



Ref: SCML/04/297 /2017

Dated: Dhaka
November 13, 2017

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 November 13, 2017 at 3.30 P.M. at its Dhaka Office has taken the following price sensitive decision regarding the Un-audited First Quarterly Financial Statements for the period from July 01, 2017 to September 30,2017.

Sl. No.	Particulars	July 01, 2017 to September 30, 2017	July 01, 2016 to September 30, 2016
01	Profit before Tax	4,87,64,262	4,82,97,326
02	Profit after Tax	4,01,30,764	3,80,83,422
03	Earnings Per Share (EPS)	0.27	0.26
04	NAV Per Share	23.10	22.93
05	Net Operating Cash Flow Per Share (NOCFPS)	0.06	0.70

Thanking you

Yours faithfully

(Md. Sahinur Kabir)
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.



Ref: SCML/04/299/17

Dated: Dhaka
November 13, 2017

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 First Quarterly Financial Statements of Saiham Cotton Mills Ltd.

Dear Sir,

As per regulation in 17(1) of DSE Listing Regulations 2015, we are pleased to enclose herewith the un-audited First Quarterly Financial Statements for the period from July 01, 2017 to September 30, 2017 of Saiham Cotton Mills Ltd. The above un-audited First Quarterly Financial Statements are also available in the website of the Company.

The website of Saiham Cotton Mills Ltd. is www.saihamcotton.com

Thanking you,

Yours faithfully,

(Md. Sahinur Kabir)
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.

quality - commitment - great Value

Saiham Cotton Mills Ltd. Statement of Financial Position As at September 30, 2017

Particulars	Amount in Taka		
	September 30, 2017	June 30, 2017	
Assets :			
Non Current Assets :			
Property, plant and equipment	2.00	2,569,867,375	2,605,234,086
Investment	3.00	763,515,148	809,004,454
Total Non-current Assets		3,333,382,523	3,414,238,540
Current Assets :			
Trade and other receivables		1,198,077,169	1,106,416,158
Inventories		1,100,071,412	1,108,561,348
Advance, deposits and pre-payments		74,880,712	70,102,419
Cash and cash equivalents	4.00	100,678,889	82,503,433
Total Current Assets		2,473,708,182	2,367,583,358
Total Assets		5,807,090,706	5,781,821,898
Equity and Liabilities :			
Shareholders Equity :			
Share capital		1,487,750,000	1,487,750,000
Share premium		751,750,000	751,750,000
Tax holiday reserve		100,715,999	100,715,999
Revaluation surplus		391,861,217	397,705,914
General reserve		60,400,000	60,400,000
Retained earnings		632,037,631	585,030,753
AFS Reserve		12,010,343	11,421,414
Total Shareholders Equity		3,436,525,190	3,394,774,080
Non-current Liabilities :			
Deferred tax liabilities		180,072,334	176,550,299
Term Loan	5.00	512,409,819	380,046,716
Total Non-current Liabilities		692,482,153	556,597,015
Current Liabilities :			
Short Term Loan	6.00	1,523,164,089	1,489,595,923
Term Loan Current Maturity		65,662,074	259,758,224
Trade creditors		29,757,132	31,371,243
Income tax provision		6,723,266	8,680,043
Payable and accruals		52,776,800	41,045,370
Total Current Liabilities		1,678,083,362	1,830,450,803
Total Liabilities		2,370,565,515	2,387,047,818
Total Equity and Liabilities		5,807,090,706	5,781,821,898
Net Assets Value per Share		23.10	22.82


Managing Director


Director


Chairman


Chief Financial Officer

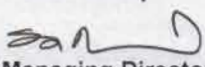

Company Secretary




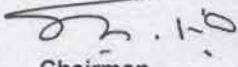
Saiham Cotton Mills Ltd.

