



Ref: SCML/04/60/2021

Dated: Dhaka
January 30, 2021

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 Second Quarterly Financial Statements of Saiham Cotton Mills Ltd.

Dear Sir,

As per regulation in 17(2) of DSE Listing Regulations 2015, we are pleased to enclose herewith the un-audited Second Quarterly Financial Statements for the period ended December 31, 2020 of Saiham Cotton Mills Ltd. The above un-audited Second 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, ACS)
Company Secretary

CC to:

- 1) **The Managing Director**
Dhaka Stock Exchange Ltd.
DSE Tower
Plot # 46, Road # 21
Nikunja-02, North Airport Road,
Dhaka-1229.

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



ISO 9001 : 2015





Statement of Financial Position
As at December 31, 2020

Particulars	Notes	Amount in Taka	
		December 31, 2020	June 30, 2020
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	3.00	5,511,425,108	5,152,105,158
Investment	4.00	508,328,116	525,488,190
Total Non-Current Assets		6,019,753,224	5,677,593,348
Current Assets:			
Inventories	5.00	985,116,340	2,151,227,203
Trade and Other Receivables	6.00	981,506,489	1,196,234,014
Sundry Receivables	7.00	590,370,221	-
Advance, Deposits and Pre-payments	8.00	248,520,729	130,790,676
Cash and Cash Equivalents	9.00	135,251,587	56,535,390
Total Current Assets		2,940,765,365	3,534,787,282
Total Assets		8,960,518,590	9,212,380,629
EQUITY AND LIABILITIES:			
Shareholder's Equity:			
Share Capital	10.00	1,487,750,000	1,487,750,000
Share Premium		751,750,000	751,750,000
Revaluation Surplus	11.00	2,350,746,834	2,418,070,423
Retained Earnings		798,781,048	690,492,112
FVOCI Reserve		7,340,963	3,958,612
Total Shareholders Equity		5,396,368,846	5,352,021,148
Non-Current Liabilities:			
Deferred tax liabilities	12.00	570,723,220	576,254,554
Liability against Capial Machinery	13.00	581,721,847	137,517,861
Long Term Loan	14.00	209,577,491	211,620,466
Total Non-Current Liabilities		1,362,022,558	925,392,881
Current Liabilities:			
Short Term Loan	15.00	1,981,427,135	2,706,258,308
Long Term Loan Current Maturity	14.00	86,528,652	106,344,792
Trade & Other Creditors	16.00	71,608,629	69,416,912
Income tax provision	17.00	(6,176,924)	(9,063,871)
Payable and Accruals	18.00	68,739,693	62,010,461
Total Current Liabilities		2,202,127,186	2,934,966,602
Total Liabilities		3,564,149,744	3,860,359,482
Total Equity and Liabilities		8,960,518,590	9,212,380,629
Net Assets Value per Share	25.00	36.27	35.97

Managing Director

Director

Chairman

Chief Financial Officer

Company Secretary





Statement of Profit or Loss and Other Comprehensive Income
For the period ended December 31, 2020

Particulars	Notes	Amount in Taka		Amount in Taka	
		July 01,2020 to Dec 31,2020	July 01,2019 to Dec 31,2019	Oct 01,2020 to Dec 31,2020	Oct 01,2019 to Dec 31,2019
Turnover		1,852,489,484	1,331,943,956	874,426,919	713,422,530
Cost of goods sold	19.00	(1,623,451,261)	(1,164,477,302)	(746,603,110)	(604,515,163)
Gross Profit		229,038,223	167,466,654	127,823,808	108,907,367
Administrative and marketing expenses	20.00	(43,801,255)	(38,951,327)	(24,693,259)	(18,237,927)
Financial expenses	21.00	(89,281,402)	(88,260,355)	(44,152,037)	(57,146,657)
Operating Profit		95,955,566	40,254,972	58,978,513	33,522,783
Non-operating income	22.00	(1,550,089)	18,118,751	965,396	5,222,781
Other income	23.00	12,528,549	42,506,036	4,142,045	10,911,995
Operating Profit Before WPPF & WWF		106,934,026	100,879,759	64,085,953	49,657,559
Expenses for WPPF & WWF		(5,092,096)	(4,405,831)	(3,051,712)	(1,795,593)
Unrealized gain/(loss) for change in exchange rate of foreign		(27,603,747)	(8,357,301)	(19,048,866)	(11,950,114)
Profit before Tax		74,238,182	88,116,627	41,985,374	35,911,852
Provision for Tax		(19,917,345)	(21,203,836)	(9,759,108)	(7,481,544)
Current Tax	17.00	(13,943,861)	(14,931,366)	(7,206,433)	(4,502,791)
Deferred Tax	12.1.1	(5,973,483)	(6,272,470)	(2,552,675)	(2,978,753)
Net Profit after Tax		54,320,837	66,912,791	32,226,267	28,430,308
Other Comprehensive Income/(Loss)		15,262,984	(1,007,720)	7,747,896	(102,175)
Adjustment for unrealized gain/(loss) on marketable securities		3,758,168	(1,119,689)	(31,550)	(113,528)
Deferred tax adjustment on marketable securities		(375,817)	111,969	3,155	11,353
Deferred Tax Adjustment		11,880,633		7,776,290	-
Total Comprehensive Income for the period		69,583,822	65,905,071	39,974,162	28,328,133
Earnings Per Share (EPS)	24.00	0.37	0.45	0.22	0.19

Managing Director

Director

Chairman

Chief Financial Officer

Company Secretary



Dhaka Office: Saiham Tower Plot # 34 Road # 136, Gulshan-1
Phone: +88-02-222263323, 02-222262284, Fax: +88-02-222294607, E-mail: info@saihamcotton.com, Web: www.saihamcotton.com

Dhaka Office: Saiham Tower Plot # 34, Road # 136, Gulshan-1, Dhaka-1212, Bangladesh.
Registered Office & Factory: Noyapara, Saiham Nagar, Madhabpur, Habigonj-3333.



