



Ref: SCML/04/45 /2017

Dated: Dhaka
January 29,2017

The Chairman

Bangladesh Securities and Exchange Commission
Jiban Bima Tower (14th, 15th, 16th & 20th floor)
10, Dilkusha C/A
Dhaka-1000.

Subject: **Submission of Un-audited Half Yearly Financial Statements of Saiham Cotton Mills Ltd.**

Dear Sir,

As per regulation in 17(2) of DSE Listing Regulations 2015, we are pleased to enclosed herewith the Un-audited Half Yearly Financial Statements for the period ended December 31, 2016 of Saiham Cotton Mills Ltd. The above Un-audited Half Yearly 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

- Copy to: (i) **The Chief Regulatory Officer**
Dhaka Stock Exchange Ltd.
9/F, Motijheel C/A
Dhaka-1000.
- (ii) **The Chief Regulatory Officer**
Chittagong Stock Exchange Ltd.
Eunoos Trade Centre (Level-15)
52-53, Dilkusha C/A
Dhaka-1000.

** The accounting year of Saiham Cotton Mills Ltd. has been changed from April 30,2016 to June 30,2016 as per Section 9 of the Finance Act,2015. As such the comparison figure of 2nd Quarter financial statements as on December 31,2016 has not be given as per clarification # 12 of minutes of the meeting amongst BSEC, DSE and CSE held on April 28,2016 regarding uniform income year.



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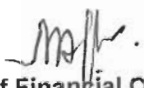
Statement of Financial Position As at December 31, 2016

Particulars	Amount in Taka		
	December 31, 2016	June 30, 2016	
Assets :			
Non Current Assets :			
Property, plant and equipment	2.00	2,584,756,024	2,472,160,291
Investment	3.00	911,989,222	947,805,721
Total Non-current Assets		3,496,745,246	3,419,966,012
Current Assets :			
Trade and other receivables		992,325,880	655,561,289
Inventories		667,259,598	1,310,867,694
Advance, deposits and pre-payments		109,653,905	70,650,867
Cash and cash equivalents	4.00	58,657,089	59,628,913
Total Current Assets		1,827,896,472	2,096,708,763
Total Assets		5,324,641,718	5,516,674,775
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		410,383,750	422,841,932
General reserve		60,400,000	60,400,000
Retained earnings		652,314,282	549,071,422
Total Shareholders Equity		3,463,314,030	3,372,529,353
Non-current Liabilities :			
Deferred tax liabilities		167,417,529	160,510,750
Term Loan	5.00	501,266,743	428,333,086
Total Non-current Liabilities		668,684,272	588,843,836
Current Liabilities :			
Short Term Loan	6.00	904,334,958	967,272,466
Term Loan Current Maturity		189,145,230	189,145,230
Trade creditors		22,968,509	315,025,922
Liabilities against capital machinery		17,718,868	28,201,158
Income tax provision		14,549,223	17,188,731
Payable and accruals*		43,926,628	38,468,080
Total Current Liabilities		1,192,643,417	1,555,301,586
Total Liabilities		1,861,327,689	2,144,145,422
Total Equity and Liabilities		5,324,641,718	5,516,674,775
Net Assets Value per Share		23.28	22.67


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary



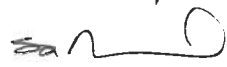
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Statement of Profit or Loss and Other Comprehensive Income For the half year ended December 31,2016

Figures in Taka

Particulars		July 01,2016	October 01,2016
		to December 31,2016	to December 31,2016
Turnover		1,616,778,441	861,117,647
Cost of goods sold		(1,472,579,503)	(769,958,784)
Gross Profit		144,198,938	91,158,863
Administrative and marketing expenses	7.00	(31,276,950)	(16,137,093)
Financial expenses	8.00	(37,890,465)	(27,480,682)
Operating Profit		75,031,524	47,541,088
Non operating income	9.00	35,593,628	12,371,872
Operating Profit before WPPF		110,625,152	59,912,960
Provision for WPPF		(5,267,864)	(2,852,998)
Profit Before Tax		105,357,287	57,059,962
Provision for Tax		(18,927,548)	(9,557,520)
Current Tax		(9,822,266)	(5,139,765)
Deferred Tax		(9,105,282)	(4,417,755)
Net Profit After Tax		86,429,740	47,502,442
Other Comprehensive Income/(Loss) :		2,156,436	3,200,126
Adjustment for unrealized loss/(gain) on marketable securities		2,156,436	3,200,126
Total Comprehensive Income for the year		88,586,176	50,702,568
Earnings Per Share (EPS)		0.58	0.32


