



# SAIHAM COTTON MILLS LTD.

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Ref: SCML/04/267/16

Dated: Dhaka  
November 14, 2016

**The Chairman**  
**Bangladesh Securities and Exchange Commission**  
Jiban Bima Tower (15<sup>th</sup> & 16<sup>th</sup> Floor)  
10, Dilkusha C/A.  
Dhaka-1000.

**Sub: Submission of un-audited First Quarterly Financial Statements of Saiham Cotton Mills Ltd.**

Dear Sir,

As per regulation in 17(1) of DSE Listing Regulations 2015, we are pleased to enclose herewith the un-audited First Quarterly Financial Statements for the period from July 01, 2016 to September 30, 2016 of Saiham Cotton Mills Ltd. The above un-audited First Quarterly Financial Statements are also available in the website of the Company.

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

Thanking you,

Yours faithfully,

(Md. Sahinur Kabir)  
Company Secretary

CC to:

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

**\*\* The accounting year of Saiham Cotton Mills Ltd. has been changed from April 30,2016 to June 30,2016 as per Section 9 of the Finance Act,2015. As such the comparison figure of 1st Quarterly financial statements as on September 30,2016 has not be given as per clarification # 12 of minutes of the meeting amongst BSEC, DSE and CSE held on April 28,2016 regarding uniform income year.**



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## Statement of Financial Position

As at September 30, 2016

Particulars	Amount in Taka	
	September 30, 2016	June 30, 2016
<b>Assets :</b>		
Non Current Assets :		
Property, plant and equipment	2.00 2,456,081,912	2,472,160,291
Investment	3.00 908,789,096	947,805,721
<b>Total Non-current Assets</b>	<b>3,364,871,008</b>	<b>3,419,966,012</b>
<b>Current Assets :</b>		
Trade and other receivables	873,763,497	655,561,289
Inventories	963,072,478	1,310,867,694
Advance, deposits and pre-payments	99,284,569	70,650,867
Cash and cash equivalents	4.00 135,507,442	59,628,913
<b>Total Current Assets</b>	<b>2,071,627,986</b>	<b>2,096,708,763</b>
<b>Total Assets</b>	<b>5,436,498,994</b>	<b>5,516,674,775</b>
<b>Equity and Liabilities :</b>		
<b>Shareholders Equity :</b>		
Share capital	1,487,750,000	1,487,750,000
Share premium	751,750,000	751,750,000
Tax holiday reserve	100,715,999	100,715,999
Revaluation surplus	416,557,927	422,841,932
General reserve	60,400,000	60,400,000
Retained earnings	593,504,099	549,071,422
<b>Total Shareholders Equity</b>	<b>3,410,678,025</b>	<b>3,372,529,353</b>
<b>Non-current Liabilities :</b>		
Deferred tax liabilities	164,089,335	160,510,750
Term Loan	5.00 399,735,489	428,333,086
<b>Total Non-current Liabilities</b>	<b>563,824,824</b>	<b>588,843,836</b>
<b>Current Liabilities :</b>		
Short Term Loan	6.00 963,723,235	967,272,466
Term Loan Current Maturity	189,145,230	189,145,230
Trade creditors	233,329,554	315,025,922
Liabilities against capital machinery	18,247,021	28,201,158
Income tax provision	17,803,097	17,188,730
Payable and accruals*	39,748,008	38,468,080
<b>Total Current Liabilities</b>	<b>1,461,996,146</b>	<b>1,555,301,586</b>
<b>Total Liabilities</b>	<b>2,025,820,970</b>	<b>2,144,145,422</b>
<b>Total Equity and Liabilities</b>	<b>5,436,498,994</b>	<b>5,516,674,775</b>
<b>Net Assets Value per Share</b>	<b>22.93</b>	<b>22.67</b>

Managing Director

Director

Chairman

Chief Financial Officer

Company Secretary



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## Statement of Profit or Loss and Other Comprehensive Income For the period from July 01,2016 to September 30,2016

Particulars	Notes	Amount in Taka
		July 01,2016 to September 30,2016
Turnover		755,660,794
Cost of goods sold		(702,620,719)
<b>Gross Profit</b>		<b>53,040,075</b>
Administrative and marketing expenses	7.00	(15,139,856)
Financial expenses	8.00	(10,409,783)
<b>Operating Profit</b>		<b>27,490,436</b>
Non operating income	9.00	23,221,756
<b>Operating Profit before WPPF</b>		<b>50,712,192</b>
Provision for WPPF		(2,414,866)
<b>Profit Before Tax</b>		<b>48,297,326</b>
<b>Provision for Tax</b>		<b>(10,213,904)</b>
Current Tax		(5,526,377)
Deferred Tax		(4,687,527)
<b>Net Profit After Tax</b>		<b>38,083,422</b>
<b>Other Comprehensive Income/(Loss) :</b>		<b>(1,043,690)</b>
Adjustment for unrealized loss/(gain) on marketable securities		(1,043,690)
<b>Total Comprehensive Income for the period</b>		<b>37,039,732</b>