Statement of Cash Flows
For the period ended December 31, 2020

Particulars	Amount in Taka	
	July 01, 2020 to December 31, 2020	July 01, 2019 to December 31, 2019
A. Cash Flows From Operating Activities		
Collection from customers	2,067,091,573	1,461,322,767
Payment for cost and expenses	(1,045,245,925)	(1,431,999,011)
Collection from non-operating income	(1,315,506)	18,118,751
Collection from other income	12,528,549	42,506,036
Income tax paid	(11,056,915)	(14,931,366)
Net cash used in operating activities	1,022,001,775	75,017,177
B. Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(545,157,805)	(9,047,795)
Sale of property, plant and equipment	200,000	650,000
Investment in shares of listed company	3,434,385	3,910,944
Investment in FDR	17,483,857	6,356,067
Net cash flows from investing activities	(524,039,564)	1,869,216
C. Cash Flows From Financing Activities		
Short-term loan	(730,662,460)	163,990,012
Liability against capital machinery	422,529,130	(37,209,457)
Long Term Loan	(21,831,180)	(27,415,762)
Interest paid on borrowings	(89,281,402)	(88,260,355)
Dividend paid	-	-
Net cash flows from financing activities	(419,245,912)	11,104,437
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	78,716,299	87,990,830
Cash & Cash Equivalents at beginning of the period	56,535,390	37,076,890
Effects of exchange rate changes	(102)	-
Cash & Cash Equivalents at end of the period	135,251,587	125,067,720
Net Operating Cash Flow Per Share (NOCFPS)	6.87	0.50


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary






Statement of Changes in Equity
For the period ended December 31, 2020

Particulars	Share capital	Share premium	Revaluation surplus	FVOCI Reserve	Retained earnings	Total equity
Balance as at July 01, 2020	1,487,750,000	751,750,000	2,418,070,423	3,958,612	690,492,112	5,352,021,148
Net Profit after Tax					54,320,837	54,320,837
Unrealized gain on marketable securities				3,382,351		3,382,351
Adjustment for building structure destroyed by fire			(25,236,124)			(25,236,124)
Adjustment for depreciation on revalued assets			(53,968,099)		53,968,099	
Adjustment for revaluation of P.P.E and deferred tax			11,880,633			
Balance as at December 31, 2020	1,487,750,000	751,750,000	2,350,746,834	7,340,963	798,781,048	5,396,368,846

Particulars	Share capital	Share premium	Revaluation surplus	FVOCI Reserve	Retained earnings	Total equity
Balance as at July 01, 2019	1,487,750,000	751,750,000	2,517,331,588	4,767,343	817,148,198	5,578,747,129
Net Profit after Tax					66,912,791	66,912,791
Adjustment for depreciation on revalued assets			(57,930,877)		57,930,877	
Adjustment for revaluation of P.P.E and deferred tax			8,689,632			
Balance as at December 31, 2019	1,487,750,000	751,750,000	2,468,090,342	3,759,623	941,991,866	5,653,341,831


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary



Saiham Cotton Mills Ltd.
Notes to the Financial Statements
As at and for the year ended December 31, 2020

1. Reporting Entity

1.1. Background of the Entity

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(11th 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

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. Basis of preparation and Presentation of financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act 1994, Securities and Exchange Rules 1987 and other relevant local laws as applicable.

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, IAS – 1: “Presentation of Financial Statements”.

2.4 Reporting period:

These financial statements covered 06 (Six) months from July 01, 2020 to December 31, 2020.

2.5 Comparative Figure:

Comparative information has been disclosed in respect of the year ended June 30, 2020 for Statement of Financial Position sheet item and 31 December 2019 for Income Statement information in the financial statements and also narrative and descriptive where it is relevant for understanding of the current year’s financial statements.



2.6 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Companies complied, as per Para 12 of Securities & Exchange Rule 1987, with the following International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Company subject to departure where we have followed:

Sl. No.	Standard Number	Title of Standards	Compliance Status
01	IAS 01	Presentation of Financial Statements	Complied
02	IAS 02	Inventories	Complied
03	IAS 07	Statement of Cash Flows	Complied
04	IAS 10	Events after the Reporting Period	Complied
05	IAS 12	Income Taxes	Complied
06	IAS 16	Property, Plant & Equipment	Complied
07	IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
08	IAS 24	Related Party Disclosures	Complied
09	IAS 33	Earnings per Share	Complied
10	IFRS 09	Financial Instruments	Complied
11	IFRS 13	Fair Value Measurement	Complied
12	IFRS 15	Revenue from Contracts with Customers	Complied

2.7 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.

2.8 Going concern Review

As per IAS-1, a company is required to make assessment at the end of each year to make assessment of its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the directors continue to adopt going concern assumption while preparing the financial statements.

2.9 Components of the Financial Statements:

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

- Statement of Financial Position as at December 31, 2020;
- Statement of Profit or Loss and Other Comprehensive Income for the period ended December 31, 2020;
- Statement of Changes in Equity for the period ended December 31, 2020;
- Statement of Cash Flows for the period ended December 31, 2020; and
- Accounting Policies and explanatory notes to the financial statements for the period ended December 31, 2020.



2.10 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.

2.11 Property, Plant and Equipments (PPE):

Property, plant and equipment are stated at their cost / revalued value less accumulated depreciation in accordance with IAS- 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 became available for use. 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: Present valuation of the Land and land Development has been arrived by consideration of the location and the market price of recent Transfer Price of the assets. Information and explanation from local people and Mouza Value has been considered to assess an average current transfer/market rate of land.

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: Plant and machineries has been arrived at by taking into consideration the current replacement cost. Beside, Information from C&F and other reliable source has been considered.

Valuation of the subject Assets and properties was carried out on the basis of following applicable standards and guidelines:

- A) The valuation was undertaken in accordance with International Accounting Standard (IAS-16), International Financial Reporting Standards (IFRS-13) and International Valuation Standards (IVS).
- B) The valuation was undertaken in accordance with the Bangladesh Securities and Exchange Commission (BSEC) Guideline vide reference no. SEC/CMRRCD/2009-193/150/Admin/.... Dated August 18, 2013.
- C) The subject assets were revalued at fair value as per the standards for revaluation of those assets. The definition of 'fair value' is reproduced below:

"Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction".

- D) The valuation exercise was undertaken after considering five Fundamental Principles of Ethical Conduct namely Integrity, Objectivity, Competence, Confidentiality and Professional Behavior.

Date of 1st Revaluation Report: December 20, 2010.

Date of 2nd Revaluation Report: April 28, 2019.

Date of incorporation of the 1st valuation in the financial statements December 31, 2010.

Date of incorporation of the 2nd valuation in the financial statements May 1, 2019.

1st Valuer : Vigilant Survey Associates

2nd Valuer : ATA Khan & Co. Chartered Accountants

2.12 Investment In Shares:

Investment in marketable ordinary shares has been shown at market price and classified as Fair value through other comprehensive income (FVOCI) 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.

2.13 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 IAS - 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 lower of weighted average cost or net realizable value
Stores & Spares	At lower of weighted average cost or net realizable value
Packing Materials	At lower of weighted average cost or net realizable value





Work-in-Process	100% Materials plus portion of labour charges, Gas charges.
Finished Goods (Yarn)	At lower of weighted average cost or net realizable value

2.14 Revenue Recognition:

In compliance with the requirements of IFRS - 15 “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.