Statement of profit or Loss and Other Comprehensive Income
For the period from July 01,2017 to September 30,2017

Particulars	Notes	Amount in Taka	
		July 01,2017 to Sept 30,2017	July 01,2016 to Sept 30,2016
Turnover		715,447,289	755,660,794
Cost of goods sold		(663,125,013)	(702,620,719)
Gross Profit		52,322,276	53,040,075
Administrative and marketing expenses	7.00	(15,100,517)	(15,139,856)
Financial expenses	8.00	(10,406,830)	(10,409,783)
Operating Profit		26,814,930	27,490,436
Non operating income	9.00	19,501,546	23,221,756
Other income		4,886,000	-
Operating Profit before WPPF		51,202,476	50,712,192
Provision for WPPF		(2,438,213)	(2,414,866)
Profit Before Tax		48,764,262	48,297,326
Provision for Tax		(8,633,498)	(10,213,904)
Current Tax		(4,145,482)	(5,526,377)
Deferred Tax		(4,488,016)	(4,687,527)
Net Profit After Tax		40,130,764	38,083,422
Other Comprehensive Income/(Loss) :		588,929	(1,043,690)
Adjustment for unrealized loss/(gain) on marketable securities		654,365	(1,043,690)
Less: Deferred tax adjustment		(65,437)	-
Total Comprehensive Income for the year		40,719,692	37,039,732
Earnings Per Share (EPS)		0.27	0.26


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary



SAIHAM COTTON MILLS LTD.

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Saiham Cotton Mills Ltd.
Statement of Changes in Equity
For the period from July 01, 2017 to September 30, 2017

Particulars	Share capital	Share premium	Tax holiday reserve	General reserve	Revaluation surplus	AFS Reserve	Retained earnings	Total equity
Balance as at July 01, 2016	1,487,750,000	751,750,000	100,715,999	60,400,000	422,841,932	-	549,071,422	3,372,529,353
Total Comprehensive Income during the year	-	-	-	-	-	-	37,039,732	37,039,732
Adjustment for depreciation on revalued assets	-	-	-	-	(6,284,004)	-	-	(6,284,004)
Adjustment for revaluation of P.P.E and deferred tax	-	-	-	-	-	-	7,392,946	7,392,946
Balance as at September 30, 2016	1,487,750,000	751,750,000	100,715,999	60,400,000	416,557,928	-	593,504,100	3,410,678,025
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	3,394,774,080
Total Comprehensive Income during the year	-	-	-	-	-	588,929	40,130,764	40,719,692
Adjustment for depreciation on revalued assets	-	-	-	-	(5,844,697)	-	-	(5,844,697)
Adjustment for revaluation of P.P.E and deferred tax	-	-	-	-	-	-	6,876,114	6,876,114
Balance as at September 30, 2017	1,487,750,000	751,750,000	100,715,999	60,400,000	391,861,217	12,010,343	632,037,631	3,436,525,190

Managing Director

Director

Chairman

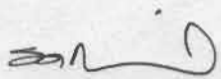
Chief Financial Officer

Company Secretary

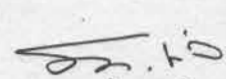


Saiham Cotton Mills Ltd.
Statement of Cash Flows
For the period from July 01,2017 to September 30,2017

Particulars	Amount in Taka	
	July 01,2017 to Sept 30,2017	July 01,2016 to Sept 30,2016
A. Cash Flows From Operating Activities		
Collection from customer	623,786,278	537,458,586
Payment for cost and expenses	(623,291,339)	(440,564,252)
Collection from non operating income	19,501,546	23,221,756
Collection from other income	4,886,000	-
Interest paid on borrowings	(10,406,830)	(10,409,783)
Income tax paid	(6,102,260)	(4,912,011)
Net cash from operating activities	8,373,395	104,794,297
B. Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(8,176,730)	(24,787,738)
Investment in Unquoted company (SKCL)	-	20,350,000
Investment in shares of listed company	6,143,671	-
Investment in FDR	40,000,000	17,622,935
Liability against capital machinery	-	(9,954,137)
Net cash used in investing activities	37,966,941	3,231,060
C. Cash Flows From Financing Activities		
Short term loan	33,568,166	(3,549,231)
Term Loan	(61,733,047)	(28,597,597)
Net cash provided by financing activities	(28,164,881)	(32,146,828)
D. Net Increase/Decrease in Cash & Cash Equivalents (A+B+C)	18,175,455	75,878,529
Cash & Cash Equivalents at beginning of the period	82,503,433	59,628,913
Cash & Cash Equivalents at ending of the period	100,678,889	135,507,442
Net Operating Cash Flow Per Share (NOCFPS)	0.06	0.70


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary



Notes to the Financial Statements

As at and for the period ended September 30, 2017

1.1. Corporate Information:

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

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.

