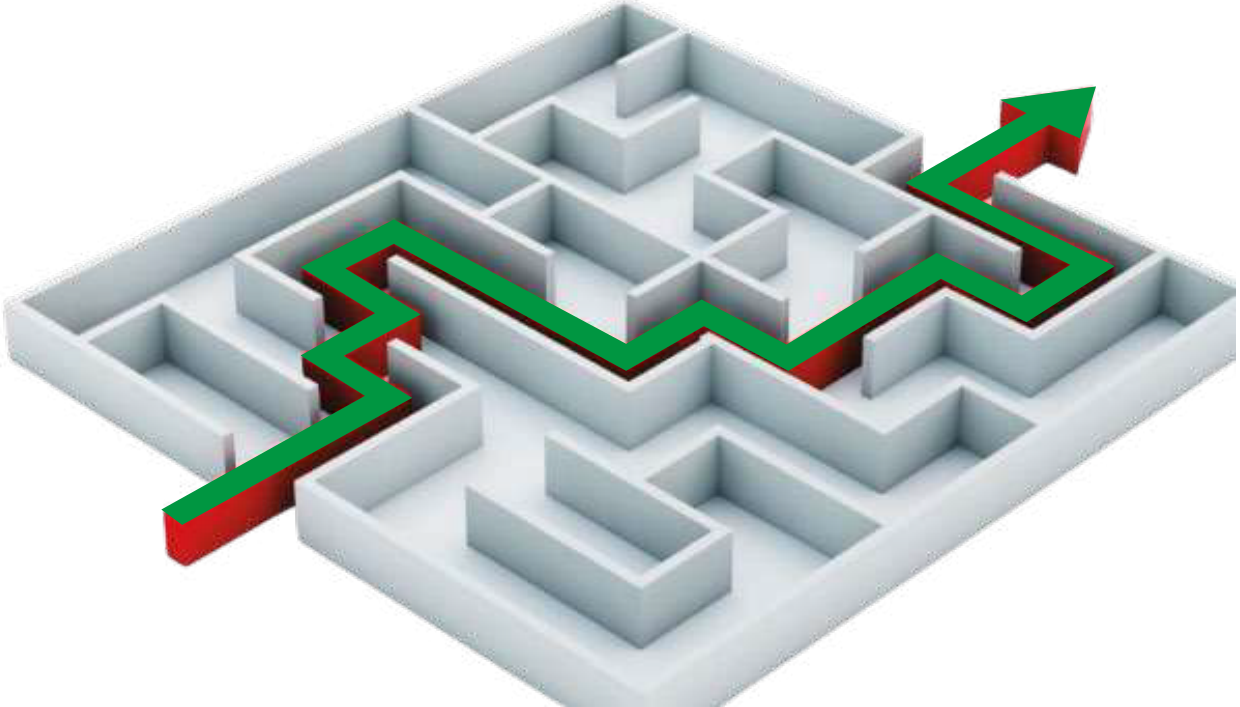
ANNUAL REPORT 2021-2022

Saiham Textile Mills Ltd.

সায়হাম টেক্সটাইল মিলস্ লিমিটেড

Content

Transmittal Letter	**01**
Views of 40th Annual General Meeting	**02**
Board of Directors	**03-05**
Notice of the 41st Annual General Meeting	**06**
Management Apparatus	**07**
Our Vision, Our Mission	**09**
Factory Highlights	**10**
Chairman's Message	**18**
Director's Report	**19-27**
Corporate Governance Compliance Report	**35-48**
Auditor's Report to the Shareholders	**50-56**
Statement of Financial Position	**57**
Statement of Comprehensive Income	**58**
Statement of Changes in Equity	**59**
Statement of Cash Flows	**60**
Notes to the Financial Statements	**61-91**
Proxy Form	**92**



Transmittal Letter

To,
All Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended June 30, 2022.

Dear Sir(s),

Enclosed please find a copy of Annual Report together with the Audited Financial Statements including Income Statements, Cash Flow Statements and Changes in Equity Statements for the year ended June 30, 2022 along with notes thereon of **Saiham Textile Mills Ltd.** for your kind information and records.

Thank you,

Yours Sincerely,

(Md. Neyamat Ullah)
Company Secretary

Views of 40th Annual General Meeting

Engr. Syed Ishtiaq Ahmed, Chairman

S.M. Faisal, Managing Director

Syed Shafqat Ahmed, Director

Yasmin Faisal, Director

S.S.A.M Shahjahan, Director

Nazmul Hossain, FCA, Independent Director

Tariquzzaman Khan, FCA, FCS, Independent Director

Neyamat Ullah, Company Secretary

12 December, 2021, Sunday at 2.30 PM (Digital Platform)

Board of Directors

Mr. S. M. Faisal
Managing Director

Mr. Syed Md. Faisal, son of Late Syed Sayeed Uddin Ahmed, is the Managing Director of Saiham Textile Mills Ltd. He is an MA as well as an LLB from University of Dhaka. As a visionary entrepreneur, he set up one of the most sophisticated textile mills Saiham Textile Mills Ltd., in the early 1980s in one of the remotest and most non-developed areas in Bangladesh i.e. Noyapara, Habiganj. Within 20 years the same area has been transformed into an industrial region and now boasts more than Tk. 60,000 million of investment and employment generation of over 8,000 people. Mr. Faisal is ex-Director of Bangladesh Textile Mills associate (BTMA), the apex body of textile sector in Bangladesh and also ex-Director of National Tea Company Limited (NTC). He was the Chairman of Saiham Cement Industries Limited, a cement manufacturing plant in Mongla. He is well renowned for his philanthropic work in the locality.

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

Interest of the Company	Designation
Saiham Textile Mills Ltd.	Managing Director
Saiham Cotton Mills Ltd.	Chairman
Faisal Spinning Mills Ltd.	Chairman
Saiham Knit Composite Ltd.	Chairman

Engr. Syed Ishtiaq Ahmed
Chairman

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

Names of Companies in which Eng. Syed Ishtiaq Ahmed holds the directorship:

Interest of the Company	Designation
Saiham Cotton Mills Ltd.	Managing Director
Saiham Textile Mills Ltd.	Chairman
Faisal Spinning Mills Ltd.	Director
Saiham Knit Composite Ltd.	Director
Saiham Denims Ltd.	Director

Mr. Syed Shafqat Ahmed, MBA

Director

Syed Shafqat Ahmed son of Mr. Syed Md. Faisal, is the Director of Saiham Textile Mills. He has graduated in Economics from Michigan State University and completed MBA from University of Taxes at Arlington. He specializes in financial analyst at Salomon Smith Barney, an investment bank, and as a pricing analyst in Bowne of Dallas. His expertise in workflow designing was the key behind Saiham Cotton Mills Ltd. Winning the "Best IT USE Award" in 2005 awarded by BASIS Bangladesh.

Names of Companies in which Syed Shafqat Ahmed holds the directorship:

Interest of the Company	Designation
Saiham Knit Composite Ltd.	Managing Director
Saiham Textile Mills Ltd.	Director
Saiham Cotton Mills Ltd.	Director
Faisal Spinning Mills Ltd.	Director
Saiham Denims Ltd.	Director

Mrs. Yasmin Faisal

Director

Mrs. Yasmin Faisal M.A. wife of Mr. Syed Md. Faisal, is the Director of Saiham Textile Mills. She has completed her Masters in History from the Islamabad University, West Pakistan. She has long experience in marketing, financial and product development & administration. She has travel more than 30 countries including U.S.A., Europe, Australia, Japan, German and Far-East Asia for business purpose. She is also associated with a member of social and cultural organizations.

Names of Companies in which Mrs. Yasmin Faisal holds the directorship:

Interest of the Company	Designation
Faisal Spinning Mills Ltd.	Managing Director
Saiham Textile Mills Ltd.	Director
Saiham Cotton Mills Ltd.	Director

Mrs. Rio Aziza Salim

Director

Mrs. Rio Aziza Salim did her BSS (Honors) and Masters in Sociology from Dhaka University. She lived and worked in U.K. and U.S.A. for a long time and acquired vast experience in social work. She also has long experience in marketing, financial and product development. She has travelled U.S.A., U.K., France, Germany, Singapore and many other countries. She is associated with a member of social and cultural organization in Bangladesh.

Names of Companies in which Mrs. Rio Aziza Salim holds the directorship:

Interest of the Company	Designation
Saiham Textile Mills Ltd.	Director
Saiham Knit Composite Ltd.	Director

Mr. Mohammad Nazmul Hossain, FCA

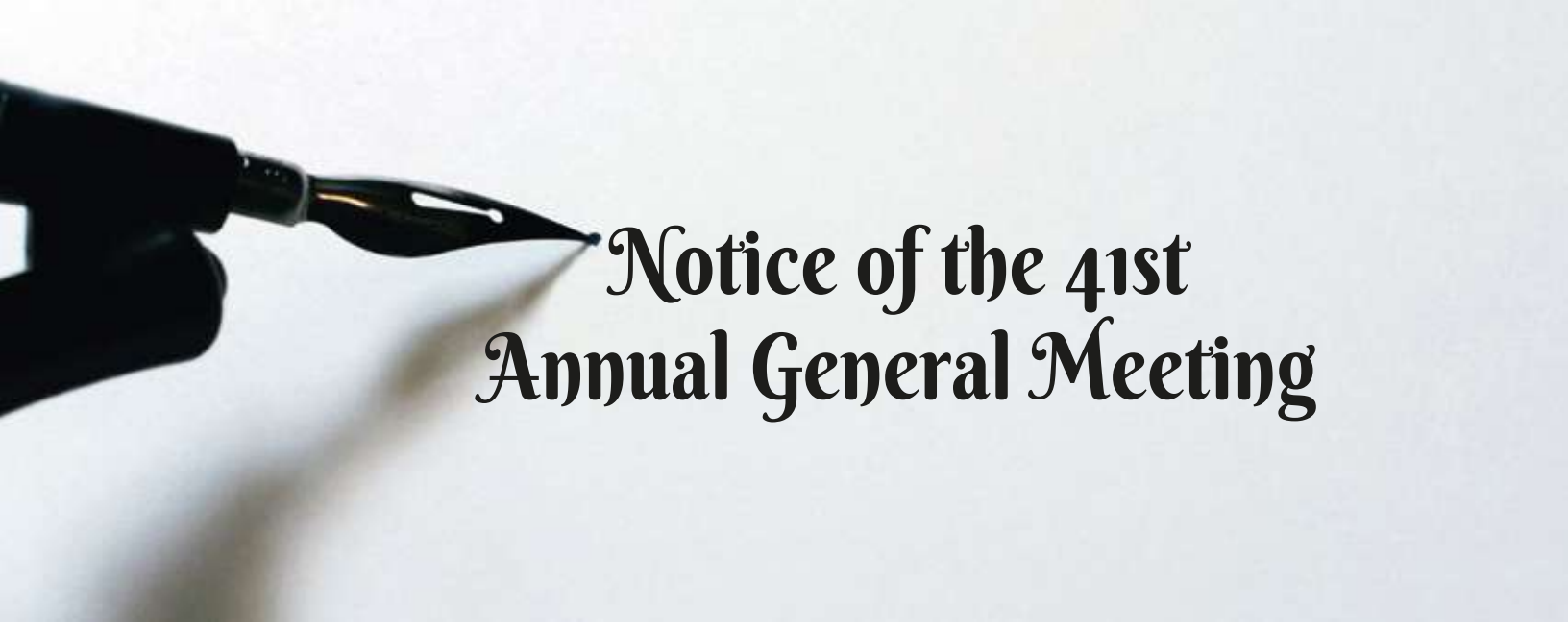
Independent Director

Mr. Mohammad Nazmul Hossain, FCA is the Independent Director of Saiham Textile Mills Limited. Mr. Mohammad Nazmul Hossain, FCA is a Chartered Accountant and more than 40 years professional experience . He is a Chief Financial Officer of BGMEA University of Fashion & Technology. He is also a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). He has long experience financial accounting, management & cost accounting, statutory audit, special audit, internal audit, internal control, income tax, VAT, company law banking insurance and other business services. Previously, he was the Head of Finance of BOC Bangladesh Limited.

Tariquzzaman khan, FCA, FCS

Independent Director

Mr. Tariquzzaman khan is an Independent Director of Saiham Textile Mills Ltd. Mr. khan, FCA is a Fellow of Chartered Accountant from ICAB and FCS Fellow of Chartered Secretary from ICSB. He has to his credit several years of experience in Accounting & Finance, Internal Audit, Fund Management, Vat, Company Law, Insurance, Banking, and other business services. During his long 40 years experience he has the privilege to work with the Textile Company like Beximco Textiles ltd., Beximco Denim Ltd. & Beximco Knitting Ltd., in power sector with Summit Group, in Insurance Sector with Reliance Insurance Ltd., sister concern of Transcom Group and other multi-national companies both at home and abroad. Presently he is Chief Financial Officer and Company Secretary of International Medicare Ltd. (IML). He has traveled more than 30 countries including U.S.A., U.K, Europe, Australia, Japan, German and Far-East Asia.



Notice of the 41st Annual General Meeting

Saiham Textile Mills Ltd.

Saiham Tower, House # 34 (11th Floor), Road # 136, Gulshan-1, Dhaka-1212

Notice of the 41st Annual General Meeting

Notice is hereby given that the 41st Annual General Meeting of Saiham Textile Mills Ltd. will be held on December 22, 2022 at 2:30 P.M. through Digital Platform in accordance with the Bangladesh Securities and Exchange Commission (BSEC) order SEC/SRMIC/94-231/91 dated March 31, 2021 to transact the following business.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2022 together with the Reports of the Directors' and the Auditors' thereon.
2. To approve Cash Dividend.
3. To elect Directors.
4. To approve re-appointment of the Independent Director.
5. To appoint Statutory Auditors and fix their remuneration.
6. To appoint Corporate Governance Compliance Auditors and fix their remuneration.
7. To authorize the Management/Board of Directors to allow transaction with sister companies.

By order of the Board

(Md. Neyamat Ullah)
Company Secretary

Dated: Dhaka
October 26, 2022

Notes:

1. The Shareholder's whose name will appear in the Depository Register of CDBL as on record date, November 17, 2022 will be entitled to attend and vote at the AGM through Digital Platform.
2. A member entitled to attend/participate and vote in the Annual General Meeting, may appoint a proxy in his stead. Scanned copy of the proxy form, duly stamped must be mailed to the email at **share@saiham.com** at least 48 hours before the meeting.
3. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of Annual Report (2021-2022) will be sent to the Member's respective email addresses which is available with us. The Annual Report (2021-2022) will be available in the Company's website **www.saihamtextile.com**.
4. AGM Notice, link for joining in the Digital Platform (audio-visual meeting) and detail login process will be mailed to the respective Member's email address available with us.
5. Member's whose email address updated/changed subsequently, are requested to email us at **share@saiham.com** referring their full name, BO ID and email address to get the digital platform meeting invitation.
6. Full login/participation process to the digital platform meeting will also be available in the Company's website **www.saihamtextile.com**.

Management Apparatus

BOARD OF DIRECTORS

Engr. Syed Ishtiaq Ahmed	Chairman
S. M. Faisal	Managing Director
Syed Shafqat Ahmed, MBA	Director
Mrs. Yasmin Faisal	Director
Mrs. Rio Aziza Salim	Director
Mohammad Nazmul Hossain, FCA	Independent Director
Tariquzzaman Khan, FCA, FCS	Independent Director

AUDIT COMMITTEE

Mohammad Nazmul Hossain, FCA	Chairman
Syed Shafqat Ahmed, MBA	Member
Mrs. Rio Aziza Salim	Member
Md. Neyamat Ullah	Secretary

MANAGEMENT TEAM

Md. Neyamat Ullah	Company Secretary
Md. Abu Bakar Siddique	Chief Financial Officer
Md. Rakib Hossain	Head of Internal Auditor

NOMINATION & REMUNERATION COMMITTEE

Mohammad Nazmul Hossain, FCA	Chairman
Mrs. Yasmin Faisal	Member
Syed Shafqat Ahmed, MBA	Member
Md. Neyamat Ullah	Secretary