2.15 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.

2.16 Earnings per Share (EPS):

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

i) Basic Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the ordinary shareholders by the number of shares outstanding during the year.

ii) Diluted earnings per share

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

2.17 Cash & Cash Equivalent

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

2.18 Cash Flow Statement

Cash Flow Statement is prepared principally in accordance with IAS – 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.





2.19 Provision, Accruals and Other Payables

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.

2.20 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 IAS- 21: “The Effects of Changes in Foreign Exchange Rates”.

2.21 Borrowing costs:

In compliance with the requirement of IAS – 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.

2.22 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 IAS-16: Property, Plant and Equipment. The company revalued the assets of land and land development, Factory Building and Other Construction, Building Office Space, Plant and Machineries and Motor vehicle which has absolutely owned by the company and the increase amount transferred to revaluation reserve. The tax effects on revaluation gain are measured and recognized in the Financial Statements as per IAS-12: Income Taxes.

2.23 Taxation:

Current Tax:

Current tax provision has been made as per Income Tax Ordinance, 1984.

Deferred Tax:

Deferred tax is recognized on difference between the carrying amount of assets and a liability in the financial statements and the corresponding tax based used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liability are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the profit will be available against which deductible temporary difference, unused tax loses or unused tax credits can be utilities. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit. Considering the practices generally followed in Bangladesh the company have been reserved deferred tax assets or deferred tax liability in accordance with IAS- 12 “ Income Taxes “.

2.24 Trade Debtors:

Trade debtors for export of yarn are stated at their real value and trade receivable has mostly arisen from export sales which are usually received within the tenure under LC terms. As such, no expected credit loss has arisen during the period.



2.25 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.

2.26 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).

2.27 Related Party Disclosures:

As per IAS- 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.

2.28 Event after the reporting period:

In compliance with the requirements of "IAS – 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 Significant Event:

During the period net profit after tax has been decreased as compared to previous year same period due to decrease in Non operating income & Other income. EPS has been decreased.

During the period Net Operating Cash Flow per Share increased due to increase in export collection & decrease in Inventory compared to previous year same period.

2.30 General:

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





		Amount in Taka	
		December 31 2020	June 30 2020
3.00	Property Plant and Equipment		
	This is arrived as follows:		
	Balance as on July 01 2020	6,886,316,847	6,735,829,563
	Addition during the period	545,157,805	155,067,284
	Adjustment during the period	(48,312,500)	(4,580,000)
	Total as on December 31 2020	7,383,162,152	6,886,316,847
	Accumulated Depreciation	(1,734,211,689)	(1,463,891,574)
	Depreciation value	5,648,950,463	5,422,425,273
	Depreciation charge during the period	(143,767,281)	(274,722,759)
	Depreciation Adjustment during the period	6,241,926	4,402,644
	Written down value as on December 31 2020	5,511,425,108	5,152,105,158

(a) The details of the Property Plant and equipment have been shown in Annexure - A

(b) The assets have been revalued on 28 April 2019.

4.00	Investment			
	Investment in Unquoted company (FSML)	4.01	60,499,400	60,499,400
	Investment in shares of listed company	4.02	4,521,489	4,197,706
	Investment in FDR	4.03	443,307,227	460,791,084
			508,328,116	525,488,190

4.01	Investment in Unquoted company (FSML)		60,499,400	60,499,400
			60,499,400	60,499,400

Name of the company	No. of Shares	December 31,2020		June 30 2020
		Cost	Market Value	Market Value
AIL	-	-	-	26,200
CITYGENINS	-	-	-	462,220
CNATEX	75,000	583,131	180,000	142,500
ESQUIRENIT	-	-	-	109,500
FARCHEM	57,999	769,555	568,390	470,390
FASFIN	-	-	-	36,000
FEDERALINS	-	-	-	61,200
FINEFOODS	4,000	301,737	258,400	-
FUANGFOOD	-	-	-	150,800
GSPFINANCE	11,077	214,138	221,540	67,100
HAKKANIPUL	2,200	187,652	180,400	-
IBP	-	-	-	247,200
KTL	-	-	-	162,750
LAKABAFIN	4,000	91,724	125,600	-
MARICO	100	215,659	213,880	-
MONNOCERA	2,626	354,105	332,977	-
NAHEEACP	2,000	97,323	94,200	-
NFML	-	-	-	113,100
NORTHRNINS	4,500	220,368	213,300	-
ORIONPHARM	2,000	109,235	109,400	-
PLFSL	10,000	292,722	30,000	30,000





		Amount in Taka	
		December 31 2020	June 30 2020
RAKCERAMIC	-	-	66,300
SAIFPOWER	-	-	369,538
SHURWID	5,000	115,460	108,500
SONARBAINS	-	-	387,447
SPCERAMICS	6,000	197,186	196,800
SQURPHARMA	1,400	307,093	307,300
UNITEDAIR	410,000	3,385,431	656,000
USMANIAGL	1,000	65,562	46,000
Green Delta F. Services Ltd. BO-1203620023711436	-	101,796	101,796
ICB	-	-	180,576
BRAC EPL BALANCE TK.	-	577,006	577,006
Total		8,186,883	4,521,489

4.03 Investment in FDR

	Purpose		
Dhaka Bank 0010720	Bank Guarantee	1,068,833	1,040,549
Bank Asia(0048960/1858)	Bank Guarantee	4,351,284	4,236,136
UNICAP0311		18,371,131	17,884,977
UFIL 1516		-	24,796,432
UFIL 2916		23,779,679	23,150,399
UNICAP2015 08 211	Term Loan	62,003,366	60,362,575
UNICAP2015 08 232		-	24,142,832
UFIL 19918	Term Loan	55,341,262	54,238,000
UFIL 19818	Term Loan	55,341,262	54,238,000
IDLC Finance 38927		66,623,041	64,860,000
IDLC Finance 38928		66,623,041	64,860,000
UFIL 6919		67,194,252	65,620,000
Bank Asia02155011152/0363017	Bank Guarantee	539,851	525,565
Bank Asia 02155011224/19	Bank Guarantee	858,334	835,619
Bank Asia 0363394	Bank Guarantee	941,893	-
DBH -71000190556		20,270,000	-
		443,307,227	460,791,084

Out of total Tk. 443,307,227 Tk. 7,760,194 Fixed Deposit Receipts are under lien with various banks against bank guarantee and Taka 172,685,890 Fixed Deposit Receipts are lien marked with HSBC Ltd. against term loan.

