,795,377   | 134,181,338   | 137,976,715   |
| Adjustment for depreciation on revalued assets | -             | -           | -           | -          | (16,028,938) | -           | -             | (16,028,938)  |
| Adjustment for revaluation of P.P.E and        | -             | -           | -           | -          | -            | -           | 18,857,574    | 18,857,574    |
| Dividend Paid (2017-2018)                      | -             | -           | -           | -          | -            | -           | (148,775,000) | (148,775,000) |
| Balance as at March 31, 2019                   | 1,487,750,000 | 751,750,000 | -           | -          | 358,298,189  | 4,495,744   | 757,954,307   | 3,360,248,240 |

Managing Director

Director

Chairman

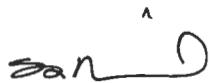
Chief Financial Officer

Company Secretary



**Saiham Cotton Mills Ltd.**  
Statement of Cash Flows  
For the period ended March 31,2019

| Particulars   | Amount in Taka                      |                                     |
|---|-------------------------------------|-------------------------------------|
|   | July 01,2018<br>to<br>March 31,2019 | July 01,2017<br>to<br>March 31,2018 |
| <b>A. Cash Flows From Operating Activities</b>                        |                                     |                                     |
| Collection from customer  | 2,201,995,554                       | 2,383,608,242                       |
| Payment for cost and expenses   | (2,224,695,962)                     | (2,463,581,887)                     |
| Collection from non operating income                                  | 54,597,428                          | 69,222,582                          |
| Collection from other income  | 169,133                             | 4,886,000                           |
| Income tax paid   | (15,039,510)                        | (23,886,289)                        |
| <b>Net cash from operating activities</b>                             | <b>17,026,642</b>                   | <b>(29,751,352)</b>                 |
| <b>B. Cash Flows From Investing Activities</b>                        |                                     |                                     |
| Acquisition of property,plant and equipment                           | (12,517,797)                        | (33,885,925)                        |
| Investments   | 6,304,716                           | 257,402,000                         |
| <b>Net cash used in investing activities</b>                          | <b>(6,213,081)</b>                  | <b>223,516,075</b>                  |
| <b>C. Cash Flows From Financing Activities</b>                        |                                     |                                     |
| Short term loan   | 365,378,187                         | 170,860,534                         |
| Term Loan   | (197,670,598)                       | (89,972,767)                        |
| Interest paid on borrowings   | (88,306,479)                        | (67,627,770)                        |
| Dividend paid   | (148,775,000)                       | (178,530,000)                       |
| <b>Net cash provided by financing activities</b>                      | <b>(69,373,891)</b>                 | <b>(165,270,002)</b>                |
| <b>D.Net Increase/Decrease in Cash &amp; Cash Equivalents (A+B+C)</b> | <b>(58,560,329)</b>                 | <b>28,494,721</b>                   |
| Cash & Cash Equivalents at beginning of the period                    | 77,989,286                          | 82,503,433                          |
| <b>Cash &amp; Cash Equivalents at ending of the period</b>            | <b>19,428,957</b>                   | <b>110,998,154</b>                  |
| <b>Net Operating Cash Flow Per Share (NOCFPS)</b>                     | <b>0.11</b>                         | <b>(0.20)</b>                       |

  
Managing Director

  
Director

  
Chairman

  
Chief Financial Officer

  
Company Secretary



## Notes to the Financial Statements

As at and for the period ended March 31, 2019

### 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 House # 34(11<sup>th</sup> floor), Road # 136, Gulshan – 1, 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 concern 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) Statement of Financial Position as at March 31, 2019;
- ii) Statement of Profit or Loss and Other Comprehensive Income for the period ended March 31, 2019;
- iii) Statement of Changes in Equity for the period ended March 31, 2019;
- iv) Statement of Cash Flows for the period ended March 31, 2019; and
- v) Accounting Policies and explanatory notes to the financial statements for the period ended March 31, 2019.

#### 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) 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.

| Name of assets                   | Rates  |
|----------------------------------|--------|
| 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 Sahaji Bazer 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 depreciation 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 above basis the valuer have arrived at present valuation of same.

**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 period attributable to the ordinary shareholders by the number of shares outstanding during the period.

**ii) Diluted earnings per share**

No diluted earnings per share are required to be calculated for the period as there was no scope for dilution during the period 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: “The Effects of Changes in Foreign Exchange Rates”.





## 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 losses 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.

**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: "Related Party Disclosures" parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company has carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

**2.25 Reporting period:**

These financial statements covered 09 (nine) months from July 01, 2018 to March 31, 2019.

**2.26 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.

**2.29 General:**

- i) Figures appearing in these Financial Statements have been rounded off to the nearest Bangladesh Taka.
- ii) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- iii) The company has not incurred any expenditure in foreign currency against royalties and technical fees.



# SAIHAM COTTON MILLS LTD.

quality . commitment . great Value

| Amount in Taka |               |
|----------------|---------------|
| March 31, 2019 | June 30, 2018 |

### 3.00 Property, Plant and Equipment

This is arrived as follows:

|                                |                      |                      |
|--------------------------------|----------------------|----------------------|
| Cost                           | 3,886,851,520        | 3,874,333,723        |
| Less: Accumulated depreciation | 1,401,989,522        | 1,276,460,915        |
| <b>Written down value</b>      | <b>2,484,861,998</b> | <b>2,597,872,808</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 (F. 4.01   | 60,499,400         | 60,499,400         |
| Investment in shares of listed compa 4.02 | 7,005,404          | 19,093,035         |
| Investment in FDR 4.03                    | 458,707,245        | 448,707,245        |
|   | <b>526,212,049</b> | <b>528,299,680</b> |

|  |                   |                   |
|--|-------------------|-------------------|
| 4.01 Investment in Unquoted company (FSML) | 60,499,400        | 60,499,400        |
|  | <b>60,499,400</b> | <b>60,499,400</b> |

|   |           |            |
|---|-----------|------------|
| 4.02 Investment in Shares of Listed Company | 7,005,404 | 19,093,035 |
|---|-----------|------------|