Earnings Per Share (EPS)

0.26

  
Managing Director

  
Director

  
Chairman

  
Chief Financial Officer

  
Company Secretary





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## Statement of Cash Flows

For the period from July 01,2016 to September 30, 2016

Particulars	Amount in Taka
	July 01,2016 to Sept 30,2016
<b>A. Cash Flows From Operating Activities</b>	
Collection from sales	537,458,586
Payment for cost and expenses	(440,564,252)
Interest paid on borrowings	(10,409,783)
Collection from non operating income	23,221,756
Income tax paid	(4,912,011)
<b>Net cash from operating activities</b>	<b>104,794,297</b>
<b>B. Cash Flows From Investing Activities</b>	
Acquisition of property,plant and equipment	(24,787,738)
Investment in Unquoted company (SKCL)	20,350,000
Investment in FDR	17,622,935
Liability against capital machinery	(9,954,137)
<b>Net cash used in investing activities</b>	<b>3,231,060</b>
<b>C. Cash Flows From Financing Activities</b>	
Short term loan	(3,549,231)
Term Loan	(28,597,597)
<b>Net cash provided by financing activities</b>	<b>(32,146,828)</b>
<b>D.Net Increase/Dicrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>75,878,529</b>
Cash & Cash Equivalents at beginning of the year	59,628,913
<b>Cash &amp; Cash Equivalents at ending of the year</b>	<b>135,507,442</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>0.70</b>

  
Managing Director

  
Director

  
Chairman

  
Chief Financial Officer

  
Company Secretary



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**Saiham Cotton Mills Ltd.**  
Statement of Changes in Equity  
For the period from July 01, 2016 to September 30, 2016

Particulars	Share Capital	Share Premium	Tax holiday	General Reserve	Revaluation surplus	Retained earnings	Total equity
Balance as at July 01, 2016	1,487,750,000	751,750,000	100,715,999	60,400,000	422,841,932	549,071,422	3,372,529,353
Net profit for the period	-	-	-	-	-	37,039,732	37,039,732
Adjustment for depreciation on revalued assets	-	-	-	-	(6,284,004)	-	(6,284,004)
Adjustment for revaluation of P.P.E and deferred tax	-	-	-	-	-	7,392,946	7,392,946
Balance as at September 30, 2016	1,487,750,000	751,750,000	100,715,999	60,400,000	416,557,928	593,504,099	3,410,678,025

  
Managing Director

  
Director

  
Chairman

  
Chief Financial Officer

  
Company Secretary

**Notes to the Financial Statements**

As at and for the period ended September 30,2016

- 1.00 The accounting year of Saiham Cotton Mills Ltd. has been changed from April 30,2016 to June 30,2016 as per Section 9 of the Finance Act,2015. As such the comparison figure of 1st Quarterly financial statements as on September 30,2016 has not be given as per clarification # 12 of minutes of the meeting amongst BSEC, DSE and CSE held on April 28,2016 regarding uniform income year.

Amount in Taka	
Sept 30, 2016	June 30, 2016

**2.00 Property, Plant and Equipment:**

This is arrived of as follows:

Cost	3,433,915,028	3,409,127,290
Less: Accumulated depreciation	977,833,116	936,966,999
<b>Written down value</b>	<b>2,456,081,912</b>	<b>2,472,160,291</b>

**3.00 Investment**

Investment in Unquoted company (FSML)	60,499,400	60,499,400
Investment in shares of listed company	25,789,696	26,833,386
Investment in Unquoted company (SKCL)	-	20,350,000
Investment in FDR	822,500,000	840,122,935
	<b>908,789,096</b>	<b>947,805,721</b>

**4.00 Cash and cash equivalents :**

This consists of :

Cash in hand	4.01	3,175,868	1,974,321
Cash at banks	4.02	132,331,574	57,654,592
		<b>135,507,442</b>	<b>59,628,913</b>

**4.01 Cash in hand:**

Head office	214,676	172,893
Factory Office	2,961,192	1,801,428
	<b>3,175,868</b>	<b>1,974,321</b>