5.00 Inventories

This represents as follows:

	Quantity	Amount in Tk.	Amount in Tk.
Raw Materials	9,118,164 Lbs	592,680,629	1,674,319,509
Work in Process	167,840 Kgs	25,716,586	30,480,302
Finished Goods	1,377,980 Kgs	304,533,580	400,251,784
Stores & Spare Parts	N/A	60,080,147	43,127,572
Oil & Lubricants	N/A	411,506	182,119
Packing Materials	N/A	1,693,891	2,865,917
		985,116,340	2,151,227,203

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





		Amount in Taka	
		December 31 2020	June 30 2020
6.00	Trade and other receivables		
	Aging of Trade Debtors		
	Trade debtors aged upto 90 days	383,557,996	283,124,477
	Trade debtors aged upto 180 days	524,035,167	831,232,470
	Other receiveables	73,913,326	81,877,067
		981,506,489	1,196,234,014

a) Trade receivable has mostly arisen from export sales which are usually received within the tenure under LC terms. As such no expected credit loss has arisen during the period.

b) There is no such debt due by or to directors or other officers of the Company.

I. Receivable considered good in respect of which the company is fully secured.	844,009,135	1,034,982,432
II. Receivable considered good in respect of which the company holds no security other than the debtors personal security.	-	-
III. Receivable considered doubtful or bad.	-	-
IV. Receivable due by any director or other officer of the company.	-	-
V. Receivable due by common management.	137,497,354	161,251,582
VI. The maximum amount of receivable due by any director or other officer of the company.	-	-
Total	981,506,489	1,196,234,014

7.00 Sundry Receivables

Claim Receivable from Green Delta Insurance Co.against Raw Cotton	573,970,353	-
Claim Receivable from Green Delta Insurance Co.against Building Construction	16,399,868	-
	590,370,221	-

8.00 Advance Deposits and Prepayments

Security Deposit with Jalalabad Gas	8.01	21,203,783	17,221,252
Security Deposit with Hobigonj Palli Biddut		283,005	283,005
Security deposit with CDBL		500,000	500,000
Advance against salary & wages		143,419	231,619
Advance against local suppliers		3,717,951	3,686,601
Advance against L/C Margin and commission		222,672,572	108,868,200
		248,520,729	130,790,676

8.01 Security Deposit with Jalalabad Gas

Opening Balance as at July 01 2020	17,221,252	15,072,839
Add: Addition during the period	3,982,531	5,258,864
	21,203,783	20,331,703
Less: Adjustment made during the period	-	(3,110,451)
Closing Balance as on December 31 2020	21,203,783	17,221,252

(a) All the advances and deposits amount are considered good and recoverable;

(b) Advance due from staffs and workers are regularly being realized through their salaries;

(c) There is no amount due from Directors or Officers of the Company under any agreement;

(d) Advance against suppliers due mainly to advances given to suppliers for packing materials spare parts etc.

(e) L/C Margin deposit against various import L/C represent margin and commission of Raw cotton Spare Parts Packing Materials.





SAIHAM COTTON MILLS LTD.

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		Amount in Taka	
		December 31 2020	June 30 2020
9.00	Cash and Cash Equivalents		
	This consists of :		
	Cash in Hand	9.01	65,403
	Cash at Banks	9.02	204,125
			<u>135,186,184</u>
			<u>56,331,265</u>
			<u>135,251,587</u>
			<u>56,535,390</u>
9.01	Cash in Hand		
	Head office		10,045
	Factory Office		79
			<u>55,358</u>
			<u>204,046</u>
			<u>65,403</u>
			<u>204,125</u>
9.02	Cash at Banks		
	Janata Bank Motijheel Branch - CD A/C # 023733012107		81,911
	Janata Bank Noyapara Branch - CD A/C # 0210005125		8,125,745
	Janata Bank Ltd. SND A/C # 145		96,258
	Dhaka Bank Islami Branch- CD A/C # 2015		101,634
	Standard Chartered Bank A/C # 01-1183017-01		24,840
	HSBC BDT Margin Account # 001 234608-095		10,568
	HSBC Dividend Account # 001 234608-012		1,786,305
	HSBC Dividend Account # 001 234608-015		1,753,719
	HSBC Dividend Account # 001 234608-901		2,163,783
	HSBC Dividend Account # 001 234608-902		764,169
	HSBC Dividend Account # 001 234608-903		1,079,393
	HSBC Dividend Account # 001 234608-904		1,577,294
	HSBC Dividend Account # 001 234608-905		1,467,857
	HSBC Dividend Account # 001 234608-906		1,816,520
	HSBC(SFCAM) A/C # 016		-
	HSBC CD A/C # 001234608-013		412
	HSBC CD A/C # 001234608-014		5,361
	Bank Al Falah STD A/C # 0702 03700151		36,854
	Premier Bank Ltd. A/C #1021311869		1,821
	Mutual Trust Bank A/C # 599		78,608
	Prime Bank CD A/C # 44026		219,190
	Bkash DM -417		161,944
	Dutch Bangla Bank A/C # 19259		1,370,969
	Eastern Bank A/C # 72879		494,341
	BRAC Bank A/C # 1501201985342002		1,993,821
	Foreign Currency Accounts		
	HSBC Margin Account # 001234608-091		9,691,541
	HSBC FC Account # 001234608-047		14,849,927
	HSBC Offshore A/C # 005		15,868,888
	Bank Asia \$ Margin A/C # 11047000002		27,176
	Bank Asia \$ Margin A/C # 21047000002		40,842,502
	Bank Asia ERQ A/C # 11042000002		1,730,428
	Bank Asia ERQ A/C # 21047000005		11,488,756
	Bank Al Falah Margin A/C # 0702 4502202		910,763
	Prime Bank BTB A/C # 19110		14,562,887
			<u>135,186,184</u>
			<u>56,331,265</u>



ISO 9001 : 2015



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 Phone : 02-222263323, 02-222262284, Fax : +88-02-222294607, E-mail : info@saihamcotton.com, Web: www.saihamcotton.com
 Registered Office & Factory : Noyapara, Saiham Nagar, Madhabpur, Habigonj-3333.