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

| Name of the company | No. of Share | March 31, 2019 |              | June 30, 2018 |
|---------------------|--------------|----------------|--------------|---------------|
|                     |              | Cost           | Market Value | Market Value  |
| ABB1STMF            | -            | -              | -            | 382,404       |
| ACTIVEFINE          | -            | -              | -            | 442,771       |
| AIL                 | -            | -              | -            | 244,800       |
| AGRANINS            | 600          | 227,959        | 225,600      | -             |
| AMANFEED            | 8,251        | 447,754        | 358,919      | -             |
| AMCL(PRAN)          | -            | -              | -            | 238,199       |
| APOLOISPAT          | -            | -              | -            | 180,000       |
| ALHAJTEX            | 1,000        | 96,864         | 95,500       | 109,620       |
| ANWARGALV           | -            | -              | -            | 201,000       |
| BDCOM               | -            | -              | -            | -             |
| BEXIMCO             | -            | -              | -            | 131,000       |
| BRACBANK            | 5,000        | 439,099        | 389,000      | -             |
| BSCCL               | -            | -              | -            | 1,436,278     |
| CITYBANK            | -            | -              | -            | 1,543,920     |
| CNATEX              | 75,000       | 583,131        | 247,500      | 200,000       |
| CONTININS           | 5,000        | 143,438        | 100,000      | -             |
| DHAKABANK           | -            | -              | -            | 35,500        |
| DSSL                | -            | -              | -            | -             |
| EASTLAND            | 8,000        | 207,237        | 198,400      | -             |
| EXIM                | -            | -              | -            | 190,400       |
| FARCHEM             | 30,000       | 644,757        | 393,000      | 458,200       |
| FASFIN              | 15,000       | 145,580        | 141,000      | 55,500        |
| GSPFINANCE          | 9,000        | 224,316        | 180,000      | -             |
| HRTEX               | 3,000        | 145,480        | 124,200      | -             |
| ICB                 | -            | -              | -            | 163,185       |
| IFDAUTOS            | -            | -              | -            | -             |
| IFIC                | -            | -              | -            | 358,940       |
| ILFSL               | -            | -              | -            | -             |
| ITC                 | -            | -              | -            | -             |
| KDSALTD             | -            | -              | -            | -             |
| KPCL                | -            | -              | -            | 236,600       |



| Name of the company                              | No. of Share | March 31, 2019    |                  | June 30, 2018     |
|--|--------------|-------------------|------------------|-------------------|
|  |              | Cost              | Market Value     | Market Value      |
| KEYACOSMET                                       | 15,000       | 93,372            | 73,500           | 528,000           |
| KTL  | -            | -                 | -                | -                 |
| LANKABAFIN                                       | -            | -                 | -                | -                 |
| LEGACYFOOT                                       | 1,000        | 142,856           | 140,800          | -                 |
| MERCHANTBANK                                     | 8,000        | 137,654           | 124,800          | -                 |
| MITHUNKNIT                                       | -            | -                 | -                | 206,000           |
| MIRACLEIND                                       | -            | -                 | -                | 85,400            |
| MONNOCERA  | -            | -                 | -                | -                 |
| NAHEEACP   | -            | -                 | -                | 232,500           |
| NURANI   | -            | -                 | -                | -                 |
| NTC  | 442          | 326,498           | 312,538          | -                 |
| PHARMAID   | -            | -                 | -                | -                 |
| PRIMETEX   | -            | -                 | -                | -                 |
| PREMIERBANK                                      | -            | -                 | -                | 103,550           |
| PLFSL  | 10,000       | 292,722           | 46,000           | 99,000            |
| RAKCERAMIC                                       | 3,000        | 204,119           | 131,625          | 322,500           |
| RUPALIINS  | 7,000        | 160,533           | 133,000          | -                 |
| SALVOCHEM  | -            | -                 | -                | -                 |
| SHASHADNIM                                       | -            | -                 | -                | -                 |
| SIMTEX   | -            | -                 | -                | -                 |
| RANFOUNDRY                                       | -            | -                 | -                | 143,700           |
| SAFKOSPINN                                       | -            | -                 | -                | 71,600            |
| SHEPHERD   | -            | -                 | -                | 455,600           |
| SAPORTL  | -            | -                 | -                | 27,300            |
| SONARBAINS                                       | 1,000        | 55,687            | 55,200           | -                 |
| UCB  | -            | -                 | -                | 88,000            |
| USMANIAGL  | -            | -                 | -                | 167,100           |
| UNITEDAIR  | 539,340      | 6,482,688         | 1,456,218        | 1,881,000         |
| UNITEDFIN  | 25,000       | 518,372           | 442,500          | -                 |
| WMSHIPYARD                                       | -            | -                 | -                | 354,000           |
| Green Delta F. Services Ltd. BO-1203620023711436 | -            | 749,139           | 749,139          | (233,319)         |
| BARKAPOWER                                       | -            | -                 | -                | 1,999,980         |
| BBS  | -            | -                 | -                | 42,600            |
| BDTHAI   | -            | -                 | -                | 425,625           |
| CITYBANK   | -            | -                 | -                | 211,680           |
| DHAKABANK  | -            | -                 | -                | 639,000           |
| FASFIN   | -            | -                 | -                | 305,250           |
| GPHISPAT   | -            | -                 | -                | 3,670             |
| ICB  | 2,400        | 405,858           | 280,080          | 1,195,425         |
| ILFSL  | -            | -                 | -                | 250,320           |
| ONEBANK  | -            | -                 | -                | 693,000           |
| SUNLIFEINS                                       | -            | -                 | -                | 72,800            |
| SAIFPOWER  | 26,817       | 905,266           | 555,112          | 1,568,000         |
| SALVOCHEM  | -            | -                 | -                | 36,750            |
| UTTARABANK                                       | -            | -                 | -                | 395,200           |
| BRAC EPL BALANCE TK.                             | -            | 51,773            | 51,773           | 113,487           |
| <b>Total</b>                                     |              | <b>13,832,153</b> | <b>7,005,404</b> | <b>19,093,035</b> |

#### 4.03 Investment in FDR

|                         | Purpose        |            |            |
|-------------------------|----------------|------------|------------|
| Dhaka Bank, 0010720     | Bank Guarantee | 899,745    | 899,745    |
| Bank Asia(0048960/1858) | Bank Guarantee | 1,600,000  | 1,600,000  |
| UNICAP.0311             | Term Loan      | 16,207,500 | 16,207,500 |
| UFIL, 1516              |                | 20,000,000 | 20,000,000 |





|                     |           | Amount in Taka     |                    |
|---------------------|-----------|--------------------|--------------------|
|                     |           | March 31, 2019     | June 30, 2018      |
| UFIL, 2916          |           | 20,000,000         | 20,000,000         |
| UNICAP, 2015 08 211 | Term Loan | 50,000,000         | 50,000,000         |
| IDLC Finance, 71201 |           | -                  | 20,000,000         |
| UNICAP, 2015 08 232 |           | 20,000,000         | 20,000,000         |
| IDLC Finance, 71204 |           | -                  | 50,000,000         |
| IDLC Finance, 71201 |           | -                  | 50,000,000         |
| IDLC Finance, 71202 |           | -                  | 50,000,000         |
| IDLC Finance, 71203 |           | -                  | 50,000,000         |
| UFIL, 918           |           | 50,000,000         | -                  |
| UFIL, 818           |           | 50,000,000         | -                  |
| IDLC Finance, 38927 |           | 60,000,000         | -                  |
| IDLC Finance, 38928 |           | 60,000,000         | -                  |
| UNICAP, 2015 01 026 |           | -                  | 50,000,000         |
| Lankabangla, 169    | Term Loan | 50,000,000         | 50,000,000         |
| UFIL6919            |           | 60,000,000         | -                  |
|                     |           | <b>458,707,245</b> | <b>448,707,245</b> |

|      |                             |                      |                      |
|------|-----------------------------|----------------------|----------------------|
| 5.00 | Trade and other receivables | 1,176,121,905        | 1,015,623,914        |
|      |                             | <b>1,176,121,905</b> | <b>1,015,623,914</b> |