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary




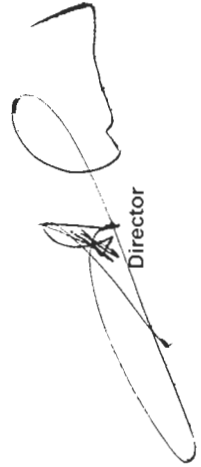
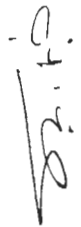
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Statement of Changes in Equity
For the half year ended December 31, 2016

Figures in Taka

Particulars	Share Capital	Share Premium	Tax holiday	General Reserve	Revaluation surplus	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
Net profit for the period	-	-	-	-	-	88,586,176	88,586,176
Adjustment for depreciation on revalued assets	-	-	-	-	(12,458,182)	-	(12,458,182)
Adjustment for revaluation of P/E and deferred	-	-	-	-	-	14,656,685	14,656,685
Balance as at December 31, 2016	1,487,750,000	751,750,000	100,715,999	60,400,000	410,383,750	652,314,282	3,463,314,031


 Managing Director
 Director
 Chairman

 Chief Financial Officer
 Company Secretary




Statement of Cash Flows
For the half year ended December 31, 2016


Particulars	Figures in Taka	
	July 01,2016	to December 31,2016
A. Cash Flows From Operating Activities		
Collection from sales		1,280,013,850
Payment for cost and expenses		(1,109,688,802)
Interest paid on borrowings		(37,890,465)
Collection from non operating income		35,593,628
Income tax paid		(12,461,774)
Net cash from operating activities		155,566,438
B. Cash Flows From Investing Activities		
Acquisition of property, plant and equipment		(194,025,056)
Investment in Unquoted company (SKCL)		20,350,000
Investment in FDR		17,622,935
Liability against capital machinery		(10,482,290)
Net cash used in investing activities		(166,534,411)
C. Cash Flows From Financing Activities		
Short term loan		(62,937,508)
Term Loan		72,933,657
Net cash provided by financing activities		9,996,149
D. Net Increase/Decrease in Cash & Cash Equivalents (A+B+C)		(971,824)
Cash & Cash Equivalents at beginning of the year		59,628,913
Cash & Cash Equivalents at ending of the year		58,657,089
Net Operating Cash Flow Per Share (NOCFPS)		1.05


Managing Director


Director


Chairman


Chief Financial Officer


Company Secretary



Notes to the Financial Statements

As at and for the period ended December 31, 2016

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 for the half year ended December 31, 2016.





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- 1.7 Comparative Figure:** The accounting year of Saiham Cotton Mills Ltd. has been changed from April 30,2016 to June 30,2016 as per Section 9 of the Finance Act,2015. As such the comparison figure of 2nd Quarter financial statements as on December 31,2016 has not be given as per clarification # 12 of minutes of the meeting amongst BSEC, DSE and CSE held on April 28,2016 regarding uniform income year.

1.8 Disclosure of key management personnel compensation:

During the period from October,2016 to December,2016 the company has paid to Managing Director as a remuneration amount in Tk. 10,50,000.