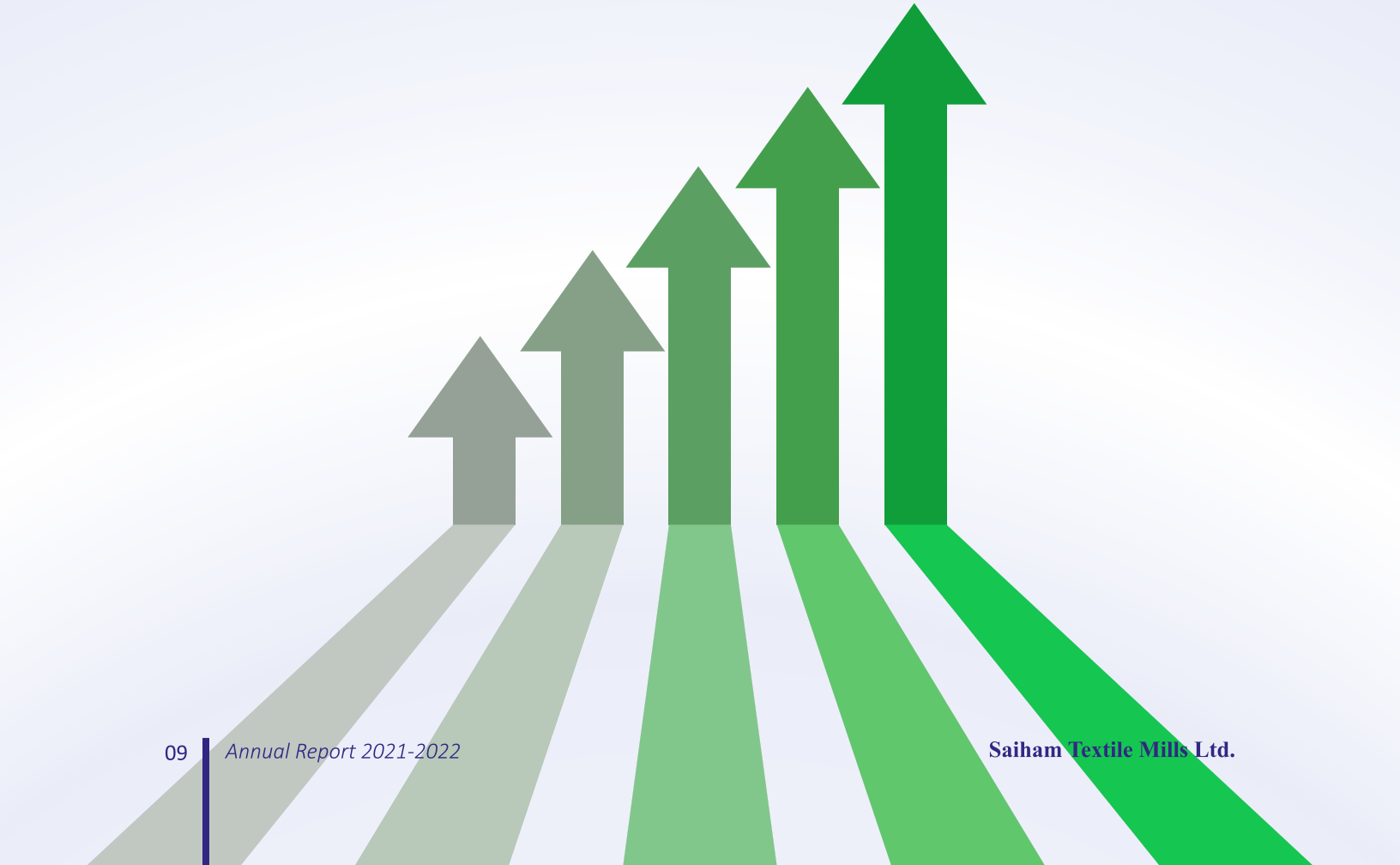
Registered Office	:	Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj -3333
Dhaka Office	:	Saiham Tower, House # 34 (11th Floor) Road # 136, Gulshan-1, Dhaka-1212
Telephone	:	02-2222-62284, 02-2222-63323
Fax	:	02-2222-94607
E-mail	:	share@saiham.com
Website	:	www.saihamtextile.com
Statutory Auditors	:	Rahman Mostafa Alam & Co. Chartered Accountants
Corporate Governance Auditor	:	Kazi Zahir Khan & Co. Chartered Accountants
Legal Advisor	:	Md. Shamsul Haque
Principal Banker's	:	**HSBC Limited.** Dhaka Main Office, Anchor Tower, Sonargaon Road, Dhaka **Eastern Bank Limited.** Head office Branch, 10, Dilkusha C/A, Dhaka-1000 **Standard Chartered Bank Limited.** 67 Gulshan Avenue, Dhaka 1212 **Dhaka Bank Limited.** Islamic Banking Branch 158/160, Motijheel C/A, Dhaka-1000 **Prime Bank Limited.** Gulshan Branch Dhaka-1212 **Midland Bank Limited.** Head Office, 40/7, North Avenue Gulshan-2, Dhaka-1212
Insurance Company's	:	**Green Delta Insurance Company Limited.** 51-52, Mohakhali C/A, Dhaka-1212 **Prime Insurance Company Limited.** 63, Dilkusha C/A, Dhaka-1000 **Islami Insurance Bangladesh Limited.** Malibagh Branch, Dhaka-1217 **Union Insurance Company Limited.** 65/2/1, Box Culvert Road, Purana Paltan, Dhaka -1000
Factory	:	Noyapara, P.O : Saiham Nagar U.Z : Madhabpur, Dist : Habiganj -3333

Our Vision

- We aspire to maintain our leadership position in the Textile Industry by producing the best quality various counts of yarns and becoming a reliable business partner of our buyer and suppliers.
- Protect the interest of our shareholder through sustainable growth and value creation.
- Preserve the trust of all our Stakeholders by adopting ethical business practices.
- Support the society through corporate social responsibility initiative.

Our Mission

Trust	:	Preserve the faith and goodwill of all our shareholders, buyers, suppliers and the society at large.
For the Society	:	Contribute to the well being of the society in general by acting as a responsible corporate citizen.
Our Goal	:	Long term maximization of Shareholders value in a society responsible manner.



FACTORY HIGHLIGHTS

Achievement

Mr. S.M. Faisal Managing Director of Saiham Textile Mills Ltd. receiving the longest period tax payer award from Finance Minister A.H.M. Mustafa Kamal M.P.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2022/074

BAPLC

Date of issue : January 27, 2022

Renewed Certificate

This is to certify that

SAIHAM TEXTILE MILLS LIMITED

is an Ordinary Member of **Bangladesh Association of Publicly Listed Companies** *and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2022.

BAPLC

Secretary General

BTMA Form 0001

BANGLADESH TEXTILE MILLS ASSOCIATION (BTMA)

বাংলাদেশ টেক্সটাইল মিল্স এসোসিয়েশন (বিটিএমএ)

Unique Trade Centre (Level 8), 8, Panthapath, Karwan Bazar, Dhaka-1215, Bangladesh, Phone : 9101508, 48116358, 58156619
Fax: +88 02 48113312, E-mail : btmasg@gmail.com, btma2@yahoo.com, Website: www.btmadhaka.com

MEMBERSHIP CERTIFICATE

Membership No : 001-0007-0129 Date : 12-1-2022

We are pleased to admit M/S Saiham Textile Mills Ltd.

of House # 34 (11th Floor), Saiham Tower, Road # 136, Gulshan-1, Dhaka -1212.

as a General/an Associate member of this registered Trade Association in the category of A-Yarn Manufacture

The member-mill possesses 56016 spindles & 0 Rotors for yarn productions, 0 number of Shuttleless Loom, 0 No of Shuttle loom & 0 Knitting machines for fabric production. The annual capacity of the mill in

(i) Cotton/ Polyester/Texterised Yarn/ Wool/Acrylic wool manufacturing is 9150000 kgs.

(ii) Woven/ Knit / Towel / Garments/Fabric / Socks/Sweater manufacturing is 0 metres 0 kgs. 0 Pcs.

(iii) Dyeing printing finishing is 0 meters 0 kgs.

This certificate shall remain valid up to January-December ,2022

Additional Director & CEO (In Charge)

COTTON USA™
THE COTTON THE WORLD TRUSTS

COTTON COUNCIL INTERNATIONAL

CERTIFIES THAT

SAIHAM TEXTILE MILLS LTD.

IS A VERIFIED

COTTON USA LICENSEE

This licensee has complied with the necessary licensing requirements and has been granted the right to use CCI's registered trademark on all qualifying labels, print and promotional materials for three calendar years from the date of the certificate.

Issued this 1st day of January 2022

Director, South &Southeast Asia
Cotton Council International

Government of the People's Republic of Bangladesh

Bangladesh Energy Regulatory Commission

DHAKA, BANGLADESH

Bangladesh Energy Regulatory Commission is pleased to issue the Licence for generation of **4.59 MW (Four Point Five Nine)** (gas & diesel based) electricity by Captive Power Plant (CPP) at Saiham Nagar, Noyapara, Madhabpur, Habigonj as per sections 27 & 28 of the Bangladesh Energy Regulatory Commission Act, 2003 and regulation 3 & 16 of the Bangladesh Energy Regulatory Commission Licence Regulations, 2006 in favour of

Saiham Textile Mills Ltd.

Saiham Nagar, Noyapara, Madhabpur, Habigonj

This Licence will remain valid from **07 April 2022 to 06 April 2024**
under the terms and conditions incorporated in the reference number:
28.01.0000.015.02.039.15/ CPP-0812; Dated **14 June 2022 (attached).**

Sector: Power
License No.: CPP-0812
Issue Date: 14 June 2022
Scan the QR code to verify the license
Powered by TechnoVista

Barrister Md. Khalilur Rahman Khan
Secretary

[This is system generated. No signature is required.]

HOHENSTEIN Textile Testing Institute GmbH & Co. KG
Schlosssteige 1, 74357 Bönnigheim, Germany

OEKO-TEX®
INSPIRING CONFIDENCE

CERTIFICATE

The company

Saiham Textile Mills Ltd.
House# 34, Road# 136, Gulshan
Dhaka - 1212, BANGLADESH

OEKO-TEX®
CONFIDENCE IN TEXTILES
STANDARD 100
17.HBD.04092 HOHENSTEIN HTTI
Tested for harmful substances
www.oeko-tex.com/standard100

is granted authorisation according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report
22.0.10153

for the following articles:

Raw yarn made of 100 % cotton (provenances: Brazil, Burkina Faso, India, USA) carded, 100 % polyester, cotton/ polyester and polyester/cotton in raw white as well as cotton/viscose in grey mélange; produced by using materials certified according to STANDARD 100 by OEKO-TEX®.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Annex 6, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 6 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass) and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

The certificate 17.HBD.04092 is valid until 31.03.2023

Boennigheim, 01.08.2022

OEKO-TEX® Association | Genferstrasse 23 | CH-8002 Zurich

National Credit Ratings Ltd.

Ref: NCRL/SR(D)/2022/ 2562
Date: July 05, 2022

Managing Director
Saiham Textile Mills Limited
Saiham Nagar, Noyapara, Madhabpur.
Hobigonj-3333.

Subject: Credit Rating Report on "Saiham Textile Mills Limited"

Dear Sir,

NCR is pleased to forward you the credit rating report on '**Saiham Textile Mills Limited'.** The assigned ratings in the Rating Committee (RC) Meeting held on 30.06.2022 have been disclosed in the table below for your necessary action:

Date of Rating Declaration	Nature of Rating	Ratings			
		Long Term	Short Term	Outlook	Validity
30.06.2022	Surveillance	**AA (Double A)**	ST-2	Stable	29.06.2023

Sincerely yours,

(Authorized Signature)

Ayasha Siddika
Chief Rating Officer (CRO)
National Credit Ratings Ltd.

Enclosure:

1. **Credit Rating Report**
2. **Invoice**

Zaman Tower (8th Floor), 37/2, Box Culvert Road, Purana Paltan, Dhaka-1000
Tel: 8802-47120156, 47120157, 47120158, Website: www.ncrbd.com
E-mail: info@ncrbd.com, ncrlbd10@yahoo.com

MESSAGE FROM THE CHAIRMAN

Distinguished Shareholders,

On behalf of the Board of Directors, I welcome you all and take immense pleasure and delight in addressing the 41st Annual General Meeting of the company. I also want to thank you the honorable shareholders for joining us to make the event successful.

With pleasure I present the report of the Board of Directors the Audited Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and other Financial Statements of the company for the year June 30, 2022. This Annual Report has been prepared in compliance with Companies Act 1994, Financial Institutions Act 1993 and the Guidelines issued by Bangladesh Securities and Exchange Commission and other regulatory authorities. We eagerly wait for this day to get the opportunity to meet with all of you, discuss on the performance of the concerned year of the company and sharing the views of each other and thus getting guideline and inspiration for the days to come. I assumed that to the changed situation more obligations has been created on us on behalf of the valued shareholder in respect of last 40th AGM and to offer them assurance of our sincerity in maintaining operational results up to their expectations at present as well as in future.

During FY 2021-22, the macroeconomic landscape proved to be far more volatile than anticipated. While the global economy recovered more quickly than expected and consumer sentiments improved considerably, the textile industry has also seen revival of growth in terms of capacity utilization and earnings as well. These trends are visible in the performance of both segments of yarns and fabrics. We registered a steady financial performance, recording a consolidated revenue of Tk. 266.03 crore. in FY 2022 as compared to 257.04 crore in FY 2021. The revival in manufacturing activities came with sharp increase in commodity prices, which was manageable to some extent as we were able to pass on the rise in raw material and other input cost to consumers.

However, with the changed geopolitical situation due to the Russia-Ukraine war, strained relations between US and China and high inflation in developed countries, warranting anti inflationary monetary policies by central banks, supply chain disruptions has somewhat watered down the strong business recovery, at least for the next couple of months, if not years. Over the years, corporations have tried to find a balance between efficiency and resilience, with successive decades of growth having swung the pendulum in the direction of efficiency. The events of the last two years have once again taught us all the virtues of reserves and resilience. This era of disruption also presents a unique opportunity for renewal. The exigencies of this disruption have pushed the boundaries of innovation. A world that freed thinking from its conventional shackles. And we are clearly staring at a new age, with new paradigms and new ideas.

I on behalf of the Board would like to express my sincere thanks to the respected shareholders for their overwhelming trust and confidence that helped to uncompromisingly pursue an agenda that was in the long-term interest of the Company. Most importantly, I would like to thank each and every employee as well as those working with our partners across our value chain for their commitment and service to us in these challenging times. I am also grateful to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies & Firms, Central Depository Bangladesh Limited, Jalalabad Gas System, Banks, Insurances and Financial Institutions for their support and patronage extended to the company from time to time.

Thanking you

Regards

(Engr. Syed Ishtiaq Ahmed)
Chairman

Directors' report to the shareholders

Dear Shareholders
Assalamu Alaikum,

I, on behalf of the Board of Directors, have the pleasure to present before you the report for the year ended June 30, 2022 along with the audited financial statements and auditors' report thereon.

BACKGROUND

Saiham Textile Mills Limited was incorporated on March 27, 1981 as a Public Limited Company vide incorporation No. C-8864/703. The Authorized capital of the company is Tk. 1,500 million and paid up capital is Tk. 905.62 million. The company was listed with the Dhaka Stock Exchange Ltd. in the month of August 1988 and Chittagong Stock Exchange Ltd. in the month of March 1999.

REVENUE

Company's growth and evolution over 41 years is an instructive story of entrepreneurship, resilience, dynamism, audacity, and triumph. Saiham exemplified the pioneer spirit at every stage of its growth. Early generations of the company built the foundations for an industrial giant in Spinning sector of the country that was still in its infancy. Over the years, we have aggressively invested in growth, accelerated the pace of value-accretive acquisitions, and continue to bet on the dynamism of this institution as we expand into new lines of business. This inherent dynamism was more than visible in our Company's performance in FY22. FY22 has been a year of growth on the bedrock of a strong ESG foundation. On a Consolidated basis, Saiham Revenue for FY22 stood at ` Tk. 266.03 Crore, which increased 3.5% in compare to last year.

We manage our business with agility and resilience to deliver consistent, competitive. We continue to focus on strengthening the core, accelerating premiumisation and driving market development. our Company has a large portfolio of strong brands that straddles the price-benefit pyramid.

Financial Result and Appropriation of Profit:

Particulars	2022	2021
Net Profit for the year (after tax)	12,36,43,168	10,07,24,349
Add: Previous year's surplus	346,191,285	161,375,965
Add: Adjustment for revaluation of P.P.E	7,87,59,327	8,40,90,971
Add: Adjustment security deposit with Jalalabad Gas	29,745	-
Profit available for appropriation		
Recommended for appropriations:	**54,86,23,525**	**34,61,91,285**
Cash Dividend	(9,05,62,500)	-
Total	**458,061,025**	**346,191,285**

Segment-wise or product-wise performance

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

Industry outlook and possible future developments in the industry

Global economic outlook, which was recovering with the ebbing of the third wave of corona virus and had grown by 6.1 percent in 2021 is likely to slow down to 3.6 percent in 2022 due to headwinds caused by geopolitical developments such as Ukraine crisis and by rising commodity prices fueling inflation expectations across the world. To combat the rising inflationary risk, central banks across the world are adopting tight monetary policies resulting in overall increase in interest rate and consequentially dramatic swing in global financial markets. In this context, the future outlook of the world economy look uncertain till the world is able to tide over geopolitical tensions; softening of commodities prices; and buoyancy in consumer expectations for next couple of years.

For the textile sector, the fiscal 2021- 22 was a year of recovery due to pent up demand effect. However, the same could not be sustained for long due to rising cotton prices. These factors spoiled the prospects of a full recovery in the first half of current financial year 2022-23. It is apprehended that the same may continue for the rest of the year also amidst uncertainty and high inflation all over the world. The poor demand from global retail chain in terms of lower orders and prices which do not absorb the rise in raw material prices confirm this apprehension. Accordingly, the textile manufacturers are forced to scale down the production capacities and Saiham is no exception to this broad trend.

Risks and concerns

Risk management is embedded in the Company's operating framework. Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

Financial risks

The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company. Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigation strategy to minimize financial and interest cost risks.

Commodity price risks

Uncertain availability and volatility in prices of key raw materials is the major concern. The Company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with the existence of powerful brand image with a robust marketing network mitigates the impact of price risk.

Regulatory risks

The Company is exposed to risks attached to various statutes, laws and regulations including the Competition Act. The Company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

Strategic risks

Emerging businesses, capital expenditure for capacity expansion etc, are normal strategic risks of the Company. However, the Company has well-defined processes and procedures for obtaining approvals for investments in new businesses and capacity expansions.

Any change in government policies related to cotton and yarn, higher raw material cost, competition from peer group, power cost, seasonal fluctuations, non-availability of skilled manpower have impact on spinning industry and are perceived as threats.

A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.

Particulars	June 30, 2022	June 30, 2021
Cost of goods sold	2,39,71,65,693 (90.11%)	2,28,59,31,660 (88.93%)
Gross profit	26,31,90,046 (9.89%)	28,44,83,100 (11.07%)
Net profit for the year	12,36,43,168 (4.65%)	10,07,24,349 (3.92%)

Related party transactions

The Company has transactions with its Associate Companies which have been disclosed in related party transaction in note nos. 24 of the notes to the financial statements.

Variance within the financial year

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

Remuneration of Directors
The information is incorporated in the notes-26 of the Notes to the Financial Statements with reference to the Directors Remuneration mentioning figures concerning the Remuneration of the Managing Director.

Fairness of financial statements
The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987.These statements present fairly the Companies state of affairs, the results of its operations, cash flow and changes in equity.
In compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) notification dated August 7, 2012 Chief Financial Officer has given the declaration which is shown the report.

Books of Accounts
Proper books of accounts of the company were maintained.

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

Application of BAS and IFRS
International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

Significant deviation from last year's operating result
There was significant positive variation in the revenue during the year under review as compared to last year because of increase of yarn price in compare to last year therefore total revenue growth was 3.50%. There were significant positive growth in Earning per Share (EPS) and Net Operating Cash Flow per Share (NOCFPS). The growth rate were 22.75% and 211% respectively. There are two main reasons behind the growth in EPS are Financial expenses reduced in compare to last year as well as Unrealized gain occurred during the year. During the year under review payment and cost expenses reduced therefore the Growth of NOCFS has been increased.

Internal control systems and their adequacy
Our Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances.

The internal control system includes a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well-structured budgeting process and Internal audit. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

Environment Protection, Health and Safety
Environment Protection, Health and Safety Environment Protection, Health and Safety continue to receive highest priority in all operational and functional areas. Adequate safety measures are taken at plant for prevention of any untoward incidents. Various processes required for pollution control and environmental protection are strictly adhered to.

Going Concern
The Board, through appropriate enquiries and analysis, ensures that the resources are adequate to support the operation and that sufficient business opportunities exist to qualify the organization as a going concern and the Directors analyses the financial statements to ensure. Accordingly financial statements are prepared on a going concern basis.

Minority Shareholders Protection
Minority shareholders interest always looked after by the Board of Directors

Board of Directors
i. Composition and size of the Board

On the 30th June 2022, there were 7 members on the Board; The Board comprises Chairman, Managing Director, three directors and two Independent directors.
ii. Board meeting and attendance:

The Board met 6 times during the period from July 01, 2021 to June 30, 2022. Following table shows the attendance of directors in the meeting.