1.3 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.

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.

1.4 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.

1.5 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.

1.6 Provision for Worker's Profit Participation Fund:

The company has charged @ 5% of net profit before tax after charging the contribution to WPPF.





1.7 Comparative Figure: Comparative information has been disclosed in respect of the year/period 2016 for all numerical information in the financial statements and also the narrative and descriptive where it is relevant for understanding of the current year's financial statements.

1.8 Disclosure of key management personnel compensation:

During the period from July, 2017 to September, 2017 the company has paid to Managing Director as a remuneration amount in Tk. 5,25,000.

1.9 Components of the Financial Statements:

According to the BAS – 1 "Presentation of Financial Statements" the complete set of the financial statements includes the following components:

- i) The Statement of Financial Position as at September 30, 2017;
- ii) The Statement of Profit or Loss and Other Comprehensive Income for the period ended September 30, 2017;
- iii) Statement of Changes in Equity for the period ended September 30, 2017;
- iv) The Statement of Cash Flows for the period ended September 30, 2017; and
- v) Accounting Policies and explanatory notes to the financial statements As at and for the period ended September 30,2017

1.10 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.

1.11 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.





		Amount in Taka	
		Sept 30, 2017	June 30, 2017
2.00	Property, Plant and Equipment		
	This is arrived of as follows:		
	Cost	3,715,679,373	3,707,502,643
	Less: Accumulated depreciation	1,145,811,998	1,102,268,557
	Written down value	2,569,867,375	2,605,234,086
	▶ 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		
3.00	Investment		
	Investment in Unquoted company (FSML)	60,499,400	60,499,400
	Investment in shares of listed company	25,516,003	31,005,309
	Investment in FDR	677,499,745	717,499,745
		763,515,148	809,004,454
4.00	Cash and cash equivalents		
	This consists of :		
	Cash in hand	4,534,644	3,560,843
	Cash at banks	96,144,245	78,942,590
		100,678,889	82,503,433
	▶ Cash in hand stands for cash balance only.		
	▶ Bank balances were confirmed and reconciled with Bank statements.		
4.01	Cash in hand		
	Head office	375,357	152,344
	Factory Office	4,159,287	3,408,499
		4,534,644	3,560,843
4.02	Cash at banks		
	Janata Bank, Motijheel Branch - CD A/C # 023733012107	10,222	10,702
	Janata Bank, Noyapara Branch - CD A/C # 0210005125	5,299,892	997,959
	Janata Bank Ltd. SND A/C # 145	5,191,764	517,568
	Dhaka Bank, Islami Branch- CD A/C # 2015	264,941	264,941
	Standard Chartered Bank, A/C # 01-1183017-01	164,385	164,960
	HSBC CD A/C # 001234608-011	3,560,459	598,289
	HSBC Margin Account # 001234608-091	6,752,848	15,634,602
	HSBC BDT Margin Account # 001 234608-095	10,568	10,568
	HSBC FC Account # 001234608-047	1,211,334	3,161,885
	HSBC Dividend Account # 001 234608-012	1,791,305	1,791,305
	HSBC Dividend Account # 001 234608-015	1,853,488	1,853,488
	HSBC Dividend Account # 001 234608-901	2,264,348	2,264,348
	HSBC Dividend Account # 001 234608-902	844,917	919,929
	HSBC Dividend Account # 001 234608-903	1,187,572	1,187,350
	HSBC CD A/C # 001234608-013	412	412
	HSBC CD A/C # 001234608-014	401,617	133,307
	HSBC Offshore A/C # 005	20,498,494	6,936,854
	Bank Asia \$ Margin A/C # 11047000002	37,459,922	36,852,234
	Bank Asia ERQ A/C # 11042000002	1,651,653	1,618,498
	Bank Al Falah STD A/C # 0702 03700151	39,873	40,448
	Bank Al Falah Margin A/C # 0702 4502202	216,406	1,431,474
	Premier Bank Ltd. A/C #1021311869	55,898	55,898
	Mutual Trust Bank A/C # 599	5,854	5,854
	Prime Bank CD A/C # 44026	6,403	140,194
	Prime Bank Margin A/C # 19110	30,547	-
	Dutch Bangla Bank A/C # 19259	3,456,711	437,111
	BRAC Bank A/C # 1501201985342002	1,912,412	1,912,412
		96,144,245	78,942,590