6.00 Inventories

This represents as follows:

|                      |                      |                      |
|----------------------|----------------------|----------------------|
| Raw Materials        | 1,684,192,870        | 1,476,127,425        |
| Work in Process      | 20,669,502           | 18,482,277           |
| Finished Goods       | 461,147,092          | 476,921,927          |
| Stores & Spare Parts | 46,492,013           | 45,977,103           |
| Oil & Lubricants     | 361,624              | 421,729              |
| Packing Materials    | 2,629,333            | 884,485              |
|                      | <b>2,215,492,433</b> | <b>2,018,814,946</b> |

7.00 Advance, deposits and prepayments

|   |                   |                   |
|---|-------------------|-------------------|
| Security Deposit with Jatalabad Gas         | 15,072,839        | 15,072,839        |
| Security Deposit with Hobigonj Palli Biddut | 283,005           | 283,005           |
| Advance against salary & wages              | 323,350           | 811,850           |
| Security deposit with CDBL                  | 500,000           | 500,000           |
| Advance against local suppliers             | 28,274,563        | 12,484,800        |
| Advance against L/C Margin and commission   | 53,871,278        | 53,779,640        |
|   | <b>98,325,035</b> | <b>82,932,134</b> |

- ▶ All the advances and deposits amount are considered good and recoverable;
- ▶ Advance due from staffs and workers are regularly being realized through their salaries;
- ▶ There is no amount due from Directors or Officers of the Company under any agreement;
- ▶ Advance against suppliers due mainly to advances given to suppliers for packing materials,
- ▶ No amount was due by the directors (including managing director), managing agent, managers
- ▶ L/C Margin deposit against various import L/C represent margin and commission of Raw cotton, Spare Parts, Packing Materials.

8.00 Cash and cash equivalents

This consists of :

|               |      |                   |                   |
|---------------|------|-------------------|-------------------|
| Cash in hand  | 8.01 | 725,891           | 2,138,296         |
| Cash at banks | 8.02 | 18,703,065        | 75,850,990        |
|               |      | <b>19,428,956</b> | <b>77,989,286</b> |

- ▶ Cash in hand stands for cash balance only.
- ▶ Bank balances were confirmed and reconciled with Bank statements.





|       |   | Amount in Taka       |                      |
|-------|---|----------------------|----------------------|
|       |   | March 31, 2019       | June 30, 2018        |
| 8.01  | <b>Cash in hand</b>   |                      |                      |
|       | Head office   | 215,885              | 184,152              |
|       | Factory Office  | 510,006              | 1,954,144            |
|       |   | <b>725,891</b>       | <b>2,138,296</b>     |
| 8.02  | <b>Cash at banks</b>  |                      |                      |
|       | Janata Bank, Motijheel Branch - CD A/C # 023733012107           | 31,222               | 45,117               |
|       | Janata Bank, Noyapara Branch - CD A/C # 0210005125              | 821,245              | 1,932,734            |
|       | Janata Bank Ltd. SND A/C # 145                                  | 92,999               | 2,026,061            |
|       | Dhaka Bank, Islami Branch- CD A/C # 2015                        | 105,619              | 106,919              |
|       | Standard Chartered Bank, A/C # 01-1183017-01                    | 25,760               | 26,910               |
|       | HSBC CD A/C # 001234608-011                                     | (28,780,421)         | (28,333,751)         |
|       | HSBC BDT Margin Account # 001 234608-095                        | 10,568               | 10,568               |
|       | HSBC Dividend Account # 001 234608-012                          | 1,788,805            | 1,788,805            |
|       | HSBC Dividend Account # 001 234608-015                          | 1,850,988            | 1,850,988            |
|       | HSBC Dividend Account # 001 234608-901                          | 2,260,573            | 2,260,573            |
|       | HSBC Dividend Account # 001 234608-902                          | 831,472              | 831,472              |
|       | HSBC Dividend Account # 001 234608-903                          | 1,146,035            | 1,146,035            |
|       | HSBC Dividend Account # 001 234608-904                          | 1,793,459            | 1,793,459            |
|       | HSBC CD A/C # 001234608-013                                     | 412                  | 412                  |
|       | HSBC CD A/C # 001234608-014                                     | 7,861                | 7,861                |
|       | Bank Al Falah STD A/C # 0702 03700151                           | 38,723               | 39,298               |
|       | Premier Bank Ltd. A/C # 1021311869                              | 196,760              | 140,666              |
|       | Mutual Trust Bank A/C # 599                                     | 77,335               | 4,704                |
|       | Prime Bank CD A/C # 44026                                       |                      | 551,042              |
|       | Bkash DM -417   | 187,823              | 44,580               |
|       | Dutch Bangla Bank A/C # 19259                                   | 87,734               | 334,978              |
|       | Eastern Bank A/C # 72879  | 779,494              | 110,447              |
|       | BRAC Bank A/C # 1501201985342002                                | 1,961,103            | 1,943,795            |
|       | <b>Foreign Currency Accounts</b>                                |                      |                      |
|       | HSBC Margin Account # 001234608-091                             | 4,519,109            | 231,008              |
|       | HSBC FC Account # 001234608-047                                 | 3,303,106            | 8,142,069            |
|       | HSBC Offshore A/C # 005   | 173,048              | 72,550               |
|       | Bank Asia \$ Margin A/C # 11047000002                           | 26,965               | 57,992,523           |
|       | Bank Asia \$ Margin A/C # 02147000002                           | 22,133,172           | -                    |
|       | Bank Asia ERQ A/C # 11042000002                                 | 1,765,625            | 1,776,671            |
|       | Bank Al Falah Margin A/C # 0702 4502202                         | 31,360               | 37,098               |
|       | Prime Bank BTB A/C # 19110                                      | 1,435,112            | 18,935,398           |
|       | Fluctuation Loss/Gain on USD Account                            |                      |                      |
|       |   | <b>18,703,065</b>    | <b>75,850,990</b>    |
| 09.00 | <b>Share capital</b>  |                      |                      |
|       | This represents:  |                      |                      |
|       | <b>Authorized capital</b>                                       |                      |                      |
|       | 200,000,000 Ordinary shares of Tk.10 each                       | <b>2,000,000,000</b> | <b>2,000,000,000</b> |
|       | <b>Issued, subscribed and paid up capital :</b>                 |                      |                      |
|       | 35,000,000 Ordinary Shares @ Tk. 10 each fully paid up          | 350,000,000          | 350,000,000          |
|       | 17,500,000 Ordinary Shares @ Tk. 10 each fully paid up other th | 175,000,000          | 175,000,000          |
|       | 15,000,000 Ordinary Shares @ Tk.10 each fully paid up           | 150,000,000          | 150,000,000          |
|       | 20,250,000 Ordinary Shares @ Tk.10 each fully paid up Other tl  | 202,500,000          | 202,500,000          |
|       | 47,500,000 Ordinary Shares @ Tk. 10 each fully paid up          | 475,000,000          | 475,000,000          |
|       | 13,525,000 Ordinary Shares @ Tk. 10 each fully paid up Other tl | 135,250,000          | 135,250,000          |
|       | 148,775,000 Ordinary Shares                                     | <b>1,487,750,000</b> | <b>1,487,750,000</b> |
| 10.00 | <b>Revaluation Surplus</b>                                      |                      |                      |
|       | This calculation is arrived as follows:                         |                      |                      |
|       | Opening Balance   | 374,327,126          | 397,705,914          |
|       | Adjustment for depreciation on revalued assets                  | (16,028,938)         | (23,378,788)         |
|       | <b>Closing Balance</b>  | <b>358,298,188</b>   | <b>374,327,126</b>   |