Name of Directors	Number of Board Meeting held during the financial year ended 30.06.2022	Number of Board Meeting attended	Remarks
Mr. S. M. Faisal	6	6	
Engr. Syed Ishtiaq Ahmed	6	6	
Syed Shafqat Ahmed, MBA	6	6	
Mrs. Yasmin Faisal	6	6	
Mrs. Rio Aziza Salim	6	6	
Mohammad Nazmul Hasan, FCA	6	6	
Tariquzzaman Khan, FCA, FCS	6	5	

DIRECTORS

In terms of Article 115 of the Articles of Association of the Company,
Syed Shafqat Ahmed, MBA and **Mrs. Rio Aziza Salim**, Director retire by rotation from the Board in the 41st Annual General Meeting. Being eligible under Article 117 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

Disclosure of information of the directors who are willing to be re-elected.

Syed Shafqat Ahmed, MBA, Director

Mr. Syed Shafqat Ahmed graduated in Economics from Michigan State University and completed MBA from University of Texas at Arlington. He specializes in financial management and structuring/restructuring of organizations. He worked as a financial analyst at Salomon Smith Barney, an investment bank and as pricing analyst in Bowne of Dallas. He expertise's in workflow designing was the key behind Saiham Cotton Mills Limited's winning the "Best It Use Award" in 2005 awarded by BASIS Bangladesh. He is currently acting as the Managing Director of Saiham Knit Composite Ltd. a sister Concern of Saiham Textile Mills Ltd. a 100% export oriented knit factory.

Names of companies in which Syed Shafqat Ahmed, MBA holds the directorship:

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

Mrs. Rio Aziza Salim, Director

Mrs. Rio Aziza Salim did her BSS (honors) and Masters in Sociology from Dhaka University. She lived and worked in U.K. and U.S.A for a long time and acquired vast experience in social work. She also has long experience in marketing, financial and product development. She has traveled U.S.A, U.K, France, Germany, Singapore and many other countries. She is associated with a number of social and cultural organizations in Bangladesh.

Names of companies in which Mrs. Rio Aziza Salim holds the directorship:

Interest in the Company	Designation
Saiham Textile Mills Ltd.	Director
Saiham Knit Composite Ltd.	Director

Re-appointment of Independent Director

The Board in its meeting has extended the tenure of Mr. Tariquzzaman Khan FCA, FCS as Independent Director of the Company for further period of 3 (three) years with effect from August 13, 2022 subject to Approval of Shareholders in 41st Annual General Meeting of the Company.

Qualification of Independent Director

Mr. Tariquzzaman Khan FCA, FCS is a professional accountant and has vast experienced in corporate industry. He completed B.Com (Hon's) in Accounting and M.Com from the University of Dhaka and also fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB) and Institute of Chartered Secretary of Bangladesh (ICSB).

Role of the Chairman

The Chairman serves as the primary link between the board and management and works with the Managing Director and Company Secretary to set the agenda of the Board meetings. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities.

Role of the Managing Director

The Managing Director is the key person and is responsible for running the business of the company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and executing the Company's operating plan that is necessary to achieve the company's objectives. He has the overall control on the company's day to day affairs and is accountable to the Board for the financial and operational performance of the company.

Role of the Company Secretary

Company Secretary is responsible for advising the Board through the chairman on all governance matters. He is also responsible for ensuring proper information flow with the Board and its committees and between the management and the non-executive directors. He is also acting as bridge between the regulators/ stakeholders and the company.

Price Sensitive Information

The Board of Saiham Textile Mills Ltd. through the company secretary always ensures to inform all price sensitive information within 30 minutes of the decision or immediately upon getting such information to the SEC and the Stock Exchanges and also ensure immediate publication of such information/decision in two widely circulated daily newspapers, one in Bangla and the other in English and in one on-line news portal. The communication is done through E-mail/Fax and by special messenger, and through courier service in special cases.

Remuneration including independent directors

The Director of the Company is receiving a sum of Taka 5,500/-(Five thousand and five hundred) as board meeting fee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee as a sub–committee of the Board of Director formed as per notification no. BSEC/CMRECD/2006-158/207/ADMIN/80 dated 3 June,2018.

The Nomination and Remuneration Committee, as a sub-committee of the Board of Director has been constituted with three board of directors with one Independent director as a chairman. The Company Secretary acts as Secretary to the Committee. The Nomination and Remuneration Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top levelexecutive as well as a policy for formal process of considering remuneration of directors, top level executive of the company. NRC is responsible to the Board of Directors and its roles and responsibilities are clearly set forth.

Composition and Size of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises three Directors including one Independent Director.

Chairman of Nomination and Remuneration Committee (NRC)

Mohammad Nazmul Hossain, FCA independent Director is the Chairman of the Nomination and Remuneration Committee.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter-alia, includes:

Determine/recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;

Determine/recommend the criteria for qualifications, positive attributes and independence of Director;

Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc;

Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole recommend to the Board, all remunerations, in whatever form, payable to Senior Management.

The detailed terms of reference of the Nomination and Remuneration Committee is contained in the 'Corporate Governance Code'

Meeting of the Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee met (1) one times during the financial year 2021-2022.

External Statutory Auditors

The BSEC guidelines are being strictly followed in engaging statutory Auditors for the Company.

Website

The company has been maintaining an official website www. saihamtextile.com which is linked with website of the stock exchange.

DIVIDEND

The Board of Directors has recommended 12% Cash dividend for the year ended June 30, 2022 (subject to the approval in the forthcoming AGM) whose names will appear in the share register of the Company and/or Depository Register of CDBL as on Record Date, i.e., November 17, 2022.

Interim Dividend

No interim dividend has been declared for the year June 30, 2022.

Unclaimed Dividend Account

Company maintained detailed information of unpaid or unclaimed dividend and rational thereof, as per BO account number-wise or name-wise or folio number-wise of the shareholder or unit holder; summary of which disclosed in the annual report note no. 16 of under the head 'Unclaimed Dividend.'

Transfer of Unclaimed/Unpaid Dividends & shares to Capital Market Stabilization Fund (CMSF) In compliance with the Notification of Bangladesh Securities and Exchange Commission (BSEC) and as per guideline of the CMS (Capital Market Stabilization) Fund Rules all dividends remaining unpaid or unclaimed for a period of 3 years or more and also the shares in respect of which the dividend has not been claimed by the shareholders are required to be transferred to the Capital Market Stabilization Fund (CMSF) in accordance with the procedure prescribed in the Rules. Accordingly, during FY 2021-2022, the Company has transferred for Tk. 76,92,672/- (Seventy six lac ninety two thousand six hundred and seventy two) only against unclaimed or undistributed or unsettled dividend of Saiham Textile Mills Ltd. to the Capital Market Stabilization Fund (CMSF) Account no. SND A/C 0010311521301 through RTGS on September, 20, 2021. Further, we have transferred 1,94,465 and 38,489 unclaimed stock dividend or bonus shares from Saiham Textile Mills Ltd. suspense BO a/c no. 1301000040931731 and 1204030060717522 to the Capital Market Stabilization Fund (CMSF) BO a/c no. 1201530074571230 on 07.02.2022. The details of the shares and the Dividends so transferred are available on the website of this Company. Members can claim from CMSF authority their dividend entitlements and/or shares transferred to CMSF by following the required procedure as mentioned in the CMSF Rules.

Contribution to the national exchequer

To contribute the economic development of the country and building up the revenues Saiham Textile Mills Ltd. deducts Income Tax, VAT at source from the employees, suppliers, turnover and deposits the same to the National Exchequer regularly. During the year 2021-2022 the company contributed 16.73 million to the National Exchequer in the form of corporate tax, custom duty, and Value added Tax (VAT).

Report of the Audit Committee

The Audit committee consists of the following members:

Mr. Nazmul Hasan, FCA Independent Director	: Chairman
Syed Shafqat Ahmed, MBA, Director	: Member
Mrs. Rio Aziza Salim, Director	: Member
Md. Neyamat Ullah, Company Secretary	: Member

Scope of work of Audit Committee

The Committee is authorised to investigate any matter within its terms of reference, access all documents and information of the company, seek information from any director or employee of the Group and co-opt any resources (including external

professional assistance) it sees fit in order to fulfill its duties. However, the Committee has no executive function and its primary objective is to review and challenge, rather than assume responsibility for any matters within its remit. The Committee presents a summary of its activities to shareholders and other interested parties by means of this report, and the committee Chairman attends all general meetings of the Company's shareholders to answer any questions on the committee's activities.

Review of financial statements by the Audit Committee

Audit Committee reviewed the annual financial statements for the year June 30, 2022 and placed its recommendation to the Board of Directors.

External audit

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

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

Independence of External Auditor

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

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

Resolutions of the Audit Committee meeting:

The Committee met four times during last financial year 2021-22 to carry out the following tasks:

- The Audit Committee reviewed the financial statements for the year ended June 30, 2022;
- Reviewed and discussed the Management Letter, by external auditor Rahman Mostafa Alam & Co. Chartered Accountants for the year ended June 30, 2022 on the annual audit on financial statements of Saiham Textile Mills Ltd;
- Reviewed various reports of Internal Control & Compliance Department on operational, financial procedures

Based on the review and above discussions, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the company and to ensure that its assets are safeguarded properly.

Report from the Audit Committee

Dated: October 18, 2022.

The Board of Directors
Saiham Textile Mills Ltd.
House 34, Road # 136
Gulshan-1, Dhaka
Audit Committee Report

The Committee reviewed and discussed the procedure and task of the internal audit, financial report preparation and the external auditors' observations in their reports on the draft financial statements of the Company initialed by the auditors for the year ended 30 June, 2022. The Committee found the statements adequate arrangement to present a true and fair view of the financial status of the Company; and did not find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting and disclosures.

Sd/-
(Mohammad Nazmul Hossain, FCA)
Chairman
Audit Committee
Saiham Textile Mills Ltd.

Environmental Role

The company is committed to maintain high standard of pollution free environment at mill area. Accordingly tree plantation activities is implementing every year at mill premises.

Corporate Social Responsibilities

Saiham Textile Mills Ltd. always acknowledges its responsibilities for the well-being of the society and takes part in such activities whenever it becomes necessary. The company provides financial support to different social & cultural organizations and to the distressed people of the society. Contribution to CSR programs have been always supported and encouraged by the Board of Directors of the Company. During the year 2021-2022 the company has contributed to the welfare of the community such as donation to Mosque, Madrasha, School, free eye treatment given by setting up eye camp also distributed blanket among the poor people in winter season. The company also distributed health kits, including health and hygiene products and food items for patients, health officials and low-income families during the period.

Code of conduct

All the employees are bound by our written code of business conduct which is an agreement signed as part of their written contract of employment. The signatory is responsible to comply with the code and also ensure employees reporting to him also comply with the code.

APPOINTMENT OF AUDITORS

The Auditors of the Company Rahman Mostafa Alam & Co. Chartered Accountants, Paramount Heights, Box Culvert Road, 65/2/1, Purana Paltan Dhaka-1000 have audited the financial statements of the company for the year 2021-2022. They were appointed in the last 40th AGM held on December 12, 2021 for the first year audit and the firm is eligible for reappointment and have also expresses their willingness for reappointment for the year 2022-2023.

The Audit Committee reviewed the proposal for reappointment and recommended to the Board for re-appointment of Rahman Mostafa Alam & Co. Chartered Accountants as the auditors of the Company for the year 2022-2023. Therefore the board of directors has proposed Rahman Mostafa Alam & Co. Chartered Accountants to engage as statutory auditors (subject to approval at the 41stAnnual General Meeting).

Appointment of Professional (Chartered Accountants/Chartered Secretaries) firm for the certificate on compliance with the Corporate Governance Code BSEC

As per notification number BSEC/CMRRCD/2006-158/Admin/80 dated June 03, 2018 the company shall obtain certificate from Professional Accountant/ Chartered Secretary (Chartered Accountants/Cost and Management Accountant/Chartered Secretary) regarding compliance with the condition of Corporate Governance Code of the commission and such certificate shall be disclosed in the Annual Report.

In this regard, Khan Wahab Shafique Rahman & Co. Chartered Accountants offered themselves for appointment to issue "Corporate Governance Compliance Certificate". The Board recommended the proposal for appointment of Khan Wahab Shafique Rahman & Co. Chartered Accountants at a remuneration of Tk. 40,000 (Forty thousand) only including tax but excluding VAT to issue "**Corporate Governance Compliance Certificate**" of Saiham Textile Mills Limited for the year June 30, 2023 subject to approval of the Shareholders of the company in the 41st Annual General Meeting.

CORPORATE & FINANCIAL REPORTING:

The Company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission. It has complied with all the requirements of Corporate Governance and the Directors are pleased to confirm the following

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

Proper books of accounts of the Company have been maintained.

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

The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.

The systems of internal control are sound and have been effectively implemented and monitored.

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

There are no significant deviations in operating result of the business of the company compared to last year.

Pattern of Shareholding

Name wise details	No. of Shares held
Parent/Subsidiary/Associated Companies and other related parties	Nil
Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:	
Mr. S. M. Faisal - Managing Director	30,82,747
Engr. Syed Ishtiaq Ahmed - Director	78,43,920
Mr. Shafqat Ahmed - Director	74,93,503
Mrs. Rio Aziza Salim - Director	76,15,219
Mrs. Yasmin Faisal - Director	20,27,000
Chief Financial Officer, Company Secretary and Head of Internal Audit and their spouse and minor children:	
Executives	Nil
Shareholders holding ten percent (10%) or more voting interest in the Company:	
ICB	Nil

Compliance of Corporate Governance Code

We have complied with the relevant provisions of the BSEC notification no. BSEC/CMRRCD/2006-158/admin/80 dated June 03, 2018 set out in Annexure: II on this report. In addition to established standards of Corporate Governance, the company also considered the Best Governance practice in its activities.

The Board has appointed Khan Wahab Shafique Rahman & Co. Chartered Accountants 7 Rajuk Avenue, Motijheel, Dhaka-1000 as professional for Report of Compliance Governance Code for the year 2022-2023.

Key operating and financial data

The summarized key operating financial data of five years is annexed (Annexure : 1)

Corporate Governance Compliance Report

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed (Annexure: 2)

On behalf of the Board of Directors

(Engr. Syed Ishtiaq Ahmed)
Chairman

October 18, 2022

DIVIDEND DISTRIBUTION POLICY

Saiham Textile Mills Ltd. has adopted this Dividend Distribution Policy pursuant to Bangladesh Securities and Exchange Commission (BSEC) directive dated BSEC/CMRRCD/ 2021-386/03 dated January 14, 2021. The Policy shall apply to the ordinary equity shares issued and outstanding since the Company has issued only one class of equity shares.

Objective

The objective of the policy is to provide guidance to stakeholders on the dividend distribution framework adopted by the Company. The Policy in line with the Company's medium and long-term strategies, investment and financial plans, the state of the Country's economy and the industry and keeping the balance between the expectations of our shareholders and the needs of our company into consideration in accordance with the provisions of the Companies Act, 1994, notifications by the BSEC and other applicable legal provisions of the relevant legal laws and regulations,

Parameters for declaration of dividend

The Policy depends on the financial position of the company, other funding needs related to the investments to be made, conditions in the sector, conditions in the economic environment, Company's present and future performance for declaration and payment of dividend. The Board of Directors shall consider following Financial parameters and other internal and external factors affecting the dividend proposal while arriving at the dividend amount:

Availability of profits; -

Favorable debt equity ratio; -

Company's liquidity position and future cash flow requirements for operations; -

Future Capital expenditure requirement of the Company;-

Working Capital requirement of the Company;-

Profit growth;-

Macro economic and business conditions;-

Industry outlook for the future years;-

Changes in the Government policies or changes in regulatory provisions;-

Any other relevant factor that the Board may deem fit to consider;-

Utilization of retained earnings

The Company may utilize its retained earnings to the interest of the Company and its stakeholders. Retained earnings help in maintaining a healthy capital adequacy ratio and supports the future growth.

- Issue of Bonus shares;
- Declaration of Dividend interim or Final;
- Acquisition/diversification/ Expansion and modernization of existing business;
- Capital expenditure requirements;
- Increase in production capacity;
- High cost of debt. Apart from the above,

The Board may not declare dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances. The portion of profits not distributed among the shareholders as dividends will be used for the business activities of the Company.

Entitlement of dividend

The Company shall determine the record date or date of closure of the register of members. The Company shall give notice in advance of at least 14 working days (excluding the date of intimation and the record date) to stock exchange(s) of record date specifying the purpose of the record date. Members whose names shall appear in the Members'/Depository Register on the Record Date will be eligible to receive dividend.

Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

Modification of this Policy

The Board is authorized to change or modify this Policy from time to time at its sole discretion and/or in pursuance of any amendments made by any relevant law for the time being in force.

Disclaimer

This Policy shall not be construed as a solicitation for investments in the Company's securities/shares and shall neither act as an assurance of guaranteed returns (in any form), on investments in the Company's securities.

Code of Conduct of Board of Directors

The Board of Directors of Saiham Textile Mills Limited is adopting the following code of conduct for all directors of the Company.

Purpose of Code of Conduct

The Board adopts this 'Code of Conduct' to reflect its commitment to the highest standard of ethical and business conduct and to comply with the laws and regulations of the Regulatory Authorities and also Memorandum and Articles of Association of the company.

Applicability and Scope

The Code of Conduct is applicable to all directors of Saiham Textile Mills Limited. Members are expected to comply with the following standards to enhance and maintain the reputation of the company.

Objective and Underlying Principles

The code of conduct for Directors of Saiham Textile Mills Limited intends to establish highest level of business/professional ethics to be followed for establishing a fair and transparent. In discharging the functions, the directors shall adhere to the following fundamental principles:

Fairness and Transparency in dealing with matters relating to the company; Compliance with all laws /rules/regulations laid down by the DSE, CSE and BSEC;

Exercising due diligence in the performance of duties; and Avoidance of conflict of interest between self-interests of Directors and interests of the company and its shareholders.

Code of Conduct

a. Meetings & Minutes

Meeting of the Board of Directors and General Meetings, notices, agenda, minutes of the meetings shall be in accordance with the Companies Act-1994. In the event that a Director is of the view that his dissenting note has not been satisfactorily recorded in the minutes of a meeting of the Board, he may refer the matter to the Company Secretary. The relevant Director may require the note to be appended to the minutes during confirmation of the minutes. Director(s) shall not participate in the discussion on a matter in which any conflict of interest exists or arises, whether pecuniary or otherwise, and in such cases the same shall be disclosed and recorded in the minutes of the meeting.

b. Regulatory Compliances

The Directors shall ensure that the company abides by existing laws, rules & regulations prevailing in the land, applicable to the company. Any case of noncompliance with applicable law may subject a Director to disciplinary action. The Directors shall ensure compliance at all levels so that the regulatory system does not suffer any breaches. The Directors shall not support any decision in the meeting of the Board which may adversely affect the interest of Shareholders and the Managing Director shall report forthwith any such decision to Regulatory Authorities.

c. General Responsibilities

The Directors shall ensure performing activities of the company to uphold the best interests of the shareholders and the company, its management authorities, shareholders and other stake-holders through operating with the highest level of honesty and integrity.