5.00 Term Loan

This is arrived as follows :

Opening Balance as on July 01,2017
 Addition during the year
 Adjusted/Payment during the year
 Closing Balance as on September 30,2017
 Less: Term Loan Current Maturity

Amount in Taka	
Sept 30, 2017	June 30, 2017
639,804,940	617,478,316
-	236,705,403
639,804,940	854,183,719
(61,733,047)	(214,378,779)
578,071,893	639,804,940
65,662,074	259,758,224
512,409,819	380,046,716

6.00 Short Term Loan

Bank Loan and Overdraft

6.01	1,523,164,089	1,489,595,923
	1,523,164,089	1,489,595,923

6.01 Bank Loan and Overdraft

This consists of as follows :

Cash Credit (Hypo) Bank Asia Ltd.
 Cash Credit (Hypo) Bank Al Falah
 Short Term Loan - HSBC
 Short Term Loan - Al Falah
 L/C liabilities under EDF/UPAS
 IDBP Loan - Bank Asia Ltd.
 IDBP Loan - HSBC Ltd.

22,329,507	183,224,214
91,399,800	130,507,768
200,000,000	-
100,000,000	-
1,000,418,715	1,072,643,955
52,962,855	-
56,053,213	103,219,987
1,523,164,090	1,489,595,924

7.00 Administrative and Marketing Expenses

This consists of as follows :

Directors Remuneration
 Salary and Allowances
 Festival Bonus
 Provident Fund Expenses
 Office Rent
 Rest house Exp.
 Staff Quarter Exp
 Incentive Bonus
 Grauity
 Entertainments
 Electric Bill
 Rent a car
 Fuel & Lubricants
 Fees, Forms, and others
 Maintenance of Vehicles
 IT Expenses
 Insurance Premium
 Printing & Stationery
 Donation and Subscription
 Miscellaneous Expenses
 Office Maintenance
 Traveling and Conveyance
 Transportation cost
 Telephone and Mobile Expenses
 Audit fees
 Uniform and Upkeep
 Medical and Welfare
 Postage and Stamp
 Selling & Distribution Exp.
 Business Development Exp
 Advertisement
 Depreciation

July 01,2017 to Sept 30,2017	July 01,2016 to Sept 30,2016
525,000	525,000
6,259,480	5,584,649
795,870	658,150
344,648	-
115,000	115,000
18,000	-
3,200	-
-	925,000
578,980	1,069,600
453,366	794,636
64,536	77,576
374,600	518,010
1,190,403	833,992
386,654	147,145
-	246,599
666,303	802,200
304,002	63,174
227,429	205,938
157,234	162,190
178,720	161,680
693,808	257,448
92,665	97,830
58,075	-
48,000	34,458
28,750	28,750
5,200	1,500
105,150	518,769
8,808	12,940
33,116	118,400
21,110	144,479
27,000	41,150
1,335,410	993,593
15,100,517	15,139,856





8.00 Financial Expenses

The above amount comprise of as follows -

	July 01,2017 to Sept 30,2017	July 01,2016 to Sept 30,2016
Interest on Cash Credit (Hypo)	4,910,212	6,825,535
Interest on Term Loan	3,765,771	-
Interest on Bank Asia Ltd.	229,842	713,444
Interest on HSBC Ltd.	-	409,149
Interest on Bank Al Falah	-	1,663,515
Bank Charges and Commission	1,501,005	798,140
	10,406,830	10,409,783

9.00 Non operating income

Interest on FDR against bank gurantee and term loan	15,452,700	20,647,339
Insurance claim	-	975,772
Short weight claim	2,100,798	1,530,865
Overdue Interest	259,141	15,530
Gain on dollar fluctuation	7,826,480	-
Realised gain/loss on marketable securities	(6,137,573)	-
Dividend Income	-	52,250
	19,501,546	23,221,756