## 11.00 Deferred tax Liabilities

This is arrived as follows:

|  | Amount in Taka     |                    |
|--|--------------------|--------------------|
|  | March 31, 2019     | June 30, 2018      |
| Opening Balance                                | 189,288,677        | 176,550,299        |
| Add: Deferred Tax expenses for the period/year | 8,761,041          | 18,055,274         |
| Add: Deferred Tax expenses on unrealize gain   | 421,709            | (1,191,227)        |
|  | <b>198,471,426</b> | <b>193,414,346</b> |
| Adjustment for depreciation of revalued assets | (2,828,636)        | (4,125,669)        |
| Closing Balance                                | <b>195,642,790</b> | <b>189,288,677</b> |

## 11.01 Deferred tax liability for the period/year is arrived as follows:

|   | Amount in Taka     |                    |
|---|--------------------|--------------------|
|   | March 31, 2019     | June 30 2018       |
| <b>A. Property, plant and equipment</b> |                    |                    |
| Carrying amount                         | 2,063,334,718      | 2,157,487,955      |
| Tax base amount                         | 1,184,906,907      | 1,337,467,087      |
| Taxable temporary difference            | 878,427,811        | 820,020,868        |
| Tax rate                                | 15%                | 15%                |
| Deferred tax liability                  | <b>131,764,172</b> | <b>123,003,130</b> |

**B. Calculation of deferred tax on revaluation of property, plant and equipment:**

|                                   |             |             |
|-----------------------------------|-------------|-------------|
| Revalued value of land            | 60,705,668  | 60,705,668  |
| Revalued value of other than land | 386,912,865 | 379,679,185 |
| <b>Tax Rate</b>                   |             |             |
| On land                           | 15%         | 15%         |
| On other than land                | 15%         | 15%         |

**Deferred tax liabilities**

|                     |                   |                   |
|---------------------|-------------------|-------------------|
| For land            | 9,105,850         | 9,105,850         |
| For other than land | 58,036,930        | 56,951,878        |
|                     | <b>67,142,780</b> | <b>66,057,728</b> |

**C. Deferred Tax on unrealize gain/ (loss)**

|   |                |               |
|---|----------------|---------------|
| Opening balance of deferred tax liability for unrealized ga | 77,819         | 1,269,046     |
| Addition during the period                                  | 310,677        | (1,191,227)   |
|   | <b>388,496</b> | <b>77,819</b> |

**D. Deferred Tax on Gratuity Provision**

|   |                |                |
|---|----------------|----------------|
| Opening balance of deferred tax liability for gratuity provis | 150,000        | -              |
| Addition during the year                                      | -              | 150,000        |
|   | <b>150,000</b> | <b>150,000</b> |

**Total (A+B+C+D)**

|  |                    |                    |
|--|--------------------|--------------------|
|  | <b>199,445,448</b> | <b>189,288,677</b> |
|--|--------------------|--------------------|

**Calculation of deferred tax:**

|   |                   |                   |
|---|-------------------|-------------------|
| Deferred tax liability as on March 31, 2019   | 199,445,448       | 189,288,677       |
| Deferred tax liability as on June 30, 2018    | 189,288,677       | 176,550,299       |
| Deferred tax increased during the period/year | <b>10,156,771</b> | <b>12,738,378</b> |

|   |                  |                   |
|---|------------------|-------------------|
| 11.1.1 Deferred tax liability other than revalued assets as at Marc | 131,764,172      | 123,003,130       |
| Deferred tax liability other than revalued assets as at June        | 123,003,130      | 105,097,856       |
| Net increased in deferred tax expenses for other than               | <b>8,761,041</b> | <b>17,905,274</b> |
| Deferred liability on gratuity provision as at March 31, 201        | 150,000          | 150,000           |
| Deferred liability on gratuity provision as at June 30, 2018        | 150,000          | -                 |
| Net increased in deferred tax expenses for gratuity provi           | -                | 150,000           |
| Total deferred expenses for the period                              | <b>8,761,041</b> | <b>18,055,274</b> |



**12.00 Term Loan**

This is arrived as follows:

|                                    | Amount in Taka     |                    |
|------------------------------------|--------------------|--------------------|
|                                    | March 31, 2019     | June 30, 2018      |
| Opening Balance                    | 484,300,857        | 639,804,940        |
| Addition during the period         | -                  | 100,000,000        |
|                                    | <u>484,300,857</u> | <u>739,804,940</u> |
| Adjusted/Payment during the period | (197,670,598)      | (255,504,083)      |
| Closing Balance                    | <u>286,630,259</u> | <u>484,300,857</u> |
| Less: Term Loan Current Maturity   | 140,703,730        | 204,113,547        |
|                                    | <u>145,926,529</u> | <u>280,187,310</u> |

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 July 2016 and will be completed in between 19.02.2019 to 20.12.2021.