The Directors shall remain properly informed about the business and affairs of Saiham Textile Mills Ltd. Directors should review and devote appropriate time to studying Board related laws and issues, the international best practices, their fiduciary obligations & code of conduct etc.

The Directors shall make inquiries about potential problems that come to their attention and follow up until they are reasonably satisfied that management is addressing them appropriately.

The Directors shall carry out their fiduciary duties with a sense of objective judgment and independence in the best interests of the company and shareholders.

The Directors shall submit necessary disclosures/statement of holdings and required by the existing laws from time to time as per their rules, regulations and bye-laws.

Members shall be judicious about their entitlement of benefit/privileges as per Companies Act-1994 and shall be willing to produce supporting documents, if required.

Directors should protect the Company's assets and ensure their efficient use for legitimate business purposes related to the company.

Directors may not own, either directly or indirectly, a substantial interest in any business entity that does or seeks to do business.

The Directors shall perform their duties in an independent and objective manner and avoid activities that may impair, or may appear to impair, their independence or objectivity or official responsibilities.

The Directors shall not, in any way, interfere in the activities of the management of the company.

d. 'Inside Information' and Securities Trading

It is prohibited to trade securities or to disseminate others to trade securities of Saiham Textile Mills Limited or other companies on the basis of material information before it is made publicly available to ordinary investors through appropriate media.

Members shall comply with provisions of the Memorandum & Articles of Association while making sale-buy of Company's share and shall refrain from making such transaction without formal declaration.

e. Avoidance of Conflict of Interest

The Directors shall not take improper advantage of the position as a director. Any situation that creates or appears to create a conflict of interest must be avoided. Some of the more common conflicts, which directors must avoid, are set out below.

i. Relationship of Company with third-parties

Directors may not receive a personal benefit from a person or firm which is seeking to do business or to retain business with the Company, unless such a relationship is fully disclosed by the interested director and approved by the Board of Directors.

ii. Gifts, Favors and Entertainment

No gift, favor, or entertainment should be accepted or provided, in the role as a Director of Saiham Textile Mills Limited from any persons or entities who deal with the Company where any such gifts are being made in order to influence the directors' actions as a member of the Board.

iii. Compensation from non-Company sources

Directors may not accept compensation (in any form) for services performed by the Director for the Company from any source other than the Company.

iv. Family Members and Close Personal Relationships

A conflict of interest may arise when doing business with or competing with organizations that employ or are partially owned by family members or close personal friends. Family members includes spouse, son, daughter, father, mother, brother, sister, son-in- law, and daughter-in-law alongside the dependents of the aforesaid person. Directors should disclose any such relationships to the Chairman of the Board and to the Secretary to determine the best course of action.

v. Disclosure

With many issues, the best way to avoid embarrassing conflict of interest situations is to disclose any that have the potential to be misinterpreted by others, including other directors, employees, customers, suppliers and the public. Questions about potential conflict of interest situations and disclosure of these situations as they arise should be directed to the Chairman of the Board.

f. Protecting Confidential Information

Confidential information acquired by the Board of Directors in the course of exercise of directorial duties shall remain the property of the company and it will be improper to disclose or allow it to be disclosed, for personal benefit or to benefit persons or entities outside the Company, except with the expressed or implied consent of the Board or as required by law.

g. Competitive Information

Information about competitors & customers is a valuable asset in the highly competitive markets in which Saiham Textile Mills Limited operates. Board of Directors ensures, on behalf of SCML, to obtain such kind of information legally. Theft of proprietary information, inducing disclosures by a competitor's past or present employees and any actions that could create an appearance of an improper agreement with competitors is prohibited.

Waiver of any provision of the Code of Conduct

Waiver of any provision of the Code of Conduct can only be made by the Board of Directors, and shall be granted only in very exceptional circumstances which are not opposed to the law of the land. If any Director believes that an act prohibited in the Code of Conduct has occurred, then he or she will promptly report the same to the Chairman of the Board. In this regard, the decision of the Board will be final.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

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

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

Control activities

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

Information and Communication

The company ensure the effective flow of information on internal and external factors across the management lebeles. All individuals recive a clear message from senior management that control responsibilities must be taken seriously.

Monitoring

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

DIRECTOR'S RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Director's of the company are responsible for the integrity and accuracy of the financial statements.The board believes that the financial statement for the year ended on June 30, 2022 have been prepared in conformity with International Accounting Standard (IAS), IFRS, Companies Act, 1994, BSEC guidelines, Stock Exchanges Listing Regulations appropriate in the circumstances. In preparing the financial statements, management with the consultation of the board makes informed judgments and estimates where necessary to reflect the expected effects of events and transactions that have not been completed. The company's disclosure controls and procedures ensure that the material information required to be disclosed is recorded, processed, summarized and communicated to management and reported within the required time periods. In meeting its responsibility for the reliability of the financial statements, managements relies on a system of internal accounting control. The system is designed to provide reasonable assurance that assest are safeguarded and transaction are excuted in accordance with the management's authorization and recorded properly to permit the preparation of financial statements in accordance with IAS/IFRS. The design of this system recognizes that errors or irregularities may occur and the estimates and gudgements are required to assess the relative cost and expected benefits of the controls. Directors belive that the company's internal accounting controls provide reasonable assurance that errors or irregularities that could be material to that financial statements are prevented or would be detected within a timely period. The Audit Committee of the Board of Directors, which is composed solely of independet directors, is responsible for overseeing the Company's financial reporting process. The Audit Committee meets with management and sees the report of the Company's internal auditors periodically to review the work of each and to monitor the discharge by each of its responsibilities. The independent auditors are engaged to express an opinion on the Company's financial statements and on the Company's internal control over financial reporting. Their opinions are based on procedures that they believe to be sufficient to provide reasonable assurance that the financial statements contain no material errors and that the Company's internal controls are effective.

By order of the Board

Saiham Textile Mills Ltd.

(S.M. Faisal)
Managing Director

Saiham Textile Mills Ltd.

Annexure : I

The Key Operating and Financial Data :

(Taka in Crore)

Financial Highlights

Particulars	2022	2021 Restated	2020	2019	2018
Turnover	266.04	257.04	164.23	259.92	217.81
Gross profit	26.32	28.45	9.49	33.42	26.17
Net profit after tax	12.36	10.07	(7.82)	(8.77)	10.91
Net cash operating activities	19.20	6.17	20.06	10.82	1.33

Table: Summary of Balance Sheet

Particulars	2022	2021 Restated	2020	2019	2018
Authorized capital	150.00	150.00	150.00	150.00	150.00
Paid-up capital	90.56	90.56	90.56	90.56	90.56
Reserve and surplus	118.56	107.37	88.89	96.79	115.74
Shareholders' equity	393.08	388.59	377.25	392.79	244.34
Non-current liabilities	43.41	44.82	51.64	54.02	25.31
Current liabilities	121.33	150.20	164.09	136.31	226.82
Total Liabilities	164.74	195.02	215.73	190.33	252.13
Non-current Assets	333.31	349.24	363.75	381.12	193.22
Current Assets	224.52	234.37	229.23	202.00	303.25
Total Assets	557.82	583.61	592.99	583.13	496.48
Net Assets	393.08	388.59	377.26	392.80	244.35
Book value per share	10.00	10.00	10.00	10.00	10.00
Earning per share	1.37	1.11	(0.86)	(0.97)	1.21
Dividend per share :					
Cash	10%	10%	-	10%	15%
Stock		-	-	-	-
Number of shareholders	7,324.00	7,341.00	4,853.00	4,379.00	6,205.00

Table : Ratios

Particulars	2022	2021 Restated	2020	2019	2018
Debt to Equity Ratio	0.42	0.50	0.25	0.48	1.03
Current Ratio	1.85	1.56	1.40	1.48	1.34
Gross profit/Sales (%)	9.89	11.07	6.00	12.86	12.02
Operating profit/Sales (%)	4.90	5.70	5.00	5.81	5.51
Profit after tax/Sales (%)	4.65	3.92	(0.50)	(3.37)	5.01
Return on Asset (%)	2.81	2.39	(1.32)	(1.26)	2.74
Return on Equity (%)	4.10	3.67	(2.78)	(4.68)	5.29

কাজী জহির খান এন্ড কোং
KAZI ZAHIR KHAN & CO.
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Annexure-B
[Certificate as per condition No. 1(5) (xxvii)]

Report to the Shareholders of Saiham Textile Mills Limited on Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Saiham Textile Mills Limited for the year ended on 30 June 2022. This Code relates to the Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80** dated 03 June 2018 issued under section 2CC of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The Governance of the company is satisfactory.

Md. Nazrul Hossain Khan, FCA
Managing Partner
Kazi Zahir Khan & Co.
Chartered Accountants

Dated: November 13, 2022
Place: Dhaka

Head Office: Home Town Apartments (Level-15), 87 New Eskaton Road, Dhaka-1000.
Tel: 57160824, Mob: +88 01713-013955, e-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com
Branch Office: 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkcbd@gmail.com

Annexure : II

"Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:"

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1	**Board of Directors**			
1.1	**Size of the Board of Directors**			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	√		There are 7 (Seven) members in the board
1.2	**Independent Directors**			
1.2(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, any fraction shall be considered to the next integer or hole number for calculating number of independent director(s);	√		There are 2 (Two) Independent Directors in the board
1.2 (b)	For the purpose of this clause 'independent director' means a director-	√		
1.2 (b) (i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1.2 (b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1.2 (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1.2 (b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1.2 (b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1.2 (b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1.2 (b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		
1.2 (b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.2 (c)	Independent director shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM);	√		Appointments are duly approve at AGM
1.2 (d)	The post of independent director cannot remain vacant for more than 90 (ninety) days;	√		No Vacancy Occurred
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	√		
1.3	**Qualification of Independent Director(ID)**			
1.3 (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1.3 (b)	Independent Director shall have following qualifications			
1.3 (b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-		N/A
1.3(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	-		N/A
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	-		N/A
1.3 (b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		N/A
1.3 (b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1.3 (d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission;	-		N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.4	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1.4 (b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1.4 (e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1.5	**The Directors' Report to Shareholders**			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act No. XVIII of 1994):-	√		
1.5 (i)	An industry outlook and possible future developments in the industry;	√		
1.5 (ii)	The Segment-wise or product-wise performance;	√		
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin;	√		
1.5 (v)	A discussion on continuity of any Extra-Ordinary gain or loss;	√		
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.;			N/A
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.5 (x)	A statement of remuneration paid to the directors including independent directors	√		Independent Directors have not taken any remuneration except meeting fee
1.5 (xi)	A Statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1.5 (xii)	A Statement that proper books of account of the issuer company have been maintained;	√		
1.5 (xiii)	A Statement that Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1.5 (xiv)	A Statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;	√		
1.5 (xv)	A Statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1.5 (xvi)	A Statement that Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1.5 (xvii)	A Statement that there are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	√		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1.5 (xix)	A Statement that the where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	N/A		The Board declared dividend
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director shall be disclosed;	√		6 (Six) Board Meeting held
1.5 (xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-**			
1.5 (xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.5 (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√		
1.5 (xxiii)(c)	Executives;	√		
1.5 (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	√		
1.5 (xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:	√		
1.5 (xxiv)(a)	A brief resume of the director;	√		
1.5 (xxiv)(b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√		
1.5 (xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1.5 (xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		
1.5 (xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance and financial position as well as cash flows in absolute figure for such changes;	√		
1.5 (xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1.5 (xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1.5 (xxv)(e)	The financial and economic scenario of the country and the globe;	√		
1.5 (xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
1.5 (xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
1.6	**Meetings of the Board of Directors**			
1.6	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).	√		
1.7	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2	**Governance of Board of Directors of Subsidiary Company**			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed forreview at the following Board meeting of the holding company;			N/A
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2 (e)	The Audit Committee of the holding company shall also review the financial Statements, in particular the investments made by the subsidiary company.			N/A
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).-**			
3.1	**Appointment**			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3.2	**Requirement to attend the Board Meetings**			
3.2	The MD or CEO, CS, CFO and HIAC of the companies shall attend the meetings of the Board of Directors provided that the CS, CFO and /or the HIAC shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	√		
3.3	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3.3 (a)	The MD or CEO and CFO have reviewed financial statements for the year to the best of their knowledge and belief;	√		
3.3 (a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
3.3 (a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3.3 (b)	This is also certified that no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee**			
4	For ensuring good governance in the company, the Board shall have at least following subcommittees:	√		
4 (i)	Audit Committee;	√		
4 (ii)	Nomination and Remuneration Committee;	√		
5	**Audit Committee**			
5.1	**Responsibility to the Board of Directors**			
5.1 (a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.1 (b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5.1 (c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
5.2	**Constitution of Audit Committee**			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	√		The Audit Committee is comprised of 5 (Five) members
5.2 (b)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director;	√		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5.2 (d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5.2 (e)	The company secretary shall act as the secretary of the Committee;	√		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5.3	Chairman of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		Mr. Nazmul Hossain, FCA is Chairman of Audit Committee who is an Independent Director
5.3 (b)	In the absence of the chairperson the audit committee, the remaining members may elect one of themselves as chair-person for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition 5(4)(b) and the reason of absence or the regular chairperson shall be duly recorded in the minutes.			No such issue
5.3 (c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
5.4	**Meeting of the Audit Committee**			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		4 (Four) meetings held in the reporting year

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5.5	**Role of Audit Committee shall include the following:**			
5.5 (a)	Oversee the financial reporting process;	√		
5.5 (b)	Monitor choice of accounting policies and principles;	√		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5.5 (d)	Oversee hiring and performance of external auditors;	√		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5.5 (f)	Review along with the management, the annual financial statements before submission to the board for approval;	√		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	√		
5.5 (h)	Review the adequacy of internal audit function;	√		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in theAnnual Report;	√		
5.5 (j)	Review statement of significant related party transactions submitted by the management;	√		
5.5 (k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	√		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No such issue
5.6	**Reporting of the Audit Committee**			
5.6 (a)	**Reporting to the Board of Directors**			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
5.6 (a)(ii)	The Audit committee shall immediately report to the Board of Directors on the following findings, if any;			
5.6 (a)(ii)(a)	Report on conflicts of interests;			No such issue

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
5.6 (a) (ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			No such issue
5.6 (a) (ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations; and			No such issue
5.6 (a) (ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately			No such issue
5.6 (b)	**Reporting to the Authorities**			
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			No such issue
5.7	**Reporting to the Shareholders and General Investors**			
	Report on activities carried out by Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii) above during the year shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	**Nomination and Remuneration Committee (NRC)**			
6.1	**Responsibility to the Board of Directors**			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6.1(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6.1(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6.2	**Constitution of the NRC**	√		
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	√		
6.2 (b)	All members of the Committee shall be non-executive directors;	√		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such issue
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such issue
6.2 (g)	The company secretary shall act as the secretary of the Committee;	√		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6.2 (i)	No member of the NRC shall receive any remuneration for any advisory role or otherwise, other than Director's fees or honorarium from the company;	√		
6.3	**Chairperson of the NRC**			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such issue
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		
6.4	**Meeting of the NRC**			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	√		1 (One) meeting held in the reporting year
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
6.5	**Role of the NRC**			
6.5 (a)	NRC shall be independent and accountable to the Board and shareholders;	√		
6.5 (b)	NRC shall oversee, among others, the following matters:	√		
6.5 (b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, considering the following:	√		
6.5 (b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6.5 (b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6.5 (b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6.5 (b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender,experience, ethnicity, educational background and nationality;	√		
6.5 (b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6.5 (b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6.5 (b)(v)	Identifying the company's needs for employees at different levels;	√		
6.5 (b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7	**External/Statutory Auditors**			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	√		
7.1 (i)	Appraisal or valuation services or fairness opinions;	√		
7.1 (ii)	Financial information systems design and implementation	√		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7.1 (iv)	Broker-dealer services;	√		
7.1 (v)	Actuarial services;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
7.1 (vi)	Internal audit services or special audit services;	√		
7.1 (vii)	any service that the Audit Committee determines;	√		
7.1 (viii)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 9 (1);	√		
7.1 (ix)	Any other service that creates conflict of interest;			No such issue
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	√		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	**Maintaining a website by the Company**			
8.1	The company shall have an official website linked with the website of the stock exchange;	√		
8.2	The company shall keep the website functional from the date of listing;	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	**Reporting and Compliance of Corporate Governance**			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting;	√		
9.3	The directors of the company shall state, in accordance with the **Annexure** attached, in the directors' report whether the company has complied with these conditions.	√		

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

The Board of Directors
Saiham Textile Mills Ltd.
Saiham Tower (11th Floor), House # 34
Road # 136, Gulshan-1, Dhaka-1212

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

Dear Sir(s),
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Saiham Textile Mills Limited for the year ended on June 30, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that :-

(i) We have reviewed the Financial Statements for the year ended on June 30, 2022 and that to the best of our knowledge and belief:

   (a) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

   (b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Sincerely yours,

(S.M.Faisal)
Managing Director

Md. Abu Bakar Siddique
Chief Financial Officer (CFO)

INDEPENDENT AUDITORS' REPORT

TO THE SHARE HOLDERS OF SAIHAM TEXTILE MILLS LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Saiham Textile Mills Limited** (the "Company"), which comprise statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information disclosed in notes 1 to 36 & Annexure-A to D.

In our opinion, the accompanying financial statements presents fairly in all material respects, the financial position of the Company as / at June 30, 2022, and it's financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange rules 2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Turnover	
The Company has made net sales of Tk. 2,660,355,739 during the year. In the process of recovering from epidemic, their sales have been increased compared to the last year. Recognition of the revenue of Saiham Textile Mills Limited has been considered complex to several types of contracts based mainly on export sales, as well as high sales volume comparing to the last few years' performance. This matter is considered a key matter due to the level of judgment required to determine the timing of revenue recognition and measurement.	Our procedure includes: 1. Reviewing the director's assessment of selecting the major customer, ensuring the veracity of the data presented and assessing management's consideration of this process; 2. Assessing completeness and accuracy of the data used for recognition of revenue; 3. Reviewing the company's revenue recognition policies, accounting guidelines and disclosures to assess conformity with IFRS 15 "Revenue from Contracts with Customers". 4. Evaluating the appropriateness of the notes related to the company's revenue;
Refer "Turnover" of the Financial Statements.	

