

ANNUAL
REPORT | 2017

simtex
Industries Limited



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LETTER OF TRANSMITTAL

The Shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies & Firms (RJSC)
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended 30th June 2017

Dear Sir(s),

We are pleased to enclose herewith a copy of the Annual Report together with the Audited Financial Statements including Statement of Financial Position as at 30 June 2017, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year ended 30 June, 2017, along with notes thereon of Simtex Industries Limited for your kind information and record.

Thanking you

Sincerely Yours'

Ashis Kumar Saha
Company Secretary





Simtex Industries Limited

Khagan, Birulia, Savar, Dhaka-1341

NOTICE OF THE 10TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given to all the Shareholders of Simtex Industries Limited that the 10th Annual General Meeting (AGM) of the Company will be held on Thursday, 30 November 2017 at 11.00 a.m. at the "Trust Millionayaton" 545 Old Airport Road, Dhaka Cantonment, Dhaka-1206 to transact the following business.

AGENDA

01. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2017, together with the report of the Directors' and Auditors' thereon
02. To declare dividend as recommended by the Board of Directors.
03. To elect Directors as per Articles of Association of the Company.
04. To appoint Statutory Auditors of the Company and fix their remuneration.
05. To consider the progress of utilization of IPO Proceeds.
06. To transact any other business with the permission of the Chair.

By order of the Board



Ashis Kumar Saha
Company Secretary

Dated, Dhaka
08 November 2017

Note:

01. The Shareholders whose names will appear in the Share Register of the Company or Depository Register of CDBL as on the Record Date i.e. November 05, 2017 will be eligible to attend the 10th Annual General Meeting (AGM) and qualify for the dividend.
02. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf. Proxy form, must be affixed with requisite revenue stamp and must be submitted at the Head office of the Company, not more than 48 hours before the time fixed for the meeting.
03. Admission to the meeting will be strictly depending on production of the attendance slip sent with the notice as well as verification of signature of Members/ (s) and/or Proxy holder/(s).
04. Shareholders are requested to update their BO account with ETIN in their respective Brokerage House to avoid deduction of 15% tax instead of 10% for individuals as per Section 54 of the amended Income Tax Ordinance, 1984.

N.B: In compliance with Bangladesh Securities and Exchange Commission's Circular No.SEC/CMRRCD/2009-193/154 dated October 24, 2013, no gift/gift coupon/food box/benefit in cash or in kind shall be distributed/paid to the Shareholders for attending the 10th Annual General Meeting.



CORPORATE PROFILE

Name of the Company	: Simtex Industries Limited
Legal Status	: A Public Company limited by shares registered under Companies Act, 1994 and listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.
Date of Incorporation	: C-67047(4539)/2007 dated: 29.05.2007
Commencement of Commercial Operation	: July 01, 2009
Production Capacity	: 37.50 Million Cones per year
Registered Office	: Khagan, Birulia, Savar, Dhaka-1341, Bangladesh
Factory	: Khagan, Birulia, Savar, Dhaka-1341, Bangladesh
Nature of Business	: Manufacturer of Sewing Thread
Authorized Capital	: BDT 1,000 Million
Paid Up Capital	: BDT 599.25 Million
Date of Approval for IPO	: July 23, 2015
Date of Listing with DSE	: November 03, 2015
Date of Listing with CSE	: October 29, 2015
Principal Bankers	: Trust Bank Ltd., Millennium Corporate Branch, Dhaka. Southeast Bank Ltd., Principal Branch, Motijheel, Dhaka.
Auditors	: Pinaki & Company, Chartered Accountants 2/A, AHSANDELL, Mymensingh Road (2nd Floor), Shahbag Dhaka-1000.
Tax Consultants	: Mandal & Company, Chartered Accountants Eastern Mansion (10 th Floor), 67/9 Kakrial, Dhaka – 1000
Legal Advisor	: Major (Retd) Sarwar Hossain, Barrister - at- Law (Lincoln's Inn) LL.B (Hons) University of London, PGDL City University London, UK, MSS- International Relations (DU)
Credit Rating Agency	: Credit Rating Information and Services Ltd. (CRISL). Nakshi Homes (1 st , 4 th & 5 th Floor), 6/1/A Segun Bagicha, Dhaka-1000.
Company's Website	: www.simtexgroup.com
E-mail	: info@simtexgroup.com

BRIEF HISTORY OF THE COMPANY

Simtex Industries Limited started its long and prosperous journey on a cloudy rainy day with a rather small infrastructural support in Mirpur, Dhaka with the goal of becoming the premier sewing thread manufacturer in Bangladesh. As days progressed, it never looked back ever since and grew enormously to attain the Company goals.