Amount in Taka	
December 31 2020	June 30 2020

10.00 Share Capital
This represents:

Authorized capital

200000000 Ordinary shares of Tk.10 each

2,000,000,000**2,000,000,000****Issued subscribed and paid up capital :**

35000000 Ordinary Shares @ Tk. 10 each fully paid up	350,000,000	350,000,000
17500000 Ordinary Shares @ Tk 10 each fully paid up other than cash	175,000,000	175,000,000
15000000 Ordinary Shares @ Tk.10 each fully paid up	150,000,000	150,000,000
20250000 Ordinary Shares @ Tk.10 each fully paid up Other than cash	202,500,000	202,500,000
47500000 Ordinary Shares @ Tk.10 each fully paid up	475,000,000	475,000,000
13525000 Ordinary Shares @ Tk.10 each fully paid up Other than cash	135,250,000	135,250,000
148775000 Ordinary Shares	1,487,750,000	1,487,750,000

Percentage of shareholding position of different shareholders are as follows:

Name of the Shareholders	31.12.2020		30.06.2020	
	No. of shares	% of holding	No. of shares	% of holding
Sponsors	63,074,998	42.40	63,074,998	42.40
Institutions	17,937,108	12.06	21,274,102	14.30
General Public	67,762,894	45.54	64,425,900	43.30
	148,775,000	100.00	148,775,000	100.00

Classification of Shareholders by holding:

The number of shareholders and shareholding position as at December 31 2020 are given below:

Range of holding	No. of shareholding	No. of shareholders	No. of shareholders
Upto 500 shares	1,851,444	7,276	7,144
501 to 5000 shares	6,202,111	2,758	1,558
5001 to 10000 shares	6,022,919	761	369
10001 to 20000 shares	7,955,385	525	255
20001 to 30000 shares	5,096,977	200	123
30001 to 40000 shares	3,198,060	89	56
40001 to 50000 shares	4,072,812	88	33
50001 to 100000 shares	10,130,247	135	83
100001 to 1000000 shares	25,238,177	109	108
Over 1000000 shares	79,006,868	10	19
Total	148,775,000	11,951	9,748





		Amount in Taka	
		December 31 2020	June 30 2020
11.00	Revaluation Surplus		
	This calculation is arrived as follows:		
	Opening Balance	2,418,070,423	2,517,331,588
	Less: Adjustment for building structure destroyed by fire	(25,236,124)	-
	Less: Adjustment for provision of deferred tax	11,880,633	17,516,676
	Adjustment for depreciation on revalued assets	(53,968,099)	(116,777,841)
	Closing Balance	2,350,746,834	2,418,070,423
12.00	Deferred tax Liabilities		
	This is arrived as follows:		
	Opening Balance	576,254,554	580,863,000
	Add: Deferred Tax expenses for the period	12.1.1 5,973,483	12,998,089
	Add: Deferred tax on Revalued Asset	(11,880,633)	(17,516,676)
	Add: Deferred Tax expenses on unrealize gain	375,817	(89,859)
		570,723,220	576,254,554
	Adjustment for depreciation of revalued assets	-	-
	Closing Balance	570,723,220	576,254,554
12.01	Deferred tax liability for the period/period is arrived as follows:		
	<u>A. Property plant and equipment</u>		
	Carrying amount	2,745,840,599	2,307,316,426
	Tax base amount	1,702,407,290	1,310,157,930
	Taxable temporary difference	1,043,433,309	997,158,496
	Tax rate	15%	15%
	Deferred tax liability	156,514,996	149,573,774
	<u>B. Calculation of deferred tax on revaluation of property plant and equipment:</u>		
	Revalued value of land	1,021,866,807	1,021,866,807
	Revalued value of other than land	1,743,717,702	1,822,921,925
	<u>Tax Rate</u>		
	On land	15%	15%
	On other than land	15%	15%
	<u>Deferred tax liabilities</u>		
	For land	153,280,021	153,280,021
	For other than land	261,557,655	273,438,289
		414,837,676	426,718,310
	<u>C. Deferred Tax on unrealize gain/ (loss)</u>		
	Opening balance of deferred tax liability for unrealized gain	439,846	529,705
	Addition during the period	375,817	(89,859)
		815,663	439,846



		Amount in Taka	
		December 31 2020	June 30 2020
D. Deferred Tax on Gratuity Provision			
Provision for Gratuity as at December 31 2020		9,634,101	3,182,510
Company tax rate		15%	15%
Deferred tax asset		{1,445,115}	{477,377}
Total (A+B+C+D)		570,723,220	576,254,554
Calculation of deferred tax:			
Deferred tax liability as on December 31 2020		570,723,220	576,254,554
Deferred tax liability as on June 30 2020		576,254,554	580,863,000
Deferred tax increased/(Decrease) during the period		(5,531,333)	(4,608,447)
12.1.1	Deferred tax liability other than revalued assets as at December 31 2020	156,514,996	149,573,774
	Deferred tax liability other than revalued assets as at June 30 2020	149,573,774	136,248,309
	Net increased in deferred tax expenses for other than revalued assets for the period	6,941,222	13,325,465
	Net increase in deferred tax for Unrealized Gain	375,817	(89,859)
	Deferret tax asset on gratuity provision as at December 31 2020	(1,445,115)	(477,377)
	Deferret tax liability on gratuity provision as at June 30 2020	(477,377)	150,000
	Net increase/(decrease) in deferred tax expenses for gratuity provision	(967,739)	(327,377)
	Total deferred expenses for the period	5,973,483	12,998,089
Adjustment of revaluation surplus for deferred tax			
	Deferred tax liability for revaluation as on December 31 2020	414,837,676	426,718,310
	Deferred tax liability for revaluation as on June 30 2020	426,718,310	444,234,986
	Adjustment of revaluation surplus for deferred tax	(11,880,633)	(17,516,676)
		(5,531,333)	(4,608,446)
13.00	Liability against Capial Machinery :		
	This consists of as follows:		
	HSBC-Import Loan-Machinery	565,997,848.60	111,623,680
	Bank Asia-Import Loan-Machinery	15,723,998.37	25,894,181
		581,721,847	137,517,861
14.00	Long Term Loan		
	This consists of as follows:		
	HSBC Ltd.	166,299,699	151,946,985
	Prime Bank Ltd.	43,277,791	59,673,481
		209,577,491	211,620,466