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.

Prime Bank Ltd.

Out of total Tk. 28,66,30,259, Taka 8,43,73,995 has been created long term loan against corporate office floor purchase and are repayable in 96 equal installments. Repayment of these loan started from January, 2018 and will be completed in December, 2020

The loan from Prime Bank Ltd. is secured by the Registered Mortgage of corporate office floor space, personal guarantee of all the directors, Insurance coverage and others related charge documents.

**13.00 Short Term Loan**

|                         |       |                      |                    |
|-------------------------|-------|----------------------|--------------------|
| Bank Loan and Overdraft | 13.01 | <u>2,172,961,222</u> | <u>609,798,893</u> |
|                         |       | <u>2,172,961,222</u> | <u>609,798,893</u> |

**13.01 Bank Loan and Overdraft**

This consists of as follows:

|                                     |                      |                    |
|-------------------------------------|----------------------|--------------------|
| Cash Credit ( Hypo ) Bank Asia Ltd. | 296,836,234          | 297,985,915        |
| Cash Credit ( Hypo ) Bank Al Falah  | 146,069,683          | 145,930,685        |
| Cash Credit ( Hypo ) Prime Bank     | 47,110,972           | -                  |
| Short Term Loan - HSBC              | 80,000,000           | -                  |
| Short Term Loan - Al Falah          | 100,000,000          | -                  |
| IDBP Loan - Prime Bank Ltd.         | 44,225,515           | 17,014,576         |
| IDBP Loan - Bank Asia Ltd.          | 283,869,214          | 68,939,025         |
| IDBP Loan - HSBC Ltd.               | 234,459,590          | 79,928,692         |
| Loan under EDF facility             | 940,014,962          | 1,197,784,142      |
| Exchange rate Fluctuation gain/loss | 375,052              | -                  |
|                                     | <u>2,172,961,222</u> | <u>609,798,893</u> |

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





|              |  | Amount in Taka     |                      |
|--------------|--|--------------------|----------------------|
|              |  | March 31, 2019     | June 30, 2018        |
| <b>14.00</b> | <b>Trade Creditors</b>                       |                    |                      |
|              | This is arrived as follows:                  |                    |                      |
|              | LC Liabilities & others                      | 427,689,901        | 396,269,295          |
|              | Local supplier                               | 19,820,674         | 12,492,740           |
|              |  | <b>447,510,575</b> | <b>408,762,035</b>   |
| <b>15.00</b> | <b>Income Tax Provision</b>                  |                    |                      |
|              | Opening Balance                              | 2,180,043          | 8,680,043            |
|              | Add: Provision made during the period        | 16,268,316         | 23,658,647           |
|              |  | 18,448,359         | 32,338,690           |
|              | Less: Payment made during the period/year    | 15,039,510         | 30,158,647           |
|              | Closing Balance                              | <b>3,408,849</b>   | <b>2,180,043</b>     |
| <b>15.01</b> | <b>Current Tax</b>                           | <b>16,268,316</b>  | <b>23,658,647</b>    |
|              | (Higher of i, ii, iii)                       |                    |                      |
|              | <b>i) Regular Tax</b>                        |                    |                      |
|              | <b>Profit before Tax</b>                     | 158,657,487        | 200,283,107          |
|              | Accounting Depreciation                      | 125,528,608        | 174,192,357          |
|              | Capital Allowance                            | (185,348,753)      | (295,628,180)        |
|              | Other income                                 | -                  | (28,770,349)         |
|              | Dividend income                              | (253,535)          | (245,645)            |
|              | <b>Income/(loss) from business</b>           | <b>98,583,808</b>  | <b>49,831,290</b>    |
|              | Tax on business income @ 15%                 | 14,787,571         | 7,474,694            |
|              | Tax on dividend income @ 20%                 | 50,707             | 49,129               |
|              | Tax on Other income @ 25%                    | -                  | 7,192,587            |
|              | <b>Total tax liability</b>                   | <b>14,838,278</b>  | <b>14,716,410</b>    |
|              | <b>ii) Minimum tax U/S-82C(2)</b>            |                    |                      |
|              | Tax deducted at source                       | 15,039,510         | 23,658,647           |
|              | <b>iii) Minimum tax U/S-82C(4)</b>           |                    |                      |
|              | Turnover                                     | 0.33% 904,274,695  | 2,984,106 10,547,228 |
|              | Non-operating income                         | 0.27% 7,523,249    | 20,313 164,842       |
|              | Other income                                 | 0.60% 84,731       | 508 174,096          |
|              |  | <b>3,004,928</b>   | <b>10,886,166</b>    |
| <b>16.00</b> | <b>Payable and Accruals</b>                  |                    |                      |
|              | This is arrived as follows:                  |                    |                      |
|              | Salary and wages                             | 10,906,216         | 10,135,724           |
|              | Provision for Directors Honorarium           | 175,000            |                      |
|              | Gas Charges                                  | 9,275,558          | 9,166,868            |
|              | Audit Fees                                   | 201,250            | 115,000              |
|              | Electricity bill                             | 21,227             | 21,227               |
|              | Telephone bill                               | 4,000              | 4,000                |
|              | Gratuity Provision                           | 1,000,000          | 1,000,000            |
|              | Financial Expenses                           | 5,923,138          | 12,048,489           |
|              | Credit Rating Fees                           |                    | 172,500              |
|              | Provident Fund(Head Office)                  | 109,840            | 48,080               |
|              | Provident Fund(Factory Office-Company Cont.) | 187,660            | 102,659              |
|              | Provident Fund(Factory Office-Staff Cont.)   | 190,387            | 99,784               |
|              | Unclaimed dividend                           | 9,671,331          | 9,671,332            |
|              | Unpaid share money deposit                   | 1,961,103          | 1,943,795            |
|              | Tax and VAT expenses Payable                 | 20,510             | 27,000               |
|              | TDS  | 30,460             | -                    |
|              | WPPF   | 15,591,568         | 16,643,773           |
|              |  | <b>54,040,441</b>  | <b>61,200,232</b>    |





| Amount in Taka    |                   |
|-------------------|-------------------|
| March 31, 2019    | June 30, 2018     |
| 16,643,773        | 15,360,873        |
| 7,960,535         | 10,014,155        |
| <b>24,604,308</b> | <b>25,375,028</b> |
| (9,012,740)       | (8,731,255)       |
| <b>15,591,568</b> | <b>16,643,773</b> |

**16.01 Works Profit Participation Fund (WPPF)**

This is arrived as follows:

Opening Balance

Provision made during the period/year

Payment made during the period/year

| Amount in Taka                      |                                     |                                    |                                    |
|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| July 01, 2018<br>to<br>Mar 31, 2019 | July 01, 2017<br>to<br>Mar 31, 2018 | Jan 01, 2019<br>to<br>Mar 31, 2019 | Jan 01, 2018<br>to<br>Mar 31, 2018 |

**17.00 Cost of Goods Sold**

This is made up as follows:

**Materials Consumption**

Raw Cotton

Packing Materials

Stores and Spares

Total materials consumption

Direct Wages and Salaries

Prime cost

Add. Factory Overhead

Total manufacturing cost

Add. Opening Work-in-process

Cost of goods available for use

Less. Closing Work-in-process

Cost of Production

Add. Opening Stock of Finished Goods

Cost of goods available for sales

Less. Closing Stock of Finished Goods

Cost of Goods Sold

|       |                      |                      |                      |                    |
|-------|----------------------|----------------------|----------------------|--------------------|
| 17.01 | 1,743,861,877        | 1,687,675,839        | 717,969,528          | 597,394,860        |
| 17.02 | 24,657,664           | 20,465,739           | 9,071,479            | 5,622,566          |
| 17.03 | 29,696,453           | 40,319,724           | 12,627,736           | 10,265,723         |
|       | <b>1,798,215,994</b> | <b>1,748,461,302</b> | <b>739,668,743</b>   | <b>613,283,149</b> |
|       | 84,935,495           | 83,769,181           | 27,494,802           | 26,827,172         |
|       | <b>1,883,151,489</b> | <b>1,832,230,483</b> | <b>767,163,545</b>   | <b>640,110,321</b> |
| 17.04 | 226,797,497          | 226,322,760          | 75,233,932           | 79,764,966         |
|       | <b>2,109,948,986</b> | <b>2,058,553,243</b> | <b>842,397,477</b>   | <b>719,875,287</b> |
|       | 18,482,277           | 22,090,603           | 19,979,359           | 20,699,877         |
|       | <b>2,128,431,263</b> | <b>2,080,643,846</b> | <b>862,376,836</b>   | <b>740,575,164</b> |
|       | 20,669,502           | 19,626,029           | 20,669,502           | 19,626,029         |
|       | <b>2,107,761,761</b> | <b>2,061,017,817</b> | <b>841,707,334</b>   | <b>720,949,135</b> |
|       | 476,921,927          | 327,814,201          | 429,874,204          | 197,794,879        |
|       | <b>2,584,683,688</b> | <b>2,388,832,018</b> | <b>1,271,581,538</b> | <b>918,744,014</b> |
|       | 461,147,092          | 257,330,047          | 461,147,092          | 257,330,047        |
|       | <b>2,105,967,976</b> | <b>2,131,501,971</b> | <b>810,434,446</b>   | <b>661,413,967</b> |

**17.01 Raw Cotton**

This is arrived as follows:

Opening Stock of Raw Cotton

Add. Purchase during the period

Less: Short Weight Claim

Raw Cotton available for use

Less. Closing Stock of Raw Cotton

Consumption during the period

|                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|
| 1,476,127,425        | 711,102,361          | 1,630,061,056        | 590,893,599          |
| 1,950,730,058        | 2,065,955,321        | 773,975,876          | 1,095,883,104        |
| (4,946,332)          |                      | (1,874,534)          |                      |
| <b>3,421,911,151</b> | <b>2,777,057,682</b> | <b>2,402,162,398</b> | <b>1,686,776,703</b> |
| 1,684,192,870        | 1,089,381,843        | 1,684,192,870        | 1,089,381,843        |
| <b>1,737,718,281</b> | <b>1,687,675,839</b> | <b>717,969,528</b>   | <b>597,394,860</b>   |

**17.02 Packing Materials**

This is arrived as follows:

Opening Stock of Packing Materials

Add. Purchase during the period

Packing Materials available for use

Less. Closing Stock of Packing Materials

Consumption during the period

|                   |                   |                   |                  |
|-------------------|-------------------|-------------------|------------------|
| 884,485           | 1,973,916         | 3,132,173         | 619,962          |
| 26,402,512        | 21,270,851        | 8,568,639         | 7,781,632        |
| <b>27,286,997</b> | <b>23,244,767</b> | <b>11,700,812</b> | <b>8,401,594</b> |
| 2,629,333         | 2,779,028         | 2,629,333         | 2,779,028        |
| <b>24,657,664</b> | <b>20,465,739</b> | <b>9,071,479</b>  | <b>5,622,566</b> |

**17.03 Stores and Spares**

This is arrived as follows :

Opening Stock of Spare Parts

Add. Purchase during the period

Stores and Spares available for use

Less. Closing Stock of Spare Parts

Consumption during the period

|                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|
| 45,977,103        | 44,625,783        | 49,221,910        | 50,776,319        |
| 30,211,363        | 50,812,773        | 9,897,839         | 14,608,236        |
| <b>76,188,466</b> | <b>95,438,556</b> | <b>59,119,749</b> | <b>65,384,555</b> |
| 46,492,013        | 55,118,832        | 46,492,013        | 55,118,832        |
| <b>29,696,453</b> | <b>40,319,724</b> | <b>12,627,736</b> | <b>10,265,723</b> |



| Amount in Taka                      |                                     |                                    |                                    |
|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| July 01, 2018<br>to<br>Mar 31, 2019 | July 01, 2017<br>to<br>Mar 31, 2018 | Jan 01, 2019<br>to<br>Mar 31, 2019 | Jan 01, 2018<br>to<br>Mar 31, 2018 |

## 17.04 Factory Overhead

|   |                    |                    |                   |                   |
|---|--------------------|--------------------|-------------------|-------------------|
| Gas Charges                                     | 85,565,096         | 74,585,092         | 28,297,532        | 22,441,488        |
| Fuel and Lubricants                             | 8,890,637          | 11,646,036         | 1,118,672         | 4,011,742         |
| Insurance Premium                               | 2,936,812          | 4,175,415          | 2,295,562         | 4,175,415         |
| Covered Van and Lorry expenses                  | 5,686,880          | 3,686,236          | 2,312,735         | 166,515           |
| Factory Repair & Maintenances of Capital Assets | 6,365,200          | 6,888,237          | 2,745,286         | 1,476,768         |
| Staff Quarter exp                               | 265,133            | 502,781            | 82,369            | 50,808            |
| Ladies Quarter Exp                              | 502,300            | 171,200            | 154,400           | -                 |
| Misc. Expenses                                  | -                  | 30,260             | -                 | -                 |
| Depreciation                                    | 116,585,439        | 124,637,503        | 38,227,375        | 41,858,468        |
|   | <b>226,797,497</b> | <b>226,322,760</b> | <b>75,233,932</b> | <b>74,181,204</b> |