Acquisition of Property, Plant & Equipment	
At the end of the year the company recorded total Property, Plant & Equipment Tk.3,324,865,554 (Carrying Amount). There is a risk that the assets being overvalued, either by inflating cost or valuation	Our procedure includes: 1.Testing relevant controls within the purchase and measurement process of the non-current assets; 2.Recalculating the depreciation and amortization of the non-current assets; 3. Evaluating the basis for the rate of charging amortization and depreciation and determination of useful life; 4. Identifying if there is any impairment indicator; 5. Assessing the justification of the valuation.
Refer note no. 3 to the Statement of financial position.	

Inventory	
The company had inventory of Tk.700,784,912 at June 30, 2022 held in the factory, godown and across multiple product lines. Inventories	Our procedure includes: 1. Evaluating the design and implementation of key inventory controls operating across the

are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate values for slow-moving or obsolete items.	company, including stock in the factory and in the godowns; 2. Checking the management's inventory count sheet and reconciling the count result to the inventory listing to test the completeness of data; 3. Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, tot the cost price of a sample of inventories;
Refer note no. 5 to the Statement of Financial Position.	

Unrealized Gain / (Loss) for change in exchange rate of foreign Currency	
Total unrealized loss for change in exchange rate of foreign currency is Tk. 37,339,005 during this period. This is mainly because of EDF Long Term and Short Term Loan.	Our procedure includes: 1. We reviewed the appropriateness of the calculation and the treatment of loss made in the Income Statement. 2. We have check the balance of Foreign Currency loan balance and Currency rate.
Refer "Unrealized Gain / (Loss) for change in exchange rate of foreign Currency" of the Financial Statements.	

Measurement and Recognition Deferred Tax Liability	
The Company reported net deferred tax liability total Tk. 434,131,530 as at 30 June 2022. Because of reduction in the rate of tax during the year there has been income in deferred tax for Tk. 2,257,979 Significant judgment is required in relation to deferred tax liability as their adjustability is dependent on forecasts of future.	Our procedure includes: 1. Evaluating the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company; 2. Assessing the completeness and accuracy of the data used for the estimations of future taxable expense/income;

	3. Evaluating the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability; 4. Testing the tax implications, the reasonableness of estimates and calculations determined by management; and 5. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
Refer note no. 11 to the Statement of Financial Position.	

Provision for Current Income Tax	
Provision for the income tax requires the consideration of income from Export Sales.	Our procedure includes: 1.Reviewing the tax calculation work flows and related details. To be specific, our substantive testing procedures included the following; 2. Current tax has been calculated on the basis of add and back some inadmissible and admissible expenses respectively as per ITO 1984; 3. Tax on income from export was derived properly; and
Refer note no. 14 to the Statement of Financial Position.	

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we

conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 other applicable laws and regulation and the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) In our opinion, proper books of accounts, as records and other statutory books as required by law have been kept by the Saiham Textile Mills Limited so far as it appeared from our examination of these books;

c) The statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and

d) The expenditure incurred was for the purposes of the Company's business.

Firms' Name : **Rahman Mostafa Alam & Co.**, Chartered Accountants

Signature :

Auditor's Name : Kazi Mostafa Alam FCA, Partner/Enr No.: 448

Date : 08/11/2022

Place : Dhaka

DVC : 2211080448AS910463

Saiham Textile Mills Limited
Statement of Financial Position
As at June 30, 2022

Particulars	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	**3.00**	3,324,865,554	3,484,520,166
Investment	**4.00**	8,191,488	7,920,777
Total Non-Current Assets		**3,333,057,042**	**3,492,440,943**
Current Assets:			
Inventories	**5.00**	700,784,912	1,193,431,101
Trade and Other Receivables	**6.00**	1,310,712,738	963,643,477
Advance, Deposits and Pre-payments	**7.00**	122,835,445	111,984,557
Cash and Cash Equivalents	**8.00**	110,845,033	74,626,118
Total Current Assets		**2,245,178,128**	**2,343,685,253**
Total Assets		**5,578,235,170**	**5,836,126,196**
EQUITY AND LIABILITIES:			
Shareholder's Equity:			
Share Capital	**9.00**	905,625,000	905,625,000
Share Premium		727,500,000	727,500,000
Revaluation Surplus	**10.00**	1,839,624,804	1,906,570,232
Retained Earnings		458,061,026	346,191,285
Total Shareholders Equity		**3,930,810,830**	**3,885,886,517**
Non-Current Liabilities:			
Deferred tax liabilities	**11.00**	434,131,530	448,203,409
Total Non-Current Liabilities		**434,131,530**	**448,203,409**
Current Liabilities:			
Short Term Loan	**12.00**	890,283,521	879,169,946
Trade & Other Creditors	**13.00**	196,704,333	549,759,991
Income tax provision	**14.00**	48,573,501	24,694,921
Payable and Accruals	**15.00**	75,462,343	39,521,786
Rights Share money Refundable		15,000	15,000
Unclaimed Dividend	**16.00**	2,254,112	8,874,627
Total Current Liabilities		**1,213,292,810**	**1,502,036,270**
Total Liabilities		**1,647,424,340**	**1,950,239,679**
Total Equity and Liabilities		**5,578,235,170**	**5,836,126,196**
Net Assets Value per Share	**23.00**	**43.40**	**42.91**

The annexed notes 1 to 36 and annexure A to D form an integral part of these financial statements.

Managing Director **Director** **Company Secretary**

Signed in term of our separate report of event date.

Firms' Name : **Rahman Mostafa Alam & Co. Chartered Accountants**
Signature :
Auditor's Name : **Kazi Mostafa Alam FCA, Partner/Enr No.: 448**
Date : 08/11/2022
Place : **Dhaka**
DVC : 2211080448AS910463

Saiham Textile Mills Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended on June 30, 2022

Particulars	Notes	Amount in Taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021
Turnover		2,660,355,739	2,570,414,760
Cost of goods sold	17.00	(2,397,165,693)	(2,285,931,660)
Gross Profit		**263,190,046**	**284,483,100**
Administrative and marketing expenses	18.00	(97,532,385)	(68,447,152)
Financial expenses	19.00	(35,173,598)	(69,511,445)
Operating Profit		**130,484,063**	**146,524,503**
Non-operating income/(Loss)	20.00	336,447	(243,923)
Other income	21.00	-	1,438,502
Unrealized gain/(loss) for change in exchange rate of foreign currency		37,339,005	-
Operating Profit Before WPPF & WWF		**168,159,515**	**147,719,082**
Expenses for WPPF & WWF		(8,007,596)	(7,034,242)
Profit before Tax		**160,151,919**	**140,684,840**
Provision for Tax		**(36,508,751)**	**(39,960,491)**
Current Tax	14.00	(38,766,730)	(35,310,459)
Prior Year Tax		-	(4,047,553)
Deferred Tax	11.1.1	2,257,979	(602,479)
Net Profit after Tax		**123,643,168**	**100,724,349**
Other Comprehensive Income/(Loss)		**-**	**-**
Total Comprehensive Income for the year		**123,643,168**	**100,724,349**
Earnings Per Share (EPS)	**22.00**	**1.37**	**1.11**

The annexed notes 1 to 36 and annexure A to D form an integral part of these financial statements.

Managing Director **Director** **Company Secretary**

Signed in term of our separate report of event date.

Firms' Name : **Rahman Mostafa Alam & Co. Chartered Accountants**

Signature :

Auditor's Name : **Kazi Mostafa Alam FCA, Partner/Enr No.: 448**

Date : 08/11/2022

Place : **Dhaka**

DVC : 2211080448AS910463

Saiham Textile Mills Limited
Statement of Changes in Equity
For the year ended on June 30, 2022

Particulars	Share capital	Share premium of Rights Share	Revaluation surplus	Retained earnings	Total equity
Balance as at July 01, 2021	**905,625,000**	**727,500,000**	**1,906,570,232**	**346,191,285**	**3,885,886,517**
Net Profit after Tax	**-**	**-**	**-**	123,643,168	**123,643,168**
Adjustment for depreciation on revalued assets	-	-	(78,759,327)	78,759,327	**-**
Adjustment for revaluation of P.P.E and deferred	-	-	11,813,899	-	**11,813,899**
Adjustment Security Deposit with Jalalabad Gas				29,745	**29,745**
Cash Dividend paid for 2020-21	-	-	-	(90,562,500)	**(90,562,500)**
Balance as at June 30, 2022	**905,625,000**	**727,500,000**	**1,839,624,804**	**458,061,026**	**3,930,810,830**

Particulars	Share capital	Share premium of Rights Share	Revaluation surplus	Retained earnings	Total equity
Balance as at July 01, 2020	**905,625,000**	**727,500,000**	**1,978,047,558**	**161,375,965**	**3,772,548,523**
Net Profit after Tax	**-**	**-**	**-**	100,724,349	100,724,349
Adjustment for depreciation on revalued assets	-	-	(84,090,971)	84,090,971	-
Adjustment for revaluation of P.P.E and deferred	-	-	12,613,646	-	12,613,646
Balance as at June 30, 2021	**905,625,000**	**727,500,000**	**1,906,570,232**	**346,191,285**	**3,885,886,517**

Managing Director **Director** **Company Secretary**

Saiham Textile Mills Limited
Statement of Cash Flows
For the year ended June 30, 2022

Particulars	Notes	Amount in Taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021
A. Cash Flows From Operating Activities			
Collection from customers	32.00	2,391,086,845	2,478,646,443
Collection from non-operating income & other income	33.00	336,447	2,137,803
Payment for cost and expenses	34.00	(2,184,543,452)	(2,404,429,034)
Income tax paid		(14,888,150)	(14,663,091)
Net cash used in operating activities		**191,991,689**	**61,692,121**
B. Cash Flows From Investing Activities			
Acqusition of property, plant and equipment		(418,180)	(18,622,876)
Sale of property, plant and equipment		-	240,000
Investment in FDR		(270,711)	(347,965)
Net cash flows from investing activities		**(688,891)**	**(18,730,842)**
C. Cash Flows From Financing Activities			
Short-term loan		(29,765,242)	14,773,746
Long term loan		-	(68,749,991)
Interest paid on borrowings		(35,173,598)	(69,511,445)
Dividend paid		(90,562,500)	-
Net cash flows from financing activities		**(155,501,340)**	**(123,487,690)**
D. Net Increase/(Dicrease) in Cash & Cash Equivalents (A+B+C)		**35,801,458**	**(80,526,411)**
Cash & Cash Equivalents at beginning of the year		74,626,118	155,152,529
Effects of exchange rate changes		417,455	-
Cash & Cash Equivalents at end of the year		**110,845,033**	**74,626,118**
Net Operating Cash Flow Per Share (NOCFPS)	**35.00**	**2.12**	**0.68**

Managing Director **Director** **Company Secretary**

Saiham Textile Mills Limited
Notes to the Financial Statements
As at and for the year ended June 30, 2022

1 Status and Activities:

1.1 Legal form of the Enterprise:

Saiham Textile Mills Limited was incorporated in Bangladesh on March 27, 1981 as a Public Limited Company under the Companies Act, 1913 (Subsequently repealed by the Companies Act, 1994) and listed with Dhaka Stock Exchange in the month of August, 1988. The registered Office of the company is situated at Noyapara, Saiham Nagar, Habigonj and Dhaka office is situated at house # 34, Road # 136, Gulshan-01, Dhaka-1212.

1.2 Issue of Rights Share:

Saiham Textile Mills Limited had issued 5,00,00,000 Rights Share of Tk. 10/= each at Tk. 25/= each including Premium of Tk. 15/= per share to general public in the ratio of 2:1 Rights Share (two Rights Share for each existing one share) against present 2,50,00,000 Ordinary Shares after obtaining consent from Bangladesh Securities & Exchange Commission (BSEC) vide their letter no SEC/CI/RI-65/2011/905 dated: December 20, 2011.

The purpose of issuance of Rights Share was to expand the companies business by establishing a new and modernized Melange Spinning Unit having 30,960 spindles.

Accordingly, the Melange Spinning unit of Saiham Textile Mills Ltd. started commercial production on 16th July 2013 and it is now running smoothly.

1.3 Nature of Business Activities:

The company produces various counts of quality yarn in both Spinning & Melange unit.

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, the Bangladesh Securities and Exchange Rules 2020 and International Financial Reporting Standards (IFRS).

2.2 Basis of Preparation:

The Financial Statements of the company have been prepared Going Concern basis based on the accrual basis except interest on FDR of accounting following under the historical cost convention.

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 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Companies complied, as per Para 12 of Securities & Exchange Rule 2020, 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 08	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	IAS 10	Events after the Reporting Period	Complied
06	IAS 12	Income Taxes	Complied
07	IAS 16	Property, Plant & Equipment	Complied
08	IAS 19	Employee Benefits	Complied
09	IAS 23	Borrowing Costs	Complied
10	IAS 24	Related Party Disclosures	Complied
11	IAS 33	Earnings per Share	Complied
12	IAS 36	Impairment of Assets	Complied
13	IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
14	IFRS 09	Financial Instruments	Complied
15	IFRS 15	Revenue from Contracts with Customers	Complied

2.5 Use of Estimates and Judgments:

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

2.6 Going Concern:

The company has adequate resources to continue in operation for the foreseeable future. For this reason 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.

2.7 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:

i) The Statement of Financial Position as at June 30, 2022;

ii) The Statement of Profit or Loss & Other Comprehensive Income for the year ended June 30, 2022;

iii) The Statement of Cash Flows for the year ended June 30, 2022;

iv) Statement of Changes in Equity for the year ended June 30, 2022; and

v) Accounting Policies and explanatory notes the Financial Statements for the year ended June 30, 2022.

2.8 Regulatory and Legal Compliance:

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

i) The Companies Act ,1994;

ii) The Income Tax Ordinance,1984;

iii) Bangladesh Securities and Exchange Rules, 2020.

iv) The VAT Act,1991 and

v) Other applicable Rules and Regulation.

2.9 Property, Plant and Equipments (PPE):

Property, Plant and Equipments 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 Equipments 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

Depreciation has been charged when the asset is available for use and depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS-5 and the date that the asset is derecognized.

No depreciation has been charged on Land and Land development considering the unlimited useful life. The rates of depreciation at the following rates are on PPE under reducing balance method.

Name of assets	Rates
Factory Building and Others Construction	5%
Building office space	5%
Plant and Machineries	7.5%
Furniture and Fixtures	10%
Motor Vehicles	15%
Sundry Assets	10%
Office Equipments	10%

Depreciation has been charged to factory overhead & administrative expenses consistently in proportionate basis.

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 it salable. 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 methods are as follows:

Raw Cotton	At lower of weighted average cost or net realizable value
Polyester Staple Fiber PSF	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, Electric charges.
Finished Goods (Yarn)	At lower of weighted average cost or net realizable value

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.

2.11 Revenue Recognition:

In compliance with the requirements of IFRS - 15 "Revenue from contracts with customers", 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 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 IAS – 33 "Earnings Per Share" which has been shown on the face Statement of Comprehensive Income.

i) Basic Earnings 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 weighted average number of shares during the year.

ii) Diluted Earnings Per Share

No diluted Earnings Per Share are required to be calculated for the year as there was no scope for dilution during the year under review.

2.14 Cash & Cash Equivalents:

According to IAS – 7 "Cash Flow Statements" 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.

2.15 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with IAS – 7 "Statement of Cash Flows" and in the Cash Flows the operating activities have been presented in direct method as prescribed by the Bangladesh Securities and Exchange Rule 2020.

2.16 Liabilities for Expenses and Other Finance:

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.

2.18 Borrowing cost:

In compliance with the requirement of IAS – 23 "Borrowing cost" 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 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.

2.20 Taxation:

Current Tax:

Provision for current tax has been made in the Financial Statements on taxable profit at the rate of 15% as per SRO No. 193/Law/income tax/2015 dated 30.06.2015 of 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 ".

2.21 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 year.

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 Labour Act 2006 and is payable to workers as delivered in the said Act.

2.23 Responsibility for Preparation and Presentation of Financial Statements:

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

2.25 Reporting period:

These Financial Statements cover 12 (Twelve) months for the period from July 01, 2021 to June 30, 2022.

2.26 Comparative Figure:

Comparative information has been disclosed in respect of the year ended June 30, 2021 for all numerical information in the financial statements and also the narrative and descriptive where it is relevant for understanding of the current year's financial statements.

2.27 Event after the reporting period:

In compliance with the requirements of 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 Statements and events after the Statement of Financial Position date that are not adjusting event are disclosed in the notes when material.

2.28 General:

i) Figures appearing in these Financial Statements have been rounded off to the nearest Bangladesh Taka.

ii) These notes form an integral part of the annexed Financial Statements and accordingly are to be read in conjunction therewith.

iii) The company has not incurred any expenditure in foreign currency against royalties and technical fees.

iv) Previous year's figures have been re-arranged if necessary to confirm to current year's presentation.

			Amount in Taka	
			June 30, 2022	June 30, 2021
3.00	**Property, Plant and Equipment**			
	Spinning	3.01	1,194,355,983	1,241,484,844
	Melange	3.02	2,130,509,571	2,243,035,322
			3,324,865,554	**3,484,520,166**
3.01	**Property, Plant and Equipment-Spinning**			
	This is arrived as follows:			
	Balance as on July 01, 2021		2,106,082,184	2,108,431,839
	Addition during the year		415,580	650,345
	Adjustment during the year		-	(3,000,000)
	Total as on June 30, 2022		**2,106,497,764**	**2,106,082,184**
	Accumulated Depreciation		(864,597,340)	(815,698,653)
	Depreciation value		**1,241,900,424**	**1,290,383,531**
	Depreciation charge during the year		(47,544,442)	(51,002,849)
	Depreciation Adjustment during the year		-	2,104,162
	Written down value as on June 30, 2022		**1,194,355,983**	**1,241,484,844**
3.02	**Property, Plant and Equipment-Melange**			
	This is arrived as follows:			
	Balance as on July 01, 2021		3,013,485,887	2,995,513,356
	Addition during the year		2,600	17,972,531
	Total as on June 30, 2022		**3,013,488,487**	**3,013,485,887**
	Accumulated Depreciation		(770,450,566)	(650,675,799)
	Depreciation value		**2,243,037,921**	**2,362,810,089**
	Depreciation charge during the year		(112,528,350)	(119,774,766)
	Written down value as on June 30, 2022		**2,130,509,571**	**2,243,035,322**

(a) The details of the Property, Plant and equipment have been shown in **Annexure - A1 & A2 and B1 & B2.**

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

4.00 Investment

Fixed Deposit Receipts

Name of Banks	FDR No.	Purpose		
Dhaka Bank Ltd.	2143610048461	Bank Guarantee	4,237,448	4,086,635
Bank Asia Ltd.	02155011153	Bank Guarantee	382,022	369,596
Bank Asia Ltd.	02155009897	Bank Guarantee	3,483,245	3,378,611
Bank Asia Ltd.	02155011225	Bank Guarantee	88,772	85,934
			8,191,488	**7,920,777**

Taka 81,91,488 Fixed deposit receipts are under lien with Bank Asia Ltd. & Dhaka Bank Ltd. against Bank guarantee.