		Amount in Taka	
		December 31 2020	June 30 2020
14.01	HSBC-Long Term Loan		
	This is arrived as follows:		
	Opening Balance as on July 01 2020	248,230,110	151,573,480
	Addition during the period	56,395,582	174,456,548
		304,625,691	326,030,028
	Adjusted/Payment during the period	(62,593,405)	(76,797,935)
		242,032,286	249,232,093
	Unrealized gain/loss for change in exchange rate of foreign currency	(27,934)	(1,001,983)
	Closing Balance as on December 31 2020	242,004,352	248,230,110
	Less: Long Term Loan Current Maturity	75,704,652	96,283,125
		166,299,699	151,946,985
14.02	Prime Bank Ltd.-Long Term Loan		
	This is arrived as follows:		
	Opening Balance as on July 01 2020	69,735,148	83,549,672
	Addition during the period	-	3,609,230
		69,735,148	87,158,902
	Adjusted/Payment during the period	(15,633,357)	(17,423,754)
		54,101,791	69,735,148
	Unrealized gain/loss for change in exchange rate of foreign currency	-	-
	Closing Balance as on December 31 2020	54,101,791	69,735,148
	Less: Long Term Loan Current Maturity	10,824,000	10,061,667
		43,277,791	59,673,481
15.00	Short Term Loan		
	Bank Loan and Overdraft		
		1,981,427,135	2,706,258,308
		1,981,427,135	2,706,258,308
15.01	Bank Loan and Overdraft		
	This consists of as follows:		
	Cash Credit (Hypo) Bank Asia Ltd.	295,169,190	292,644,387
	Cash Credit (Hypo) Bank Al Falah	115,433,094	152,986,494
	Overdraft A/c-Prime Bank Ltd.	44,045,762	48,090,291
	HSBC CD A/C # 001234608-011	48,385,035	49,095,544
	SP-Bank Alfalah	35,000,000	-
	SP-Prime Bank	15,345,019	-
	Demand Loan-Bank Asia Ltd	91,032,500	-
	Short Term Loan - HSBC	-	100,000,000
	Short Term Loan - Bank Alfalah	95,000,000	95,000,000
	L/C liabilities under EDF	1,226,732,829	1,814,916,478
	IDBP Loan - Prime Bank Ltd.	-	19,969,058
	IDBP Loan - Bank Asia Ltd.	-	133,556,055
	IDBP Loan - HSBC Ltd.	15,283,706	-
		1,981,427,135	2,706,258,308

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	
		December 31 2020	June 30 2020
16.00	Trade & Other Creditors		
	This is arrived as follows:		
	Local supplier	71,608,629	69,416,912
		<u>71,608,629</u>	<u>69,416,912</u>
17.00	Income Tax Provision		
	Opening Balance	(9,063,871)	4,910,114
	Add: Provision made during the period	13,943,861	13,506,665
		<u>4,879,991</u>	<u>18,416,779</u>
	Less: Income Tax paid	11,056,915	27,480,650
	Advance Income Tax (2020-21)	43,000	-
	Advance Income Tax (2019-2020)	-	5,261,124
	Tax Paid for 2018-2019	-	4,910,114
	Tax deducted at source on FDR interest	515,387	5,473,091
	Tax deducted at source u/s 82C	10,498,528	11,836,321
		<u>(6,176,924)</u>	<u>(9,063,871)</u>
	Closing Balance	(6,176,924)	(9,063,871)
17.01	Current Tax	13,943,861	13,506,665
	(Higher of i ii iii)		
	i) Regular Tax		
	Profit before Tax	74,238,182	(62,295,205)
	Accounting Depreciation	143,767,281	274,722,759
	Capital Allowance	(134,942,556)	(246,781,354)
	Other income	(12,509,692)	(37,278,619)
	Non operating income	1,550,089	(16,725,550)
	Dividend income	(18,857)	(28,116)
		<u>72,084,448</u>	<u>(88,386,085)</u>
	Income/(loss) from business	72,084,448	(88,386,085)
	Tax on business income @ 15%	10,812,667	-
	Tax on dividend income @ 20%	3,771	5,623
	Tax on Non operating income @ 25%	-	4,181,388
	Tax on Other income @ 25%	3,127,423	9,319,655
	Total tax liability	13,943,861	13,506,665
	ii) Minimum tax U/S-82C(2)		
	Tax deducted at source	10,498,528	11,836,321
	iii) Minimum tax U/S-82C(4)		
	Turnover	0.36% 1,852,489,484	6,668,962 10,827,491
	Non-operating income	0.60% (1,550,089)	(9,301) 60,212
	Other income	0.60% 12,528,549	75,171 223,840
		<u>6,734,833</u>	<u>11,111,544</u>





Amount in Taka

December 31 2020 June 30 2020

18.00 Payable and Accruals

This is arrived as follows:

Salary and wages		10,478,521	9,477,539
Gas Charges		14,772,868	15,934,362
Audit Fees		230,000	434,000
Utility Bill		41,146	34,415
Telephone bill		2,815	1,594
Gratuity Provision		9,634,101	3,182,510
Financial Expenses		4,440,902	4,440,902
Provident Fund(Head Office)		124,720	69,320
Provident Fund(Factory Office)		340,064	185,855
Unclaimed dividend		12,409,039	12,411,314
Unpaid share money deposit		1,993,821	1,993,821
Tax Deducted at Source		526,167	920
VAT expenses		-	8,750
Provision For C & F Charge		-	5,181,726
WPPF	18.01	13,745,529	8,653,433
		68,739,693	62,010,461

18.01 Workers Profit Participation Fund (WPPF)

This is arrived as follows:

Opening Balance		8,653,433	17,855,034
Provision made during the period		5,092,096	-
		13,745,529	17,855,034
Payment made during the period		-	(9,201,601)
Closing Balance		13,745,529	8,653,433





Amount in Taka		Amount in Taka	
July 01,2020 to Dec 31,2020	July 01,2019 to Dec 31,2019	Oct 01,2020 to Dec 31,2020	Oct 01,2019 to Dec 31,2019

19.00 Cost of Goods Sold
This is made up as follows:

Materials Consumption

Raw Cotton	19.01	1,201,189,352	1,068,320,267	689,077,389	555,685,633
Packing Materials	19.02	17,807,273	16,298,839	8,984,928	7,099,789
Stores and Spares	19.03	7,501,142	39,097,379	6,905,793	24,819,578
Total materials consumption		1,226,497,767	1,123,716,485	704,968,110	587,605,000
Direct Wages and Salaries		56,107,225	59,384,785	28,370,390	28,402,051
Prime cost		1,282,604,992	1,183,101,270	733,338,500	616,007,051
Add. Factory Overhead	19.04	240,364,348	227,123,724	124,018,227	115,209,904
Total manufacturing cost		1,522,969,340	1,410,224,994	857,356,728	731,216,955
Add. Opening Work-in-process		30,480,302	26,427,960	22,253,374	25,480,551
Cost of goods available for use		1,553,449,642	1,436,652,953	879,610,101	756,697,505
Less. Closing Work-in-process		25,716,586	25,993,116	25,716,586	25,993,116
Cost of Production		1,527,733,057	1,410,659,837	853,893,516	730,704,389
Add. Opening Stock of Finished Goods		400,251,784	437,170,961	197,243,174	557,164,270
Cost of goods available for sales		1,927,984,841	1,847,830,798	1,051,136,690	1,287,868,659
Less. Closing Stock of Finished Goods		304,533,580	683,353,496	304,533,580	683,353,496
Cost of Goods Sold		1,623,451,261	1,164,477,302	746,603,110	604,515,163