## 18.00 Administrative and Marketing Expenses

This consists of as follows:

|                               |                   |                   |                   |                   |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| Directors Remuneration        | 1,575,000         | 1,575,000         | 525,000           | 525,000           |
| Salary and Allowances         | 22,485,875        | 20,679,446        | 7,340,156         | 6,944,837         |
| Festival Bonus                | 84,430            | 795,870           | -                 | -                 |
| Provident Fund Expenses       | 967,640           | 1,039,296         | 337,436           | 347,540           |
| Office Rent                   | -                 | 345,000           | -                 | -                 |
| Rest house Exp.               | -                 | 373,850           | -                 | -                 |
| Staff Quarter Exp             | 8,240             | 9,120             | 2,840             | -                 |
| Grauity                       | 238,000           | 728,580           | -                 | 60,000            |
| Entertainments                | 831,474           | 1,200,032         | 289,852           | 376,519           |
| Electric Bill                 | -                 | 200,091           | -                 | 64,026            |
| Rent a car                    | 1,169,880         | 1,267,781         | 434,150           | 454,826           |
| Fuel & Lubricants             | 2,782,388         | 3,590,424         | 1,156,211         | 1,144,303         |
| Fees, Forms, and others       | 3,237,782         | -                 | 2,642,590         | 1,566,120         |
| Board Meeting Fees            | 75,000            | 2,637,526         | 25,000            | -                 |
| Maintenance of Vehicles       | 1,045,251         | 1,347,205         | 257,345           | 410,991           |
| IT Expenses                   | 2,775,832         | 1,966,497         | 949,578           | 723,101           |
| Insurance Premium             | 973,426           | 902,168           | 131,549           | 46,723            |
| Printing & Stationery         | 827,399           | 1,587,021         | 242,211           | 944,602           |
| Donation and Subscription     | 281,590           | 201,613           | 139,650           | 13,000            |
| Miscellaneous Expenses        | 1,707,409         | 559,380           | 1,199,529         | 192,140           |
| Office Maintenance            | 1,048,712         | 1,178,946         | 192,989           | 145,582           |
| Traveling and Conveyance      | 265,942           | 355,418           | 109,385           | 115,462           |
| Transportation cost           | 5,470             | 90,725            | -                 | 5,150             |
| Telephone and Mobile Expenses | 128,698           | 161,335           | 24,951            | 61,443            |
| Utility expenses              | 135,576           | -                 | -                 | -                 |
| Audit fees                    | 86,250            | 86,250            | 28,750            | 28,750            |
| Uniform and Upkeep            | 41,764            | 107,960           | 27,074            | 7,500             |
| Medical and Welfare           | -                 | 210,915           | -                 | 50,815            |
| Postage and Stamp             | 13,522            | 70,689            | 5,460             | 58,969            |
| Selling & Distribution Exp.   | 11,800            | 963,116           | 11,800            | -                 |
| Business Development Exp      | 75,403            | 28,110            | 4,493             | 7,000             |
| Advertisement                 | 201,885           | 227,368           | 105,375           | 60,748            |
| AGM Expenses                  | 800,000           | 957,250           | -                 | -                 |
| VAT expenses                  | 11,550            | 127,710           | 11,550            | 127,710           |
| Depreciation                  | 8,943,170         | 4,208,415         | 2,926,870         | 1,416,512         |
|                               | <b>52,836,358</b> | <b>49,780,107</b> | <b>19,121,793</b> | <b>15,899,369</b> |



| Amount in Taka                                |                                     |                                     |                                    |                                    |
|---|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
|   | July 01, 2018<br>to<br>Mar 31, 2019 | July 01, 2017<br>to<br>Mar 31, 2018 | Jan 01, 2019<br>to<br>Mar 31, 2019 | Jan 01, 2018<br>to<br>Mar 31, 2018 |
| <b>19.00 Financial Expenses</b>               |                                     |                                     |                                    |                                    |
| The above amount comprise of as follows:      |                                     |                                     |                                    |                                    |
| Interest on Cash Credit Hypo (BA)             | 21,626,274                          | 19,211,065                          | 7,096,144                          | 9,460,851                          |
| Interest on CC Hypo (HSBC Ltd.)               | 1,903,571                           | -                                   | 695,221                            | -                                  |
| Interest on CC Hypo (Bank Al Falah)           | 10,745,910                          | -                                   | 3,563,957                          | -                                  |
| Interest on CC Hypo (Prime Bank)              | 1,944,722                           | -                                   | 1,215,555                          | -                                  |
| Interest on Term Loan (HSBC)                  | 17,105,441                          | -                                   | 4,332,816                          | -                                  |
| Interest on Term Loan (Prime Bank)            | 5,536,444                           | 28,927,587                          | 434,303                            | 7,788,544                          |
| Interest on Bank Asia Ltd.                    | 8,727,221                           | 3,569,844                           | 4,170,270                          | 2,502,824                          |
| Interest on HSBC Ltd.                         | 11,261,837                          | 4,808,432                           | 6,361,627                          | 1,606,948                          |
| Interest on Bank Alfalah                      | 2,455,156                           | -                                   | 2,455,156                          | -                                  |
| Interest on Prime Bank                        | 1,214,538                           | 2,354,536                           | -                                  | 2,119,856                          |
| Interest on EDF Loan                          | 1,126,105                           | 3,842,090                           | 566,487                            | 3,842,090                          |
| Bank Charges and Commission                   | 4,652,518                           | 4,912,391                           | 1,927,375                          | 1,619,273                          |
| Overdue Interest                              | 6,743                               | 1,825                               | -                                  | 562                                |
|   | <b>88,306,479</b>                   | <b>67,627,770</b>                   | <b>32,818,910</b>                  | <b>28,940,948</b>                  |
| <b>20.00 Non operating income</b>             |                                     |                                     |                                    |                                    |
| Interest on FDR                               | 50,834,596                          | 31,592,559                          | 11,074,300                         | 9,361,359                          |
| Interest on STD A/C                           | 6,255                               | 1,737                               | -                                  | -                                  |
| Insurance claim                               | 9,800,635                           | 2,949,740                           | -                                  | 625,040                            |
| Short weight claim                            | -                                   | 10,506,115                          | -                                  | 1,692,462                          |
| Overdue Interest                              | 45,149                              | 617,012                             | 45,149                             | 238,337                            |
| Gain on dollar fluctuation                    | 207,378                             | 30,725,199                          | 101,575                            | 9,107,218                          |
| Realised gain/(loss) on marketable securities | (6,304,717)                         | (7,301,023)                         | (3,697,775)                        | (1,163,450)                        |
| Dividend Income                               | 8,132                               | 131,243                             | -                                  | 106,157                            |
|   | <b>54,597,428</b>                   | <b>69,222,582</b>                   | <b>7,523,249</b>                   | <b>19,967,123</b>                  |
| <b>21.00 Other income</b>                     |                                     |                                     |                                    |                                    |
| Dividend Income                               | 169,133                             | 25,000                              | 84,731                             | -                                  |
| Interest on FDR                               | -                                   | 4,861,000                           | -                                  | -                                  |
|   | <b>169,133</b>                      | <b>4,886,000</b>                    | <b>84,731</b>                      | <b>-</b>                           |
| <b>22.00 Earnings per share (EPS)</b>         |                                     |                                     |                                    |                                    |
| The computation of EPS is given below:        |                                     |                                     |                                    |                                    |
| Net profit after tax                          | 134,181,338                         | 93,844,261                          | 38,886,691                         | 29,931,260                         |
| Number of total outstanding shares            | 148,775,000                         | 148,775,000                         | 148,775,000                        | 148,775,000                        |
| Earnings per share (EPS)                      | <b>0.90</b>                         | <b>0.63</b>                         | <b>0.26</b>                        | <b>0.20</b>                        |
| <b>23.00 Net asset value (NAV) per share</b>  |                                     |                                     |                                    |                                    |
|   | <b>31.03.2019</b>                   | <b>30.06.2018</b>                   |                                    |                                    |
| Total assets                                  | 6,520,442,377                       | 6,321,532,768                       |                                    |                                    |
| Total outside liabilities                     | 3,160,194,136                       | 2,953,314,879                       |                                    |                                    |
| Net assets                                    | <b>3,360,248,240</b>                | <b>3,368,217,889</b>                |                                    |                                    |
| Divided by number of ordinary shares          | 148,775,000                         | 148,775,000                         |                                    |                                    |
| Net assets value (NAV) per share              | <b>22.59</b>                        | <b>22.64</b>                        |                                    |                                    |
| <b>24.00 Related Party Transactions</b>       |                                     |                                     |                                    |                                    |