**4.02 Cash at banks:**

Janata Bank, Motijheel Branch - CD A/C # 023733012107	20,847	21,327
Janata Bank, Noyapara Branch - CD A/C # 0210005125	132,011	5,431,838
Janata Bank Ltd. SND A/C # 145	192,033	4,892,189
Dhaka Bank, Local Office - CD A/C # 020110000010671	1	1
Dhaka Bank, Islami Branch- CD A/C # 2015	88,919	88,919
Standard Chartered Bank, A/C # 01-1183017-01	166,035	166,610
HSBC CD A/C # 001234608-011	2,819,795	2,407,638
HSBC Margin Account # 001234608-091	7,988,046	2,237,832
HSBC BDT Margin Account # 001 234608-095	10,568	10,568
HSBC FC Account # 001234608-047	7,504,903	7,110,761
HSBC Dividend Account # 001 234608-012	1,792,805	1,792,805
HSBC Dividend Account # 001 234608-015	1,878,388	1,925,188
HSBC Dividend Account # 001 234608-901	2,301,548	2,348,298
HSBC Dividend Account # 001 234608-902	938,335	981,451
HSBC CD A/C # 001234608-013	412	412
HSBC CD A/C # 001234608-014	466,957	306,887
HSBC Offshore A/C # 005	78,588	4,097,099
Bank Asia \$ Margin A/C # 11047000002	99,254,586	17,067,631
Bank Asia ERQ A/C # 11042000002	1,630,652	1,632,711
Bank Al Falah STD A/C # 0702 03700151	41,023	41,598
Bank Al Falah Margin A/C # 0702 4502202	21,710	-
Premier Bank Ltd. A/C #1021311869	2,160,200	1,758,071
Mutual Trust Bank A/C # 599	478,111	1,469,657
Prime Bank Ltd. CD A/C # 11811010044026	500,000	-
BRAC Bank A/C # 1501201985342002	1,865,101	1,865,101
	<b>132,331,574</b>	<b>57,654,592</b>

**5.00 Term Loan**

This is arrived as follows :

Opening Balance as on July 01,2016	617,478,316	637,729,956
Addition during the period/year	18,672,425	15,402,514
	<b>636,150,741</b>	<b>653,132,470</b>
Adjusted/Payment during the period/year	(47,270,022)	(35,654,154)
Closing Balance as on September 30,2016	<b>588,880,719</b>	<b>617,478,316</b>
Less: Term Loan Current Maturity	189,145,230	189,145,230
	<b>399,735,489</b>	<b>428,333,086</b>

**6.00 Short Term Loan**

Bank Loan and Overdraft

6.01

963,723,235	967,272,466
<b>963,723,235</b>	<b>967,272,466</b>



**6.01 Bank Loan and Overdraft :**

This consists of as follows :

Cash Credit ( Hypo ) Bank Asia Ltd.	158,997,320	305,550,684
Cash Credit ( Hypo ) Bank Al Falah	71,373,060	39,746,233
Short Term Loan - HSBC	155,000,000	155,000,000
L/C liabilities under EDF	430,300,181	377,592,891
IDBP Loan - HSBC Ltd.	94,964,599	89,382,658
IDBP Loan - Bank Asia Ltd.	53,088,075	-
	<b>963,723,235</b>	<b>967,272,466</b>

**7.00 Administrative and Marketing Expenses :**

This consists of as follows :

Directors Remuneration	525,000
Salary and Allowances	5,584,649
Festival Bonus	658,150
Office Rent	115,000
Incentive Bonus	925,000
Grauity	1,069,600
Entertainments	794,636
Electric Bill	77,576
Rent a car	518,010
Fuel & Lubricants	833,992
Fees, Forms, and others	147,145
Maintenance of Vehicles	246,599
IT Expenses	802,200
Insurance Premium	63,174
Printing & Stationery	205,938
Donation and Subscription	162,190
Miscellaneous Expenses	161,680
Office Maintenance	257,448
Traveling and Conveyance	97,830
Telephone and Mobile Expenses	34,458
Audit fees	28,750
Uniform and Upkeep	1,500
Medical and Welfare	518,769
Postage and Stamp	12,940
Selling & Distribution Exp.	118,400
Business Development Exp	144,479
Advertisement	41,150
Depreciation	993,593
	<b>15,139,856</b>







## 8.00 Financial Expenses :

The above amount comprise of as follows -

Interest on Cash Credit ( Hypo )	6,825,535
Interest on Bank Asia Ltd.	713,444
Interest on HSBC Ltd.	409,149
Interest on Bank Al Falah	1,663,515
Bank Charges and Commission	798,140
	<u>10,409,783</u>

## 9.00 Non operating income :

Interest on FDR	20,647,339
Insurance claim	975,772
Short weight claim	1,530,865
Overdue Interest	15,530
Dividend Income	52,250
	<u>23,221,756</u>