19.01 Raw Cotton

This is arrived as follows:

Opening Stock of Raw Cotton	1,674,319,509	1,598,984,728	1,532,189,540	1,640,681,416
Add. Purchase during the period	699,795,956	1,038,076,024	326,251,356	483,744,703
Less: Destroyed by Fire	(573,970,353)	-	(573,970,353)	-
Less: Short Weight Claim	(742,140)	(4,511,213)	(271,510)	(4,511,213)
Add: (Gain)/Loss on dollar fluctuation	(5,532,991)	-	(2,441,015)	-
Raw Cotton available for use	1,793,869,981	2,632,549,539	1,281,758,018	2,119,914,906
Less. Closing Stock of Raw Cotton	592,680,629	1,564,229,272	592,680,629	1,564,229,272
Consumption during the period	1,201,189,352	1,068,320,267	689,077,389	555,685,633

** On October 15,2020 a fire incident happened in two of our factory godown, the fire burned raw cotton, the godown structure, etc. Several unit of fire bigades took five days to control the fire . The fire completely came under control on 25 th october,2020. The godown is fully insured by Green Delta Insurance Company Limited. We are expecting to recover full loss of the fire burn from the insurance company.

19.02 Packing Materials

This is arrived as follows:

Opening Stock of Packing Materials	2,865,917	884,485	2,153,017	773,494
Add. Purchase during the period	16,635,247	16,387,583	8,525,802	7,299,524
Packing Materials available for use	19,501,164	17,272,068	10,678,819	8,073,018
Less. Closing Stock of Packing Materials	1,693,891	973,229	1,693,891	973,229
Consumption during the period	17,807,273	16,298,839	8,984,928	7,099,789





	Amount in Taka		Amount in Taka	
	July 01,2020 to Dec 31,2020	July 01,2019 to Dec 31,2019	Oct 01,2020 to Dec 31,2020	Oct 01,2019 to Dec 31,2019
19.03 Stores and Spares				
This is arrived as follows :				
Opening Stock of Spare Parts	43,127,572	69,280,074	51,098,103	72,002,437
Add. Purchase during the period	24,453,718	37,870,108	15,887,838	20,869,944
Stores and Spares available for use	67,581,290	107,150,183	66,985,941	92,872,381
Less. Closing Stock of Spare Parts	60,080,147	68,052,804	60,080,147	68,052,804
Consumption during the period	7,501,142	39,097,379	6,905,793	24,819,578
19.04 Factory Overhead				
Gas Charges	93,169,069	88,237,051	47,343,621	46,793,045
Fuel and Lubricants	2,312,590	1,330,757	1,350,052	649,370
Insurance Premium	1,180,250	-	769,524	-
Covered Van and Lorry expenses	4,616,607	2,943,155	2,498,285	1,421,590
Factory Repair & Maintenances of Capital Assets	1,031,688	4,833,203	571,160	2,012,004
Staff Quarter exp	527,525	170,776	376,605	83,199
Ladies Quarter exp	-	452,160	-	190,900
Misc. Expenses	50,935	-	11,500	-
Depreciation (Annexure- A)	137,475,684	129,156,621	71,097,480	64,059,796
	240,364,348	227,123,724	124,018,227	115,209,904
20.00 Administrative and Marketing Expenses				
This consists of as follows:				
Directors Remuneration	1,050,000	1,050,000	525,000	525,000
Salary and Allowances	12,435,689	15,869,861	6,026,226	7,595,636
Festival Bonus	1,102,489	890,138	93,645	85,950
Provident Fund Expenses	679,458	756,665	328,174	394,704
Rest House Expenses	-	5,400	-	5,400
Gratuity	6,546,651	-	6,546,651	-
Entertainment	644,851	877,858	447,947	385,837
Rent a car	887,400	743,200	509,800	322,800
Fuel & Lubricants	4,073,398	2,478,430	2,022,283	1,175,078
Fees, Forms, and others	2,674,864	1,756,699	833,912	439,244
Board Meeting Fees	55,000	57,500	27,500	43,125
Maintenance of Vehicles	1,035,737	1,119,293	556,424	550,971
IT Expenses	2,649,076	1,366,172	1,900,616	505,388
Insurance Premium	389,160	533,450	389,160	395,611
Printing & Stationery	322,613	792,132	165,649	406,408
Donation and Subscription	114,400	211,600	30,000	122,600
Miscellaneous Expenses	427,475	1,226,080	331,375	907,405
Office Maintenance	414,319	283,264	194,544	99,355
Traveling and Conveyance	338,443	239,472	203,045	121,532
Transportation cost	660	3,200	660	2,650
Telephone and Mobile Expenses	124,476	157,306	57,049	77,286
Utility expenses	115,318	132,039	66,523	69,139
Audit fees	218,500	201,250	109,250	100,625
CSR Activities	-	100,000	-	-
Uniform and Upkeep	5,400	29,704	5,400	23,170
Medical and Welfare	108,500	669,005	-	-
Postage and Stamp	10,858	14,170	458	11,610





	Amount in Taka		Amount in Taka	
	July 01,2020 to Dec 31,2020	July 01,2019 to Dec 31,2019	Oct 01,2020 to Dec 31,2020	Oct 01,2019 to Dec 31,2019
Selling & Distribution Exp.	127,550	-	92,200	-
Business Development Expenses	-	447,782	-	417,998
Advertisement	142,300	186,875	94,300	142,575
VAT Exp.	815,073	74,062	33,989	11,550
Depreciation (Annexure- A)	6,291,596	6,678,719	3,101,479	3,299,280
	43,801,255	38,951,327	24,693,259	18,237,927

21.00 Financial Expenses

The above amount comprise of as follows:

Interest on Cash Credit Hypo (BA)	13,074,491	14,671,578	6,614,103	6,945,795
Interest on Deamnd Loan-SP (BA)	1,130,000	-	1,130,000	-
Interest on Cash Credit Hypo (Bank Alfalah)	6,614,870	8,012,474	3,179,105	5,051,974
Interest on OD (Prime Bank)	2,228,216	2,732,806	1,084,626	1,402,790
Interest on SP (BA)	421,894	-	421,894	-
Interest on CC Hypo (HSBC Ltd.)	1,989,174	1,890,611	915,254	1,285,740
Interest on Term Loan (HSBC)	5,269,521	4,029,536	2,621,790	1,748,665
Interest on Term Loan (Prime Bank)	2,711,108	4,401,591	1,278,617	2,156,713
Interest on Bank Asia Ltd.	3,026,219	12,362,195	-	6,975,363
Interest on HSBC Ltd.	3,784,227	7,110,168	1,023,532	1,681,991
Interest on Bank Al Falah	4,271,597	2,437,500	-	2,437,500
Interest on Prime Bank	401,280	910,627	47,213	554,889
Interest on Force Loan Prime Bank	-	45,841	-	45,841
Bank Charges,Commission & Discripenses	5,827,816	4,421,524	3,957,228	1,625,742
Overdue Interest	11,018	263,829	5,476	263,579
Interest on Import Loan	38,519,970	24,970,074	21,873,199	24,970,074
	89,281,402	88,260,355	44,152,037	57,146,657

The financial expenses have been increased during the period due to increase of EDF loan facility for import of raw materials.