5.00 Inventories

This represents as follows:

	Quantity		Amount in Tk.	Amount in Tk.
	June 30, 2022	June 30, 2021		
Raw Materials	3,940,461 Lbs	12,562,466 Lbs	315,578,392	806,303,500
Work in Process	136,617 Kgs	135,556 Kgs	26,720,844	22,829,968
Finished Goods	487,185 Kgs	148,112 Kgs	119,979,842	30,982,219
Goods in Transit	N/A	N/A	169,537,932	293,872,209
Stores & Spare Parts	N/A	N/A	68,858,688	39,106,379
Packing Materials	N/A	N/A	109,215	336,825
			700,784,912	**1,193,431,101**

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 .

6.00	**Trade and other receivables**		
	Aging of Trade Debtors:		
	Trade debtors aged upto 90 days	528,050,035	398,358,375
	Trade debtors aged upto 180 days	782,662,703	435,920,857
	Other receivables	-	129,364,246
		1,310,712,738	**963,643,477**

	Amount in Taka	
	June 30, 2022	June 30, 2021

Details of Trade Debtors and Other Receivables shown in **Annexure - C1 & C2.**

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 year.

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.	1,240,072,616	761,068,535
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.	70,640,123	202,574,942
VI. The maximum amount of receivable due by any director or other officer of the company.	-	-
Total	**1,310,712,738**	**963,643,477**

7.00	**Advance, Deposits and Prepayments**			
	Security Deposit with Jalalabad Gas	7.01	13,843,079	13,813,334
	Security Deposit with Hobigonj Palli Biddut		1,367,040	1,063,555
	Security deposit with Saiham Sky View Tower		60,000	60,000
	Deposit against VAT		-	393,309
	Advance against salary & wages		489,685	956,185
	Advance against local suppliers		4,699,438	285,000
	Advance against L/C Margin and commission		102,376,203	95,413,174
	Advance Income Tax	7.02	-	-
			122,835,445	**111,984,557**
7.01	**Security Deposit with Jalalabad Gas**			
	Opening Balance as at July 01, 2021		13,813,334	21,066,574
	Add: Addition during the year		29,745	1,541,442
			13,843,079	22,608,016
	Less: Adjustment made during the year		-	(8,794,682)
	Closing Balance as on June 30, 2022		**13,843,079**	**13,813,334**
7.02	**Advance Income Tax**			
	Opening Balance		**-**	**3,722,379**
	Advance tax paid during the year:			
	Tax at source on FDR		30,762	39,346
	Tax at source on Export		11,416,739	10,061,419
	Tax at source on Office Rent		-	92,373
	Tax at source on Transport		754,500	220,000
	Tax at source on Import		683,171	200,011
	Advance Income Tax		2,000,000	-
	Tax at source on Bank Interest		2,977	2,389
	AIT Paid during the year		**14,888,150**	**10,615,538**
	Total Advance tax paid		**14,888,150**	**14,337,917**
	Less : Tax paid for last year		-	(3,722,379)
	Less: Adjustment with Current Year Tax		(14,888,150)	(10,615,538)
	Closing Balance		**-**	**-**

		Amount in Taka	
		June 30, 2022	June 30, 2021

(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 Textile, Spare Parts, Packing Materials.

8.00 Cash and Cash Equivalents

This consists of :

Cash in Hand	8.01	270,109	1,390,777
Cash at Banks	8.02	110,574,924	73,235,341
		110,845,033	**74,626,118**

8.01 Cash in Hand

Head office	69,448	317,974
Factory Office	200,661	1,072,803
	270,109	**1,390,777**

8.02 Cash at Banks

Name of Banks	Branches	Account	Type		
Janata Bank Ltd. (A/C No. 023733002322)	Motijheel	CD	BDT	51,432	49,074
Janata Bank Ltd.(A/C No. 0340-0210001941)	Noyapara	CD	BDT	952,101	1,122,954
Dutch Bangla Bank Ltd.(A/C No. 0116110000006828)	Gulshan	CD	BDT	12,723	70,833
Dutch Bangla Bank Ltd.SND (A/C No. 291-120-48)	Noyapara	SND	BDT	6,071	75,395
Dhaka Bank Ltd.(A/C No. 215150000001464)	Gulshan	CD	BDT	177,771	221,962
Dhaka Bank Ltd. (Dividend Account - 215150000001554)	Gulshan	CD	BDT	-	4,051,108
HSBC Ltd. Dividend Account -001-145-457-012	Dhaka Main Office	CD	BDT	-	634,381
HSBC Ltd. Dividend Account -001-145-457-013	Dhaka Main Office	CD	BDT	-	3,007,528
HSBC Ltd. Dividend Account -001-145-457-014	Dhaka Main Office	CD	BDT	843,141	846,640
HSBC Ltd. Dividend Account -001-145-457-015	Dhaka Main Office	CD	BDT	332,609	334,971
HSBC Ltd. CD A/C# 001-145-457-011	Dhaka Main Office	CD	BDT	1,078,363	-
Standared Chartered Bank CC A/C# 01118413501	Gulshan	CC	BDT	-	1,522,079
Bkash Account A/C 806446003			BDT	37,108	163,669
Premier Bank Ltd (A/C no-014913100000040)	Gulshan-2	SND	BDT	-	39,086
Eastern Bank Ltd A/C no-101106032929	Principle	CD	BDT	234	234
Eastern Bank Ltd A/C no-1041060265553	Gulshan	CD	BDT	113,260	114,100
Prime Bank LTD A/C-2118119019656	Gulshan	CD	BDT	7,934	10,124
Midland Bank Gulhsan Branch A/C # 0011-1050005211	Gulshan	CD	BDT	308,425	424,345
F.C Account					
Standard Chartered Bank ERQ A/C-42118413501	Gulshan	FC	USD	13,213,253	1,818,997
Standard Chartered Bank A/C -46118413501		FC	USD	1,621,697	4,160
Dhaka Bank Ltd .F.C A/C-21413000000056	Motijheel	FC	USD	8,854,008	61,005
HSBC Ltd. F.C Margin A/C no-001-145457-091	Dhaka Main Office	FC	USD	20,508,424	46,840,325
Eastern Bank Ltd F.C. A/C-1013100350441	Principle	FC	USD	17,089,390	8,118,697
Eastern Bank Ltd ERQ A/C-1013100350441	Principle	FC	USD	306,512	740,722
Midland Bank Gulhsan Branch Margin A/C # 0011-131000581 Margin A/C # 0011-131000581	Gulshan	FC	USD	45,060,469	2,962,953
				110,574,924	**73,235,341**

9.00 Share Capital

This represents:

Authorized capital		
15,00,00,000 Ordinary Shares @ of Tk. 10/- each	**1,500,000,000**	**1,500,000,000**
Issued, Subscribed & Paid up Capital:		
12,500,000 Ordinary Shares @ Tk. 10 each fully paid up in cash	125,000,000	125,000,000
12,500,000 Ordinary Shares @ Tk. 10 each fully paid up other than cash	125,000,000	125,000,000
50,000,000 Right Ordinary Shares @ Tk. 10 each fully paid up in cash	500,000,000	500,000,000
11,250,000 Stock Dividend Issued@10 each	112,500,000	112,500,000
43,12,500 Stock Dividend Issued@10 each	43,125,000	43,125,000
9,05,62,500 Ordinary Shares	**905,625,000**	**905,625,000**

	Amount in Taka	
	June 30, 2022	June 30, 2021

Percentage of shareholding position of different shareholders are as follows:

Name of the Shareholders	30.06.2022		30.06.2021	
	No. of shares	% of holding	No. of shares	% of holding
Sponsors	30,519,745	33.70	30,519,745	33.70
Institutions	19,058,980	21.05	29,579,238	32.66
General Public	40,983,775	45.25	30,463,517	33.64
	90,562,500	**100.00**	**90,562,500**	**100.00**

Classification of Shareholders by holding:

The number of shareholders and shareholding position as at June 30, 2022 are given below:

Holdings	30.06.2022		30.06.2021	
	Number of Share Holders	% of holding	Number of Share Holders	% of holding
Up to 5,000 shares	6,071	6.71	6148	6.98
5,001 to 50,000 shares	1,103	19.08	1083	18.2
50,001 to 1,00,000 shares	81	6.33	56	4.63
1,00,001 to 2,00,000 shares	30	4.83	28	4.16
2,00,001 to 3,00,000 shares	12	3.13	8	2.13
3,00,001 to 4,00,000 shares	4	1.63	2	0.74
4,00,001 to 5,00,000 shares	2	1.02	1	0.45
5,00,001 to above	21	57.27	15	62.71
Total	**7,324**	**100**	**7,341**	**100**

10.00 Revaluation Surplus

This calculation is arrived as follows:

Opening Balance	1,906,570,232	1,978,047,558
Less: Adjustment for provision of deffered tax	11,813,899	12,613,646
Adjustment for depreciation on revalued assets	(78,759,327)	(84,090,971)
Closing Balance	**1,839,624,804**	**1,906,570,232**

The revaluation of assets of Saiham Textiles Mills Limited was made on 28 April, 2019 by Ata Khan & Co., Chartered Accountants, an Independent Qualified Valuer, on Land and Land Development, Factory Building and Other Construction, Building Office Space and Plant and Machineries. The revaluation was made for both Spinning and Melange units revaluation surplus for which comes at Tk. 2,002,616,203. The result of such revaluation was incorporated in these financial statements from its effective date which is 01 May, 2019. The surplus arising from the revaluation was transferred to revaluation reserve. Effect of deferred tax on the revaluation has been shown under **Note 11.00 "Deferred Tax Liabilities".**

Present valuation of the Land and land Development, Building Office Space has been arrived at by taking into consideration the location and the market price of recent transfer of the assets. Present valuation of Factory building and other construction, Plant and machineries has been arrived at by taking into consideration the current replacement cost.

11.00 Deferred tax Liabilities

This is arrived as follows:

Opening Balance		448,203,409	460,214,575
Add: Deferred Tax expenses for the year	11.1.1	(2,257,979)	602,479
Add: Deferred tax on Revalued Asset		(11,813,899)	(12,613,646)
Closing Balance		**434,131,530**	**448,203,409**

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

A. Property, plant and equipment		
Carrying amount	1,160,601,079	1,241,496,363
Tax base amount	391,973,822	491,245,880
Taxable temporary difference	**768,627,257**	**750,250,484**
Tax rate	15%	15%
Deferred tax liability	**115,294,089**	**112,537,573**

			Amount in Taka	
			June 30, 2022	June 30, 2021
	B. Calculation of deferred tax on revaluation of property, plant and equipment:			
	Revalued value of land		945,344,449	945,344,449
	Revalued value of other than land		1,218,920,026	1,297,679,353
	Tax Rate			
	On land		15%	15%
	On other than land		15%	15%
	Deferred tax liabilities			
	For land		141,801,667	141,801,667
	For other than land		182,838,004	194,651,903
			324,639,671	**336,453,570**
	C. Deferred Tax on Gratuity Provision			
	Provision for Gratuity as at June 30, 2022		38,681,531	5,251,563
	Company tax rate		15%	15%
	Deferred tax asset		**(5,802,230)**	**(787,734)**
	Total (A+B+C)		**434,131,530**	**448,203,408**
	Calculation of deferred tax:			
	Deferred tax liability as on June 30, 2022		**434,131,530**	**448,203,408**
	Deferred tax liability as on June 30, 2021		448,203,409	460,214,575
	Deferred tax increased during the year	11.1.1	**(14,071,879)**	**(12,011,167)**
11.1.1	Deferred tax liability other than revalued assets as at June 30, 2022		115,294,089	112,537,573
	Deferred tax liability other than revalued assets as at June 30, 2021		112,537,573	111,712,675
	Net increased in deferred tax expenses for other than revalued assets for the year		**2,756,516**	**824,897**
	Deferred tax asset on gratuity provision as at June 30, 2022		(5,802,230)	(787,734)
	Deferred tax asset on gratuity provision as at June 30, 2021		(787,734)	(565,317)
	Net increase/(decrease) in deferred tax expenses for gratuity provision		**(5,014,495)**	**(222,418)**
	Total deferred expenses for the year		**(2,257,979)**	**602,479**
	Adjustment of revaluation surplus for deferred tax			
	Deferred tax liability for revaluation as on June 30, 2022		324,639,671	336,453,570
	Deferred tax liability for revaluation as on June 30, 2021		336,453,570	349,067,216
	Adjustment of revaluation surplus for deferred tax		**(11,813,899)**	**(12,613,646)**
			(14,071,878)	**(12,011,166)**
12.00	**Short Term Loan**			
	Bank Loan and Overdraft	**12.01**	872,783,521	861,669,946
	Mrs. Momena Begum		17,500,000	17,500,000
			890,283,521	**879,169,946**
12.01	**Bank Loan and Overdraft**			
	This consists of as follows:			
	EDF & UPAS loan against Import of Raw Cotton & Spare Parts		800,259,871	789,713,417
	CC A/C with Eastern Bank Ltd.		17,577,367	1,004,226
	SP A/C with Eastern Bank Ltd.		-	40,150,953
	CC A/C with Standard Chartered Bank		26,961,626	-
	SP A/C with Standard Chartered Bank		-	30,000,000
	CC A/C with HSBC Ltd.		27,984,657	801,349
			872,783,521	**861,669,946**

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

				Amount in Taka	
				June 30, 2022	June 30, 2021
13.00	**Trade & Other Creditors**				
	Against Local materials			8,479,250	73,388,390
	Against Raw Materials & Others			188,225,083	476,371,600
				196,704,333	**549,759,991**
	Details of Trade & Other Creditors has been shown in Annexure- D1 & D2.				
14.00	**Income Tax Provision**				
	Opening Balance			24,694,921	-
	Add: Provision made during the year			38,766,730	35,310,459
				63,461,651	**35,310,459**
	Less: Adjusted with advance income tax			(14,888,150)	(10,615,538)
	Closing Balance			**48,573,501**	**24,694,921**
14.01	**Current Tax**			**38,766,730**	**35,310,459**
14.02	**Tax on Business income**			**38,699,441**	**34,943,298**
	(Higher of i, ii, iii)				
	i) Regular Tax				
	Profit before Tax			**160,151,919**	**140,684,840**
	Accounting Depreciation			160,072,792	170,777,615
	Capital Allowance			(61,891,992)	(76,656,720)
	Other income			-	(1,438,502)
	Non operating income			(336,447)	(411,915)
	Income/(loss) from business			**257,996,273**	**232,955,318**
	Tax on business income @ 15%	15%	257,996,273	**38,699,441**	**34,943,298**
	ii) Minimum tax U/S-82C(2)				
	Tax deducted at source			**11,416,739**	**10,103,154**
	iii) Minimum tax U/S-82C(4)				
	Turnover	0.45%	2,660,355,739	11,971,601	10,281,659
				11,971,601	**10,281,659**
14.03	**Tax on Non operating & other income:**				
	Tax on Non operating income:				
	Tax on Interest of FDR @ 20%	20%	307,623	61,525	39,346
	Tax on Bank Interest @ 20%	20%	28,824	5,765	4,152
	Tax on Other income @ 20%	20%	-	-	323,663
	Total tax liability			**67,289**	**367,161**
15.00	**Payable and Accruals**				
	This is arrived as follows:				
	Gas charges			10,666,727	10,815,514
	Security Deposit with Saiham Sky view			-	395,050
	Auditor Fees			471,500	437,000
	Provision for Salary & wages officer staff F/O			11,950,107	10,007,420
	Provision for Gratuity		15.02	38,681,531	5,251,563
	Provision for C& F Charges			2,907,178	3,678,178
	Vat Deduction at Source			19,800	23,100
	Tax Deduction at Source			3,300	3,300
	Provision for provident fund			473,724	193,762
	Provision for remuneration			72,000	72,000
	Provision for Financial Charges			-	195,000
	Provision for Utility Bill			23,571	28,272
	Provision For Credit Rating Fees			64,500	75,000
	Provision For IT Expense			105,000	-
	WPPF		15.01	10,023,405	8,346,627
				75,462,343	**39,521,786**

		Amount in Taka	
		June 30, 2022	June 30, 2021
15.01	**Workers Profit Participation Fund (WPPF)**		
	This is arrived as follows:		
	Opening Balance	8,346,627	1,312,385
	Provision made during the year	8,007,596	7,034,242
		16,354,223	**8,346,627**
	Payment made during the year	(6,330,818)	-
	Closing Balance	**10,023,405**	**8,346,627**
15.02	**Provision for Gratuity**		
	This is arrived as follows:		
	Opening Balance	5,251,563	3,768,778
	Provision made during the year	33,685,501	8,237,024
		38,937,064	**12,005,802**
	Payment made during the year	(255,533)	(6,754,239)
	Closing Balance	**38,681,531**	**5,251,563**

The company maintained gratuity provision on a lump sum basis in prior years. During this year management calculated the actual liability and decided to made provision accordingly.