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  | 31.03.2019  | 30.06.2018  |
|----------------------------|-----------------------|---------------|-------------|-------------|
| Faisal Spinning Mills Ltd  | Trade credit          | Group Company | 5,930,506   | 109,182,940 |
| Saiham Knit Composite Ltd. | Trade receivable      | Group Company | 188,765,701 | 119,579,708 |
| Director's Remuneration    | Remuneration          | MD/Director   | 1,575,000   | 2,100,000   |
| Board meeting fees         | Meeting fees          | MD/Director   | 75,000      | 75,000      |

25.00 Reconciliation of cash flows from operating activities under indirect method

Profit before Tax 159,210,696

Adjustment to Reconcile Profit before Tax provided by operating activities:

Depreciation 125,528,608  
Finance Expenses 88,306,479

Changes in current assets and liabilities:

(Increase) / Decrease Inventories (196,677,487)  
(Increase) / Decrease Advance, deposits & prepayments (15,392,901)  
Income Tax Paid (15,039,510)  
Increase / Decrease Trade Receivable (160,497,991)  
Increase/ (Decrease) In trade credits 38,748,540  
Increase / (Decrease) payables & Accruals (7,159,792)

Net cash flow from operating activities 17,026,642

Net Cash from Operating Activities as per Direct Method 17,026,642



**Saiham Cotton Mills Ltd.**  
Property, plant and equipment  
As at March 31, 2019

Annexure - A

| Particulars                           | Cost                     |                            | Rate % | Depreciation             |                          | Balance as at 31.03.2019 |
|---------------------------------------|--------------------------|----------------------------|--------|--------------------------|--------------------------|--------------------------|
|                                       | Balance as at 31.12.2018 | Addition during the period |        | Balance as at 31.12.2018 | Charge during the period |                          |
| Land and Land Development             | 96,665,668               | -                          | -      | -                        | -                        | 96,665,668               |
| Factory Building & Other Construction | 576,629,869              | 774,734,00                 | 5%     | 5,302,265                | 158,009,210              | 419,395,393              |
| Office Building                       | 126,361,395              | -                          | 5%     | 1,533,858                | 5,186,575                | 121,174,820              |
| Plant and Machineries                 | 2,178,715,686            | -                          | 7.50%  | 25,136,181               | 863,255,539              | 1,315,460,147            |
| Furnitures & Fixtures                 | 22,777,944               | -                          | 10%    | 455,352                  | 5,019,220                | 17,758,724               |
| Motor Vehicles                        | 30,748,835               | -                          | 15%    | 499,611                  | 17,925,497               | 12,823,338               |
| Office Equipments                     | 22,901,045               | 87,373                     | 10%    | 408,974                  | 6,980,177                | 16,008,241               |
| Sundry Assets                         | 95,162,913               | 9,000                      | 10%    | 1,642,112                | 31,123,526               | 64,048,387               |
| <b>Sub - Total</b>                    | <b>3,149,963,355</b>     | <b>871,107</b>             |        | <b>34,978,353</b>        | <b>1,087,499,744</b>     | <b>2,063,334,718</b>     |

Revaluation of property, plant and equipment

| Particulars                   | Cost                     |                            | Rate % | Depreciation             |                        | Balance as at 31.03.2019 |
|-------------------------------|--------------------------|----------------------------|--------|--------------------------|------------------------|--------------------------|
|                               | Balance as at 31.12.2018 | Addition during the period |        | Balance as at 31.12.2018 | Charge during the year |                          |
| Land and Land Development     | 60,705,668               | -                          | -      | -                        | -                      | 60,705,668               |
| Building & Other Construction | 179,528,126              | -                          | 5%     | 1,439,698                | 65,792,017             | 113,736,109              |
| Plant and Machineries         | 492,633,171              | -                          | 7.50%  | 4,707,120                | 246,293,914            | 246,339,257              |
| Motor Vehicles                | 3,150,093                | -                          | 15%    | 29,074                   | 2,403,848              | 746,245                  |
| <b>Sub - Total</b>            | <b>736,017,058</b>       | <b>-</b>                   |        | <b>6,175,892</b>         | <b>314,489,779</b>     | <b>421,527,279</b>       |
| <b>Grand Total</b>            | <b>3,885,980,413</b>     | <b>871,107</b>             |        | <b>41,154,245</b>        | <b>1,401,989,522</b>   | <b>2,484,861,998</b>     |

Allocation of depreciation:

|                                       |                   |
|---------------------------------------|-------------------|
| Cost of Production                    | 38,227,375        |
| Administrative and Marketing Expenses | 2,926,870         |
|                                       | <u>41,154,245</u> |