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		Amount in Taka	
		Dec 31, 2016	June 30, 2016
2.00	Property, Plant and Equipment:		
	This is arrived of as follows:		
	Cost	3,603,152,346	3,409,127,290
	Less: Accumulated depreciation	1,018,396,322	936,966,999
	Written down value	2,584,756,024	2,472,160,291
3.00	Investment		
	Investment in Unquoted company (FSML)	60,499,400	60,499,400
	Investment in shares of listed company	28,989,822	26,833,386
	Investment in Unquoted company (SKCL)	-	20,350,000
	Investment in FDR	822,500,000	840,122,935
		911,989,222	947,805,721
4.00	Cash and cash equivalents :		
	This consists of :		
	Cash in hand	4.01 3,987,356	1,974,321
	Cash at banks	4.02 54,669,733	57,654,592
		58,657,089	59,628,913
4.01	Cash in hand:		
	Head office	236,787	172,893
	Factory Office	3,750,569	1,801,428
		3,987,356	1,974,321
4.02	Cash at banks:		
	Janata Bank, Motijheel Branch - CD A/C # 023733012107	12,292	21,327
	Janata Bank, Noyapara Branch - CD A/C # 0210005125	3,945	5,431,838
	Janata Bank Ltd. SND A/C # 145	178,868	4,892,189
	Dhaka Bank, Local Office - CD A/C # 020110000010671	1	1
	Dhaka Bank, Islami Branch- CD A/C # 2015	87,844	88,919
	Standard Chartered Bank, A/C # 01-1183017-01	166,035	166,610
	HSBC CD A/C # 001234608-011	(743,512)	2,407,638
	HSBC Margin Account # 001234608-091	2,916,165	2,237,832
	HSBC BDT Margin Account # 001 234608-095	10,568	10,568
	HSBC FC Account # 001234608-047	4,151,659	7,110,761
	HSBC Dividend Account # 001 234608-012	1,792,805	1,792,805
	HSBC Dividend Account # 001 234608-015	1,925,188	1,925,188
	HSBC Dividend Account # 001 234608-901	2,348,298	2,348,298
	HSBC Dividend Account # 001 234608-902	981,451	981,451
	HSBC CD A/C # 001234608-013	412	412
	HSBC CD A/C # 001234608-014	81,277	306,887
	HSBC Offshore A/C # 005	7,616,868	4,097,099
	Bank Asia \$ Margin A/C # 11047000002	20,642,361	17,067,631
	Bank Asia ERQ A/C # 11042000002	1,927,536	1,632,711
	Bank Al Falah STD A/C # 0702 03700151	41,023	41,598
	Bank Al Falah Margin A/C # 0702 4502202	7,669,072	-
	Premier Bank Ltd. A/C #1021311869	176,421	1,758,071
	Mutual Trust Bank A/C # 599	6,429	1,469,657
	Prime Bank Ltd. CD A/C # 11811010044026	223,931	-
	Dutch Bangla Bank Ltd. A/C #	587,695	-
	BRAC Bank A/C # 1501201985342002 (Restated 2015)	1,865,101	1,865,101
		54,669,733	57,654,592





5.00 Term Loan

This is arrived as follows :

Opening Balance as on July 01,2016

Addition during the period/year

Adjusted/Payment during the period/year

Closing Balance as on December 31,2016

Less: Term Loan Current Maturity

Amount in Taka	
Dec 31, 2016	June 30, 2016
617,478,316	637,729,956
169,907,840	15,402,514
787,386,156	653,132,470
(96,974,183)	(35,654,154)
690,411,973	617,478,316
189,145,230	189,145,230
501,266,743	428,333,086

6.00 Short Term Loan

Bank Loan and Overdraft

6.01	904,334,958	967,272,466
	904,334,958	967,272,466

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 - Bank Al Falah Ltd.

Short Term Loan - Prime bank Ltd.

L/C liabilities under EDF

IDBP Loan - HSBC Ltd.

IDBP Loan - Bank Asia Ltd.

53,818,618	305,550,684
63,623,420	39,746,233
-	155,000,000
100,000,000	-
150,000,000	-
447,782,625	377,592,891
19,467,486	89,382,658
69,642,809	-
904,334,958	967,272,466

7.00 Administrative and Marketing Expenses :

This consists of as follows :

Directors Remuneration

Salary and Allowances

Festival Bonus

Office Rent

Incentive Bonus

Gratuity

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 01,2016 to December 31,2016	October 01,2016 to December 31,2016
1,050,000	525,000
11,554,971	5,970,322
658,150	-
345,000	230,000
2,775,000	1,850,000
1,069,600	-
1,479,697	685,061
175,356	97,780
1,031,750	513,740
1,354,325	520,333
555,255	408,110
871,130	624,531
1,377,528	575,328
142,967	79,793
495,373	289,435
1,065,785	903,595
398,250	236,570
551,404	293,956
222,681	124,851
33,390	33,390
73,576	39,118
57,500	28,750
49,870	48,370
589,889	71,120
43,729	30,789
953,400	835,000
157,919	13,440
172,150	131,000
1,971,305	977,711
31,276,950	16,137,093





8.00 Financial Expenses :

The above amount comprise of as follows -

Interest on Cash Credit (Hypo)
Interest on Term Loan
Interest on Bank Asia Ltd.
Interest on HSBC Ltd.
Interest on Bank Al Falah
Bank Charges and Commission

July 01,2016 to December 31,2016	October 01,2016 to December 31,2016
13,247,942	6,422,407
13,423,990	13,423,990
1,661,546	948,102
5,875,544	5,466,395
1,663,515	-
2,017,928	1,219,788
37,890,465	27,480,682

9.00 Non operating income :

Interest on FDR
Interest on STD A/C
Insurance claim
Short weight claim
Overdue Interest
Gain on dollar fluctuation on export
Cash incentive
Dividend Income

24,744,589	4,097,250
61,786	61,786
975,772	-
2,255,242	724,377
15,530	-
4,567,943	4,567,943
868,811	868,811
2,103,955	2,051,705
35,593,628	12,371,872