16.00 Unclaimed Dividend

This is arrived as follows:

Dividend Account No	Type of Account	Year of Dividend		
Dhaka Bank Ltd. Dividend Account -215150000001554	STD	Up to 2015	-	4,051,108
HSBC Ltd. Dividend Account - 001-145-457-012	Current Account	2015-2016	-	634,381
HSBC Ltd. Dividend Account - 001-145-457-013	Current Account	2016-2017	-	3,007,528
HSBC Ltd. Dividend Account - 001-145-457-014	Current Account	2017-2018	843,141	846,640
HSBC Ltd. Dividend Account - 001-145-457-015	Current Account	2018-2019	332,609	334,971
HSBC Ltd. Dividend Account - 001-145-457-901	Current Account	2020-2021	1,078,363	-
Total Unclaimed dividend			**2,254,112**	**8,874,627**

17.00	**Cost of Goods Sold**			
	This is made up as follows:			
	Materials Consumption			
	Raw Materials	17.01	2,035,057,815	1,748,117,453
	Packing Materials	17.02	22,885,548	22,016,698
	Stores and Spares	17.03	31,920,651	34,535,616
	Total materials consumption		**2,089,864,014**	**1,804,669,767**
	Direct Wages and Salaries		117,499,449	103,501,556
	Prime cost		**2,207,363,463**	**1,908,171,323**
	Add. Factory Overhead	17.04	282,690,729	290,528,027
	Total manufacturing cost		**2,490,054,192**	**2,198,699,350**
	Add. Opening Work-in-process		22,829,968	16,246,716
	Cost of goods available for use		**2,512,884,160**	**2,214,946,066**
	Less. Closing Work-in-process		26,720,844	22,829,968
	Cost of Production		**2,486,163,316**	**2,192,116,098**
	Add. Opening Stock of Finished Goods		30,982,219	124,797,782
	Cost of goods available for sales		**2,517,145,535**	**2,316,913,880**
	Less. Closing Stock of Finished Goods		119,979,842	30,982,219
	Cost of Goods Sold		**2,397,165,693**	**2,285,931,660**

		Amount in Taka	
		June 30, 2022	June 30, 2021
17.01	**Raw Materials**		
	This is arrived as follows:		
	Opening Stock of Raw Materials	806,303,500	974,038,180
	Add. Purchase during the year	1,568,021,627	1,584,988,840
	Less: Short Weight Claim	(4,941,427)	(1,758,549)
	Add: (Gain)/Loss on dollar fluctuation	(18,747,494)	(2,847,518)
	Raw Materials available for use	**2,350,636,207**	**2,554,420,953**
	Less. Closing Stock of Raw Materials	315,578,392	806,303,500
	Consumption during the year	**2,035,057,815**	**1,748,117,453**
17.02	**Packing Materials**		
	This is arrived as follows:		
	Opening Stock of Packing Materials	336,825	1,842,078
	Add. Purchase during the year	22,657,938	20,511,445
	Packing Materials available for use	**22,994,763**	**22,353,523**
	Less. Closing Stock of Packing Materials	109,215	336,825
	Consumption during the year	**22,885,548**	**22,016,698**
17.03	**Stores and Spares**		
	This is arrived as follows :		
	Opening Stock	39,106,379	42,855,705
	Add. Purchase during the year	61,672,960	30,786,290
	Stores and Spares available for use	**100,779,338**	**73,641,995**
	Less. Closing Stock	68,858,688	39,106,379
	Consumption during the year	**31,920,651**	**34,535,616**
17.04	**Factory Overhead**		
	Gas Charges	115,081,646	111,988,612
	Covered Van and Lorry expenses	4,494,955	5,297,858
	Insurance Premium	7,677,394	7,151,680
	Factory Repair & Maintenance of Capital Assets	2,393,458	3,460,604
	Fuel & Lubricants	2,752,155	3,421,750
	Staff Quarter Expenses	874,725	739,182
	Misc. Expenses	510,580	602,860
	VAT/Excise Duty	1,070,208	445,375
	Depreciation (Annexure- A)	147,835,608	157,420,106
		282,690,729	**290,528,027**
18.00	**Administrative and Marketing Expenses**		
	This consists of as follows:		
	Directors' Remuneration	960,000	960,000
	Salary & Allowances	31,932,732	29,939,229
	Festival Bonus	2,675,052	1,153,375
	Provident fund	1,212,546	1,074,875
	Rest House Expenses	242,660	2,000
	Gratuity	33,685,501	8,237,024
	Postage & Stamp	23,839	27,325
	Printing Stationery	458,560	535,671
	Maintenance of Vehicle	249,976	290,875
	Travelling & Conveyance	452,486	417,905
	Rent a car fare	1,283,700	1,395,985
	Entertainment	622,277	585,598
	AGM Expenses	108,097	302,467
	Professional Fee	20,000	-
	Paper & Periodicals	-	73,910
	Advertisement	272,400	246,620
	Donation & Subscription	140,400	217,850
	Business Development Exp.	672,729	115,672

		Amount in Taka	
		June 30, 2022	June 30, 2021
	Insurance Premium	8,625	399,332
	Form, Fees & Others	2,971,212	2,977,600
	Board Meeting Fees	217,800	254,100
	Welfare Expenses	50,250	60,000
	Electric Expenses	-	212,503
	Utilities expenses	265,349	72,205
	Miscellaneous Expenses	603,848	321,657
	Selling & Distribution	-	2,000
	Fuel & Gas	1,700,365	1,875,878
	Office Maintenance	241,225	140,358
	Uniform & Upkeep	329,779	3,099
	Telephone, Telex & Fax	148,754	181,249
	IT Expenses	1,344,116	1,845,600
	Auditors' Fees	494,500	437,000
	Credit Rating Fee	64,500	150,000
	Annual Listing Fee	714,813	578,829
	CSR Activities	733,800	1,850
	Irrecoverable Balance of VAT Current A/C	393,309	-
	Depreciation (Annexure- A)	12,237,184	13,357,509
		97,532,385	**68,447,152**
19.00	**Financial Expenses**		
	The above amount comprise of as follows:		
	Interest on Short Term Loan - SCB	357,197	445,750
	Interest on Cash Credit- SCB	2,803,794	549,575
	Interest on Short Term Loan-HSBC	17,692	4,102,545
	Interest on Cash Credit-HSBC	1,464,801	1,010,463
	Finance Charge-EDF	23,865,424	42,049,284
	Interest on Cash Credit- EBL	1,180,004	1,190,100
	Interest on CC (SP)-EBL	-	4,281,532
	Interest on Long Term Loan-Prime Bank	-	5,468,525
	Interest on Short Term Loan-EBL	-	3,075,477
	Interest on Lanka Bangla Finance Ltd.	-	265,208
	Bank Charges & Commission	5,484,686	7,072,987
		35,173,598	**69,511,445**
20.00	**Non operating income /(Loss)**		
	Interest on FDR	307,623	393,461
	Interest on saving A/C	28,824	18,453
	Gain/(Loss) on Sale of Capital Assets	-	(655,838)
		336,447	**(243,923)**
21.00	**Other income**		
	Office Rent	-	1,438,502
		-	**1,438,502**
22.00	**Earnings per share (EPS)**		
	The computation of EPS is given below:		
	Net profit after tax	123,643,168	100,724,349
	Number of total outstanding shares	90,562,500	90,562,500
	Earnings per share (EPS)	**1.37**	**1.11**
23.00	**Net Assets value (NAV) per share**		
	Total assets	5,578,235,170	5,836,126,196
	Total outside liabilities	1,647,424,340	1,950,239,679
	Net assets	**3,930,810,831**	**3,885,886,517**
	Divided by number of ordinary shares	90,562,500	90,562,500
	Net assets value (NAV) per share	**43.40**	**42.91**

Amount in Taka	
June 30, 2022	June 30, 2021

24.00 Related Party Transactions

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

To comply with BSEC notification No. SEC/CMRRCD/2008-183/Admin/03-30 dated June 1, 2009 and BSEC notification No. SEC/CMRRCD/2006-159/Admin/02-10 dated September 1, 2006 the company has taken approval in its 40th AGM on 12 December, 2021 for supply of goods and materials amounting 1% or above of the revenue for the immediate preceding financial year with its related parties.

Name of Party	Nature of Transaction	Relationship	30.06.2022	30.06.2021
Faisal Spinning Mills Ltd.	Trade & Other Receivable	Common Director	-	129,364,246
Saiham Cotton Mills Ltd.	Trade & Other Creditors	Common Director	176,144,831	66,642,242
Saiham Knit Composite Ltd.	Trade & Other Receivable	Common Director	70,640,123	73,210,696
Mrs. Momena Begum	Short term loan	Sponsor Share holder	17,500,000	17,500,000
Director Remuneration	Remuneration	Managing Director	960,000	960,000
Board Meeting Fee	Meeting Fee	Directors	217,800	254,100

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

Attendance Status of Board Meeting of Director

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

The attendance status of all meeting is as follows :

Name of Director	Position	2021-2022		2020-2021
		Meeting Held	Attended	Attended
S.M. Faisal	Managing Director	6	6	7
Engr. Syed Ishtiaq Ahmed	Chairman	6	6	7
Syed Shafqat Ahmed, MBA	Director	6	6	7
Mrs.Yasmin Faisal	Director	6	6	7
Rio Aziza Salim	Director	6	6	7
Md. Tariquzzaman Khan,FCA, FCS	Independent Director	6	6	7
Mohammad Nazmul Hossain, FCA	Independent Director	6	6	7

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

A. Disclosure as per requirement of schedule XI, part II, Note 5 of Para 3
Number of Employees for the period ended June 30,2022

Salary Range (Monthly)	Officer & Staff		Worker	Total Employees
	Head Office	Factory		
Below 4,100	-	-	-	-
Above 4,100	22	249	1,011	1,282
Total	**22**	**249**	1,011	1,282

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

Name	Designation	Remuneration	Remuneration
Mr. S. M. Faisal	Managing Director	960,000	960,000
Total		**960,000**	**960,000**

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

Details of production capacity & utilization

Year	Installed capacity p.a in kgs	Actual Production p.a in kgs	% of Capacity Utilization	%of Shortage
June 30, 2022	10,650,000	10,214,856	96	4
June 30, 2021	10,650,000	10,476,149	98	2

	Amount in Taka	
	June 30, 2022	June 30, 2021

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

Value of Raw Textile, Packing Materials and Stores and Spares for the period ended June 30,2022.

Particulars	Local Purchase	Import	Total purchase	Consumption
Raw Materials	266,389,972	1,301,631,655	1,568,021,627	2,035,057,815
Packing Material	22,657,938	-	22,657,938	22,885,548
Spare parts	23,099,955	38,573,005	61,672,960	31,920,651

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

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

27.00 Contingent Liability

Nature of contingent liability

Bank Guarantee - Jalalabad Gas T & D System Ltd.	7,275,252	7,275,252
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,307,059	2,307,059
Bank Guarantee - Jalalabad Gas T & D System Ltd.	1,972,148	1,972,148
Bank Guarantee - Jalalabad Gas T & D System Ltd.	177,602	177,602
Bank Guarantee - Jalalabad Gas T & D System Ltd.	29,745	29,745
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,996,037	2,996,037
Bank Guarantee - Jalalabad Gas T & D System Ltd.	2,193,018	2,193,018
Bank Guarantee - Jalalabad Gas T & D System Ltd.	7,362,260	7,362,260
Bank Guarantee - Jalalabad Gas T & D System Ltd.	3,082,884	3,082,884
Bank Guarantee - Jalalabad Gas T & D System Ltd.	78,557	78,557
	27,474,562	**27,474,562**

28.00 Contingent Assets

There was no Contingent Assets as on June 30, 2022.

29.00 Claim against the Company

There was no claim against the company which is to be acknowledged as debt as on June 30, 2022.

30.00 Event after reporting period

The Board of Directors at their board meeting held on October 26, 2022 recommended to the shareholders 12% cash dividend for the year ended June 30, 2022. This will be considered for approval by the shareholders at the next Annual General Meeting (AGM).

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

31.00 Reconciliation of cash flows from operating activities under indirect method

Profit before Tax	160,151,919	140,684,840
Adjustment to Reconcile Profit before Tax provided by operating activities:		
Less: Depreciation	160,072,792	170,777,615
Less: Finance Expenses	35,173,598	69,511,445
Less: Unrealized gain/(loss) for change in exchange rate of foreign currency	(37,339,005)	-
Gain on Sale of Vehicle	-	655,838
Changes in current assets and liabilities:		
(Increase) / Decrease Inventories	(347,069,261)	(91,768,317)
(Increase) / Decrease Advance, deposits & prepayments	(10,821,143)	(308,173,598)
Income Tax Paid	(14,888,150)	(14,663,091)
(Increase) / Decrease Trade Receivable	570,446,555	260,221,569
(Increase) / Decrease Trade Receivable	-	287,386
Increase/ (Decrease) In trade creditors	(353,055,658)	(179,101,395)
Increase / (Decrease) payables & Accruals	35,940,557	13,505,049
Increase / (Decrease) unclaimed Dividend	(6,620,515)	(245,221)
Net cash flow from operating activities	**191,991,689**	**61,692,122**

		Amount in Taka	
		June 30, 2022	June 30, 2021
32.00	**Collection from customer**		
	Opening receivable	963,643,477	871,875,161
	Add: Sales during the year	2,660,355,739	2,570,414,760
		3,623,999,216	3,442,289,921
	Less: Closing Receivable	(1,310,712,738)	(963,643,477)
	Add: Unrealized gain	77,800,367	-
	Collection from sales	**2,391,086,845**	**2,478,646,443**
33.00	**Collection from non-operating income & Other Income**		
	Opening receivables	-	287,386
	Add : Income during the year	336,447	1,850,417
		336,447	2,137,803
	Closing sundry Receivables	-	-
		336,447	**2,137,803**
34.00	**Payment for cost and expenses**		
	Cost of goods sold	(2,397,165,693)	(2,285,931,660)
	Operating expenses	(97,532,385)	(68,447,152)
	Depreciation	160,072,792	170,777,615
	Inventories	492,646,188	260,221,569
	Advances, deposits and pre-payments	(10,821,143)	(308,173,598)
	WPPF	(8,007,596)	(7,034,242)
	Payables & Accruals	35,940,557	13,505,049
	Unclaimed Dividend	(6,620,515)	(245,221)
	Trade creditors	(353,055,658)	(179,101,395)
		(2,184,543,452)	**(2,404,429,034)**
35.00	**Net Operating Cash Flow Per Share**		
	The computation of NOCFPS is given below:		
	Net cash flow from operating activities	191,991,689	61,692,121
	Divided by number of ordinary shares	90,562,500	90,562,500
	Net Operating Cash Flow Per Share (NOCFPS)	**2.12**	**0.68**

36.00 General Comments & Observations

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

Saiham Textile Mills Limited
Property, Plant and Equipment (Spinning unit)
As at June 30, 2022

Annexure - A-1

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Adjustment during the year	Balance as on 30.06.2022		Balance as on 01.07.2021	Charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Land & Land Development	10,139,142	-	-	10,139,142	-	-	-	-	-	10,139,142
Factory Building & Other Construction	56,828,872	-	-	56,828,872	5	36,845,728	999,157	-	37,844,886	18,983,986
Building Office Space	144,715,490	-	-	144,715,490	5	28,879,240	5,791,812	-	34,671,053	110,044,437
Plant & Machineries	628,990,793	-	-	628,990,793	7.5	490,766,625	10,366,813	-	501,133,438	127,857,355
Furniture & Fixtures	3,940,116	-	-	3,940,116	10	3,415,007	52,511	-	3,467,518	472,598
Motor Vehicles	22,984,684	-	-	22,984,684	15	13,231,184	1,463,025	-	14,694,209	8,290,475
Sundry Assets	9,607,325	11,530	-	9,618,855	10	8,472,757	113,553	-	8,586,310	1,032,545
Office Equipments	9,771,592	404,050	-	10,175,642	10	4,909,387	489,588	-	5,398,975	4,776,667
Sub-Total (a)	**886,978,014**	**415,580**	**-**	**887,393,594**		**586,519,929**	**19,276,459**	**-**	**605,796,388**	**281,597,206**

(b) Revaluation:

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Adjustment during the year	Balance as on 30.06.2022		Balance as on 01.07.2021	Charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Land & Land Development	456,315,538	-	-	456,315,538	-	-	-	-	-	456,315,538
Factory Building & Other Construction	348,798,084	-	-	348,798,084	5	82,954,162	13,292,196	-	96,246,358	252,551,726
Building Office Space	76,081,074	-	-	76,081,074	5	17,860,753	2,911,016	-	20,771,769	55,309,305
Plant & Machineries	336,855,612	-	-	336,855,612	7.5	176,425,267	12,032,276	-	188,457,542	148,398,070
Motor Vehicles	1,053,862	-	-	1,053,862	15	837,230	32,495	-	869,725	184,137
Sub-Total (b)	**1,219,104,170**	**-**	**-**	**1,219,104,170**		**278,077,411**	**28,267,983**	**-**	**306,345,394**	**912,758,776**
Grand Total (a+b)	**2,106,082,184**	**415,580**	**-**	**2,106,497,764**		**864,597,340**	**47,544,442**	**-**	**912,141,781**	**1,194,355,983**

Depreciation Charge to :

Cost of Production	36,690,442
Administrative Expenses	10,854,000
Total	**47,544,442**

Saiham Textile Mills Limited
Property, Plant and Equipment (Melange unit)
As at June 30, 2022

Annexure - A-2

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Adjustment during the year	Balance as on 30.06.2022		Balance as on 01.07.2021	Charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Land & Land Development	53,959,490	-	-	53,959,490	-	-	-	-	-	53,959,490
Factory Building & Other Construction	289,319,025	-	-	289,319,025	5	84,993,353	10,216,284	-	95,209,636	194,109,389
Plant & Machineries	1,223,538,356	-	-	1,223,538,356	7.5	551,037,852	50,437,538	-	601,475,390	622,062,966
Furniture & Fixtures	417,075	-	-	417,075	10	206,710	21,036	-	227,747	189,328
Motor Vehicles	17,837,434	-	-	17,837,434	15	10,679,397	1,073,705	-	11,753,103	6,084,331
Sundry Assets	2,195,487	2,600	-	2,198,087	10	813,533	138,217	-	951,750	1,246,337
Office Equipments	2,766,100	-	-	2,766,100	10	1,263,843	150,226	-	1,414,069	1,352,031
Sub-Total (a)	**1,590,032,967**	**2,600**	**-**	**1,590,035,567**		**648,994,689**	**62,037,006**	**-**	**711,031,695**	**879,003,872**

(b) Revaluation:

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Adjustment during the year	Balance as on 30.06.2022		Balance as on 01.07.2021	Charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Land & Land Development	489,028,911		-	489,028,911	-	-	-	-	-	489,028,911
Factory Building & Other Construction	468,447,353		-	468,447,353	5	49,196,731	20,962,531	-	70,159,263	398,288,090
Plant & Machineries	465,976,656		-	465,976,656	7.5	72,259,145	29,528,813	-	101,787,959	364,188,697
Sub-Total (b)	**1,423,452,920**	**-**	**-**	**1,423,452,920**		**121,455,877**	**50,491,344**	**-**	**171,947,221**	**1,251,505,699**
Grand Total (a+b)	**3,013,485,887**	**2,600**	**-**	**3,013,488,487**		**770,450,566**	**112,528,350**	**-**	**882,978,917**	**2,130,509,571**

Depreciation Charge to :

Cost of Production	111,145,166
Administrative Expenses	1,383,185
Total	**112,528,350**

Saiham Textile Mills Limited
Property, Plant and Equipment (Spinning unit)
As at June 30, 2021

Annexure - B-1

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Land & Land Development	10,139,142	-	-	10,139,142	-	-	-	-	-	10,139,142
Factory Building & Other Construction	56,693,122	135,750	-	56,828,872	5	35,800,533	1,045,195	-	36,845,728	19,983,144
Building Office Space	144,715,490	-	-	144,715,490	5	22,782,596	6,096,645	-	28,879,240	115,836,250
Plant & Machineries	628,990,793	-	-	628,990,793	7.5	479,559,260	11,207,365	-	490,766,625	138,224,168
Furniture & Fixtures	3,940,116	-	-	3,940,116	10	3,356,661	58,345	-	3,415,007	525,109
Motor Vehicles	25,984,684	-	(3,000,000)	22,984,684	15	13,456,051	1,879,295	(2,104,162)	13,231,184	9,753,500
Sundry Assets	9,585,905	21,420	-	9,607,325	10	8,348,875	123,881	-	8,472,757	1,134,568
Office Equipments	9,278,417	493,175	-	9,771,592	10	4,419,373	490,014	-	4,909,387	4,862,205
Sub-Total (a)	**889,327,669**	**650,345**	**(3,000,000)**	**886,978,014**		**567,723,350**	**20,900,741**	**(2,104,162)**	**586,519,929**	**300,458,085**