22.00 Non operating income

Interest on FDR against bank gurantee and term loan	2,035,684	13,906,441	1,030,677	2,869,307
Interest on STD A/C	12,259	8,582	2,567	8,582
Overdue Interest	141,036	624,033	141,036	512,737
Gain on dollar fluctuation	-	3,107,050	-	1,832,154
Realised gain/(loss) on marketable securities	(3,504,486)	-	(208,885)	-
Gain/(Loss) on Sale of Capital Assets	(234,582)	472,644	-	-
	(1,550,089)	18,118,751	965,396	5,222,781

23.00 Other income

Dividend Income	18,857	1,960	18,857	-
Interest on FDR	12,509,692	42,504,076	4,123,188	10,911,995
	12,528,549	42,506,036	4,142,045	10,911,995

24.00 Earnings per share (EPS)

The computation of EPS is given below:

Net profit after tax	54,320,837	66,912,791	32,226,267	28,430,308
Number of total outstanding shares	148,775,000	148,775,000	148,775,000	148,775,000
Earnings per share (EPS)	0.37	0.45	0.22	0.19



	December 31, 2020	June 30, 2020
25.00 Net Assets value (NAV) per share		
Total assets	8,960,518,590	9,212,380,629
Total outside liabilities	3,564,149,744	3,860,359,482
Net assets	5,396,368,846	5,352,021,147
Divided by number of ordinary shares	148,775,000	148,775,000
Net assets value (NAV) per share	36.27	35.97

26.00 Related Party Transactions

During the period 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 IAS 24 "Related Party Disclosures".

Name of Party	Nature of Transaction	Relationship	31.12.2020	30.06.2020
Faisal Spinning Mills Ltd	Trade receivables	Group Company	51,770,494	81,877,067
Saiham Knit Composite Ltd.	Trade receivables	Group Company	85,726,861	79,374,515
Saiham Textile Mills Ltd.	Payable	Group Company	30,513,178	46,416,405
Director's Remuneration	Remuneration	MD/Director	1,050,000	2,100,000
Board meeting fess	Meeting fee	MD/Director	55,000	96,250

To comply with BSEC notification No. SEC/CMRRCD/2008-183/Admin/03-30 dated June 1, 2009 the company has taken approval in its 18th board meeting dated 12th December 2019 for supply of goods and materials amounting 1% or above of the revenue for the immediate preceding financial period with its related parties.

July 01,2020 to Dec 31,2020	July 01,2019 to Dec 31,2019
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27.00 Reconciliation of cash flows from operating activities under indirect method

Profit before Tax	74,238,182	88,116,627
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Add: Depreciation	143,767,281	135,835,341
Add: Finance Expenses	89,281,402	88,260,355
Less: Unrealized gain/(loss) for change in exchange rate of foreign currency	27,603,747	8,357,301
Add/(Less): Realized Loss/Gain on dollar fluctuation		
Gain/Loss on Sale of Vehicle	234,582	
Changes in current assets and liabilities:		
(Increase) / Decrease Inventories	592,140,510	(209,417,527)
(Increase) / Decrease Advance, deposits & prepayments	(117,730,053)	(5,491,115)
Income Tax Paid	(11,056,915)	(14,931,366)
(Increase) / Decrease Trade Receivable	214,602,089	129,378,812
Increase/ (Decrease) In trade credits	2,191,717	(152,569,322)
Increase / (Decrease) payables & Accruals	6,729,232	7,478,072
Net cash flow from operating activities	1,022,001,775	75,017,177





Property, plant and equipment
As at December 31, 2020

Annexure - A

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 31.12.2020
	Balance as at 01.10.2020	Addition during the period	Adjustment during the period		Balance as at 31.12.2020	Charge during the period	Adjustment during the period	
Land and Land Development	98,550,668	16,005		98,566,673	-		98,566,673	
Factory Building & Other Construction	699,260,997	721,370	(19,416,550)	590,565,817	5,003,318.13	(3,016,682)	191,806,089	
Office Building	126,361,395			126,361,395	1,401,830		15,616,813	
Plant and Machineries	3,060,134,599	51,369,534		3,111,504,133	38,159,583		1,080,239,589	
Furnitures & Fixtures	22,781,944			22,781,944	378,386		8,024,888	
Motor Vehicles	41,778,078			41,778,078	922,283		18,106,146	
Office Equipments	24,385,286	256,836		24,642,122	377,155		9,761,846	
Sundry Assets	94,007,866	784,064		94,791,930	1,350,592		41,596,124	
Sub - Total	4,077,260,832	53,147,809	(19,416,550)	4,110,992,092	47,593,148	(3,016,682)	1,365,151,493	

Revaluation of property, plant and equipment

Particulars	Cost			Rate %	Depreciation			W.D.V. as at 31.12.2020
	Balance as at 01.10.2020	Addition during the period	Adjustment during the period		Balance as at 31.12.2020	Charge during the period	Adjustment during the period	
Land and Land Development	1,021,866,807			1,021,866,807	-		1,021,866,807	
Building & Other Construction	1,226,165,301		(26,269,450)	1,199,895,851	13,158,583.57	(1,033,326)	159,334,423	
Plant and Machineries	1,047,257,309			1,047,257,309	13,425,403.28		344,661,204	
Motor Vehicles	3,150,093			3,150,093	21,824.74		2,589,925	
Sub - Total	3,298,439,510	-	(26,269,450)	3,298,439,510	26,605,812	(1,033,326)	506,585,551	
Grand Total	7,375,700,342	53,147,809	(45,686,000)	7,409,431,602	74,198,960	(4,050,008)	1,871,737,044	

Allocation of depreciation:

Cost of Production	71,097,480
Administrative and Marketing Expenses	3,101,479
	<u>74,198,960</u>