(b) Revaluation:

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Land & Land Development	456,315,538	-	-	456,315,538	-	-	-	-	-	456,315,538
Factory Building & Other Construction	348,798,084	-	-	348,798,084	5	68,962,376	13,991,785	-	82,954,162	265,843,922
Building Office Space	76,081,074	-	-	76,081,074	5	14,796,526	3,064,227	-	17,860,753	58,220,321
Plant & Machineries	336,855,612	-	-	336,855,612	7.5	163,417,401	13,007,866	-	176,425,267	160,430,345
Motor Vehicles	1,053,862	-	-	1,053,862	15	799,001	38,229	-	837,230	216,632
Sub-Total (b)	**1,219,104,170**	**-**	**-**	**1,219,104,170**		**247,975,303**	**30,102,108**	**-**	**278,077,411**	**941,026,759**
Grand Total (a+b)	**2,108,431,839**	**650,345**	**(3,000,000)**	**2,106,082,184**		**815,698,653**	**51,002,849**	**(2,104,162)**	**864,597,340**	**1,241,484,844**

Depreciation Charge to :

Cost of Production	39,252,211
Administrative Expenses	11,750,637
Total	**51,002,849**

Saiham Textile Mills Limited
Property, Plant and Equipment (Melange unit)
Property, Plant and Equipment
As at June 30, 2021

Annexure - B-2

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Land & Land Development	53,959,490		-	53,959,490	-	-	-	-	-	53,959,490
Factory Building & Other Construction	280,359,043	8,959,982	-	289,319,025	5	74,671,650	10,321,703		84,993,353	204,325,672
Plant & Machineries	1,214,527,307	9,011,049	-	1,223,538,356	7.5	497,180,525	53,857,328	-	551,037,852	672,500,504
Furniture & Fixtures	415,575	1,500	-	417,075	10	183,489	23,221	-	206,710	210,365
Motor Vehicles	17,837,434			17,837,434	15	9,416,215	1,263,183	-	10,679,397	7,158,037
Sundry Assets	2,195,487		-	2,195,487	10	659,983	153,550	-	813,533	1,381,954
Office Equipments	2,766,100		-	2,766,100	10	1,096,926	166,917	-	1,263,843	1,502,257
Sub-Total (a)	**1,572,060,436**	**17,972,531**	**-**	**1,590,032,967**		**583,208,786**	**65,785,903**	**-**	**648,994,689**	**941,038,279**

(b) Revaluation:

Particulars	Cost				Rate of dep. (%)	Depreciation				W.D.V. as at 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Land & Land Development	489,028,911		-	489,028,911	-	-	-	-	-	489,028,911
Factory Building & Other Construction	468,447,353		-	468,447,353	5	27,130,909	22,065,822	-	49,196,731	419,250,622
Plant & Machineries	465,976,656		-	465,976,656	7.5	40,336,104	31,923,041	-	72,259,145	393,717,511
Sub-Total (b)	**1,423,452,920**	**-**	**-**	**1,423,452,920**		**67,467,013**	**53,988,864**	**-**	**121,455,877**	**1,301,997,043**
Grand Total (a+b)	**2,995,513,356**	**17,972,531**	**-**	**3,013,485,887**		**650,675,799**	**119,774,766**	**-**	**770,450,566**	**2,243,035,322**

Depreciation Charge to :

Cost of Production	118,167,894
Administrative Expenses	1,606,872
Total	**119,774,766**

Saiham Textile Mills Limited
Statement of Trade and Other Receivables
As at June 30, 2022

Annexure - C-1

Name Of Party	Amount in Taka
Abanti Colour Tex Ltd	108,347,563
Abiko Knit Composite Ltd	9,321,688
Adury Apparels Ltd	1,009,638
Akh Knitting & Dyeing Ltd	42,180,000
Amity Design Ltd	2,480,850
Comptex Bangladesh Limited	1,850,000
Conway Knitwear Ltd.	9,364,006
Epyllion Knitex Ltd.	29,341,000
Esquire Knit Composite Ltd.	2,890,625
Eurotex Knitwear Ltd.	99,311,469
Fabrica Knit Composite Ltd.	19,824,928
Fakir Apparels Ltd.	135,050,000
Friends Knitwear And Accessories Ltd	6,660,000
Gulf Knitting & Textile Limited	5,133,750
Impress- Newtex Composite Textiles Ltd	39,010,950
Kaizer Knitwears Ltd	50,086,900
Knit City Ltd.	1,714,488
Knit Export (Bd) Ltd.	722,425
Krss Sportswear Ltd.	1,063,750
Kushiara Composite Knit Ind. Ltd.	164,300,350
Libas Knitwear Ltd.	4,710,909
Liberty Knitwear Ltd.	95,560,094
Link Tex Sportswear Ltd	3,701,619
M.B Knit Fashion Ltd	55,085,409
M/S. Muazuddin Knit Fashion Ltd	2,658,913
M/S.Hasan Style & Design Ltd.	18,955,794
Mahmud Fabrics & Finishing Ltd.	6,699,775
Maven Fashion Limited.	9,842,000
Meghna Knit Composite Ltd	11,405,250
Moonlux Composite Knit Garments Ltd.	5,347,425
Muazuddin Textile Ltd.	8,172,375
Nemcon Design Ltd	25,724,713
Network Apparel Ltd	38,464,691
Network Clothing Ltd.	14,946,890
Nirzhor Knitwear Ltd	5,886,238
Pakiza Knit Composite Ltd.	21,379,109
Polestar Fashion Design Ltd.	8,812,706

Annexure - C-1

Name Of Party	Amount in Taka
Ratul Fabrics Ltd.	9,049,506
Ratul Knitwears Ltd	5,678,575
Raz Apparels	10,821,353
Ripon Knitwear Ltd.	3,514,075
Riviera Composite Industries Ltd.	16,581,041
Saiham Knit Composite Ltd.	70,640,123
Shepherd Industries Limited	14,985,000
Shepherd Textile (Bd) Ltd.	31,658,125
Showan Knit Composite Ltd.	27,658,425
Susuka Knit Ltd.	5,430,906
Tamai Knit Fashion Ltd	2,996,075
Taqwa Fabrics Ltd.	2,553,000
Trust Knitwear Industries Ltd.	1,363,219
Tss Fashion	12,593,921
Unique Designers Ltd.	10,900,663
Unity Fabric Industries Ltd.	6,224,325
Utah Knitting & Dyeing Ltd	5,311,119
Zaheen Knitwears Ltd	5,735,000
Grand Total	**1,310,712,738**

Saiham Textile Mills Limited

Statement of Trade and Other Receivables
As at June 30, 2021

Annexure - C-2

Name Of Party	Amount in Taka
5F Apparels Ltd	2,049,220
Abanti Colour Tex Ltd	12,854,844
Advanced Composite Textile Ltd.	14,053,230
Akh Knitting & Dyeing Ltd	5,037,000
Alim Knit (Bd) Ltd	725,328
Amex Knitting & Dyeing Inds. Ltd. (Unit -2)	67,589,824
A-One Polar Ltd.	25,873,390
Apparel Village Ltd	431,083
B.S Syndicate	1,057,699
Base Fashions Limited.	3,349,605
Base Textile Ltd.	8,217,656
Ca Knitwear Ltd.	17,868,758
Conway Knitwear Ltd.	5,039,519
Cotton Club (Bd) Ltd	1,598,408
Elham Fashion Ltd	16,383,682
Epyllion Fabrics Ltd.	9,939,680
Epyllion Knitex Ltd.	14,976,680
Eurotex Knitwear Ltd.	8,041,151
Fabrica Knit Composite Ltd.	19,461,289
Faisal Spinning Mills Ltd	129,364,246
Fakir Apparels Ltd.	21,681,137
Famkam Fashion Ltd.	1,012,857
Flamingo Fashions Ltd.	31,682,730
Gimex Clothing Ltd	821,031
Glare Fashion Ltd	434,441
Grameen Fabrics And Fashions Ltd.(Composite Knitwear Unit)	19,154,452
Hdf Apparels Ltd.	5,802,624
Impress- Newtex Composite Textiles Ltd	5,186,641
Iris Fabrics Ltd.	4,785,150
Karooni Fashions Ltd	1,724,979
Khantex Fashions Ltd.	11,597,693
Liberty Knitwear Ltd.	72,879,427
Logos Apparels Ltd.	16,999,875
Meghna Knit Composite Ltd	3,701,146
Mouchak Knit Composite Ltd	685,032
Muazuddin Textile Ltd.	17,261,799
N.A.Z Bangladesh Ltd.	33,096,868
Nemcon Design	3,359,679
Newage Textiles Ltd	1,184,325
Northern Fashion Ltd.	20,110,223
Pakiza Knit Composite Ltd.	7,813,814
Paramount Textile Ltd.	6,170,325
Plummy Fashions Ltd	1,859,493
R.S. Knit Fashion Ltd.	4,489,856
Rupashi Knit Wears Ltd	7,895,498
S.M Knitwear Ltd	5,346,398
Sabah Designers Ltd.	805,920

Annexure - C-2

Name Of Party	Amount in Taka
Sadma Fashion Wear Ltd.	6,192,152
Safia Apparels Ltd	7,444,896
Saiham Knit Composite Ltd.	73,210,696
Seacotex Fabrics Ltd.	16,983,085
Showan Knit Composite Ltd.	67,182,667
Silver Apparels Ltd.	27,178,267
Square Denims Ltd.	41,181,391
Texeurop (Bd) Ltd.	47,139,184
Unique Designers Ltd.	1,023,351
Unity Fabric Industries Ltd.	4,652,089
Grand Total	**963,643,477**

Saiham Textile Mills Limited
Statement of Trade & Other Creditors
As at June 30, 2022

Annexure - D-1

Name of Party		Amount in Taka
Al-Falah Bearing & Machineries	Local Supplier	24,080
Alpha Cnfs	Local Supplier	12,077
B D.Venture	Local Supplier	301,455
Bearing Sales Corporation	Local Supplier	54,550
Bengal Polymer Wares Limited	Local Supplier	310,000
Bengal Roots	Local Supplier	9,909
Bengal Roots Textile Ltd.	Local Supplier	32,204
Bismillah Textile Engineering	Local Supplier	114,370
Bright Electric Store	Local Supplier	345,970
Central Hardware & Tools	Local Supplier	16,990
Citizen Marketing Ltd.,	Local Supplier	56,946
City Paper & Stationary	Local Supplier	46,435
Delco Engineering	Local Supplier	9,785
Delcot Limited	Local Supplier	50,479
Dynamic Bearing & Machineries	Local Supplier	47,700
Eastern Tools & Machineries	Local Supplier	22,690
Electric Power	Local Supplier	9,200
Eskander Engineering Works	Local Supplier	14,750
Euro-Tex International	Local Supplier	37,500
Faithness Limited.	Local Supplier	67,500
Flash Point	Local Supplier	72,000
G.S. Enterprise	Local Supplier	8,000
German Scientific Mart	Local Supplier	47,000
Hi-Tech Power	Local Supplier	109,358
Imtinan Trading	Local Supplier	31,500
Janata Machineries	Local Supplier	29,260
Janata Mill Store	Local Supplier	57,160
Kamary Trade Center	Local Supplier	219,660
Khan Enterprise	Local Supplier	35,480
Khandaker Enterprise	Local Supplier	57,770
Khorshed Electric Company.	Local Supplier	43,650
Kushal Traders	Local Supplier	115,750
Lipika	Local Supplier	545,250
Louhojong Hardware Store	Local Supplier	33,018
Lube Asia	Local Supplier	196,280
Lucky Textile Engineering.	Local Supplier	452,770
M H Printing House	Local Supplier	8,000
M/S Khan & Co	Local Supplier	29,900
Maa Bearing And Machineries	Local Supplier	17,400
Maintenance Solutions	Local Supplier	21,600
Meghna Bearing & Machineries	Local Supplier	5,600
Monir Biddut Bitan	Local Supplier	4,360
Multitech Safety & Security	Local Supplier	70,800
New Diamond Plastic & Engineering Works	Local Supplier	174,370
New Shapla Traders	Local Supplier	55,780
Noor Light House	Local Supplier	3,850
Nurab Limited	Local Supplier	195,925
One Light Energy Ltd.	Local Supplier	58,500
Pathan Machinery Store	Local Supplier	15,029

Annexure - D-1

Name of Party		Amount in Taka
People'S Mill Store	Local Supplier	15,170
Power Line	Local Supplier	195,320
Prime Trading	Local Supplier	17,170
Rabby Hardware & Tools	Local Supplier	10,800
Rohan Electric	Local Supplier	69,380
S J Traders	Local Supplier	25,500
S. Boiler & Hydraulic Trade	Local Supplier	8,500
S. S Corporation	Local Supplier	15,000
S.S Trade Link	Local Supplier	60,000
Sail International Ltd.	Local Supplier	48,000
Sharif Bearing & Machineries	Local Supplier	26,300
Siam Lubrication Engineering	Local Supplier	59,000
Smh Corporation	Local Supplier	136,496
Spares Parts Trade	Local Supplier	19,000
Standard Electric Store	Local Supplier	534,760
Star Trade Connection	Local Supplier	66,850
Sutex International	Local Supplier	375,008
T M Trade Corporation.	Local Supplier	55,075
Tamim Traders	Local Supplier	7,785
Tanvir Boiler Mart	Local Supplier	354,206
Technaf Engineering Pvt. Ltd.	Local Supplier	90,300
Tex Solutions Bd	Local Supplier	1,557,200
The Marium International	Local Supplier	16,200
Trutzschler	Foreign Supplier	170,239
Uster Technologies, Inc.	Foreign Supplier	130,098
Zahi Computer	Local Supplier	15,284
Zahid Traders & Technology	Local Supplier	101,000
Maliha Poly Tex Fiber Industry Limited	Local Supplier	12,080,252
Saiham Cotton Mills Ltd.	Group Company	176,144,831
Grand Total		**196,704,333**

Saiham Textile Mills Limited
Statement of Trade Creditors
As at June 30, 2021

Annexure - D-2

Name of Party		Amount in Taka
Ambica Cot Seeds	Import Liabiliy	46,589,752
Axita Cotton Limited	Import Liabiliy	38,919,317
Bhilosa Industries Pvt. Ltd.	Import Liabiliy	6,722,351
Ecom Agroindustrial Corp. Ltd.	Import Liabiliy	89,250,168
GWK Limited	Import Liabiliy	71,724,607
Konstantinos Markou	Import Liabiliy	168,771,498
Thai Polyester Co. Ltd	Import Liabiliy	54,393,907
A K Printers	Local Supplier	79,500
Advance To Mr. Ershad Chowdhury	Local Supplier	36,750
Automation Engineering	Local Supplier	53,770
B D.Venture	Local Supplier	86,730
B Tech Engineering	Local Supplier	460,000
Bearing Sales Corporation	Local Supplier	39,000
Chowdhury Electric House.	Local Supplier	6,440
Color Woven Bag Industries Ltd.	Local Supplier	217,000
Delcot Limited	Local Supplier	214,148
Electric Power	Local Supplier	39,000
Electromech Power Limited	Local Supplier	210,000
Flash Point	Local Supplier	86,400
Hera Electric Store	Local Supplier	130,630
Imtinan Trading	Local Supplier	31,500
J. S. Lawn Mower House	Local Supplier	65,000
Janata Auto Engineering	Local Supplier	60,000
Janata Machineries	Local Supplier	57,530
Kamary Trade Centre	Local Supplier	169,838
Kansai Nerolac Paints (Bangladesh) Limit	Local Supplier	33,963
Khandaker Enterprise	Local Supplier	19,160
Khorshed Electric Company.	Local Supplier	30,720
Lipika	Local Supplier	38,600
Lube Asia	Local Supplier	334,380
Lucky Textile Engineering.	Local Supplier	270,369
M/S Tamim Traders	Local Supplier	30,500
M/S Tyre Land	Local Supplier	242,750
Maa Bearing And Machineries	Local Supplier	64,340
Maintenance Solutions	Local Supplier	21,600
Maks Line Engineering.	Local Supplier	158,254
National Trading Services	Local Supplier	607,000
Nazrul Islam Mizan	Local Supplier	831,000
New Diamond Plastic & Engineering Work	Local Supplier	461,790
Nipa Glass Hardware	Local Supplier	1,400
Nitol Motors Ltd	Local Supplier	50,882
Nurab Limited	Local Supplier	459,925
One Light Energy Ltd.	Local Supplier	58,500
Pathan Machinery Store	Local Supplier	14,165
People'S Mill Store	Local Supplier	3,088
Projatontro Bizlee Center	Local Supplier	36,300
Rafat Enterprise	Local Supplier	152,500
S. S Corporation	Local Supplier	15,000

Annexure - D-2

Name of Party		Amount in Taka
Saiham Software Limited	Local Supplier	1,000
Shawon Enterprise	Local Supplier	9,780
Siam Lubrication Engineering	Local Supplier	21,000
Smh Corporation	Local Supplier	80,650
Standard Electric Store	Local Supplier	49,730
T M Trade Corporation.	Local Supplier	81,730
Tamim Traders	Local Supplier	30,450
The Marium International	Local Supplier	122,000
Tns Engineering Ltd.	Local Supplier	7,650
Trutzschler	Foreign Supplier	170,239
Uster Technologies, Inc.	Foreign Supplier	130,098
Zahid Traders & Technology	Local Supplier	62,400
Saiham Cotton Mills Ltd.	Group Company	66,642,242
Grand Total		**549,759,991**

Saiham Textile Mills Ltd.

Saiham Tower, House # 34 (11th Floor) Road # 136, Gulshan-1, Dhaka-1212.

PROXY FORM

Revenue Stamp Tk. 20.00

I/We.....

of.....

being a Shareholder of Saiham Textile Mills Ltd. hereby appoint

Mr./Ms. .....

of.....

as my proxy in my/our absence to attend and vote for me/us on my/our behalf at the 41st Annual General Meeting of the Company to be held on December 22, 2022 at 2:30 P.M. through Digital Platform and/or at any adjournment thereof.

As witness my/our hand this.....day of December 2022.

Signature of Proxy.....

Signature of Shareholder .....

Folio No. / BO ID No.

Saiham Textile Mills Ltd.

Dhaka Office : Saiham Tower, House # 34 (11th Floor), Road # 136
Gulshan-1, Dhaka-1212, Phone : 02-2222-62284, 02-2222-63323
Fax : 02-2222-94607, E-mail : share@saiham.com
website : www.saihamtextile.com