The Company was registered as a private Company limited by shares with the Registrar of Joint Stock Companies and Firms Bangladesh, Dhaka under Companies Act, 1994 and subsequently it was converted into a public limited Company and listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. We moved to our current plant located at Khagan, Birulia, Savar to utilize a more sophisticated and modern facility and get improved productivity and quality. We started our commercial operation from the Savar plant in 2009. Our growth rate in terms of both financial and production capacity is enormous.





VISION STATEMENT

To become the market leader of the sewing thread industry through increased productivity, advanced technological application to attain quality and absolute customer satisfaction by leveraging on the strengths of our well experienced professionals and infrastructural advantages within this decade.

MISSION STATEMENT

To meet up the market needs through a closer working relationship with business partners, innovative manufacturing process and maintaining quality customer service

Vision Statement
Mission Statement



BOARD OF DIRECTORS AND MANAGEMENT OF THE COMPANY

Board of Directors

Ms. Mahfuza Rahman Baby	Chairman
Mr. Md. Siddiqur Rahman, MBA, FCS	Managing Director
Mr. Md. Ensan Ali Sheikh	Director
Ms. Hafiza Khanam, MA, LLB	Director
Mr. Uzzal Kumar Nandi, FCA	Independent Director

Audit Committee

Mr. Uzzal Kumar Nandi, FCA Independent Director	Chairman
Mr. Md. Ensan Ali Sheikh Director	Member
Ms. Hafiza Khanam, MA, LLB Director	Member
Mr. Ashis Kumar Saha Company Secretary	Member Secretary

Chief Financial Officer

Mr. M A Shahjahan

Company Secretary

Mr. Ashis Kumar Saha



PROFILE OF THE BOARD OF DIRECTORS



Ms. Mahfuza Rahman Baby
Chairman

Ms. Mahfuza Rahman Baby is the Chairman of Simtex Industries Limited. Simultaneously, she is a nominated Director of FAS Finance & Investment Limited. She is an energetic and well educated business woman and wife of Mr. Md. Siddiqur Rahman, the Managing Director of the Company. Ms. Rahman is actively participating in many areas as the Chairman of the Company. Ms Rahman is a life member of Dhanmondi Club Limited, Gulshan Health Club and associated with various cultural and humanitarian organizations. She visited many countries of the world for business purpose including UK, USA, Canada, European countries, China, Malaysia, Thailand, UAE and many more.

Mr. Md. Siddiqur Rahman
Managing Director

Mr. Md. Siddiqur Rahman is the Managing Director of Simtex Industries Limited. Simultaneously, he is the Chairman of Board of Directors of FAS Finance & Investment Limited and FAS Capital Management Limited. Mr Rahman is also a Director of Clewiston Foods and Accommodation Limited (owner Company of Radisson BLU, Cox's Bazar) and Nitol Insurance Company Limited. He did his MBA from UK and ACBA (Advance Certificate in Business Administration) from IBA-Institute of Business Administration, University of Dhaka. He is a Fellow and founding member of The Institute of Chartered Secretaries of Bangladesh (ICSB). Besides, Mr. Rahman holds a Postgraduate Diploma in Financial Management from Bangladesh Institute of Management (BIM) and has wide experience in different private and public limited companies as well as non-Banking Financial Institutions. Mr. Rahman is a dynamic professional business man, with long and wide range of job experiences in the background, Mr. Rahman established his first venture named Simtex Bangladesh Limited at the end of 2000 while starting its commercial operation from the beginning of 2001. Since then, by merit of his dynamic leadership and outstanding entrepreneurship, he achieved a massive expansion in his business ventures both vertically and horizontally.

He is also a donor member of Uttara Club Limited, All Community Club Limited and permanent member of Dhaka Club Limited, Kurmitola Golf Club and many more.

Mr. Rahman has brilliant academic career securing scholarships in many public level examinations. During the tenure of his service life, he was honoured with awards several times. He is widely travelled persons visiting many countries of the world for study and business purpose including UK, USA, Canada, Germany, Australia, Belgium, France, Italy, China, Malaysia, Thailand, UAE and many more. His towering leadership has helped the Company to become the 2nd largest sewing thread manufacturer in Bangladesh.





Md. Ensan Ali Sheikh
Director

Mr. Md. Ensan Ali sheikh is one of the Directors of Simtex Industries Limited. He completed his graduation in science from the University of Rajshahi. He is a man of wisdom and an energetic business man. Mr. Ensan is involved with different social and charitable organizations.

Ms. Hafiza Khanam, MA, LLB
Director

Ms. Hafiza Khanam is one of the Directors of Simtex Industries Limited. She always cherished an aspiration to do business by her own merit and ability. Her higher education and professional qualification have endowed her to own the business. She did her Master's from the University of Dhaka and subsequently completed her LLB. She is currently responsible for legal and compliance matters of the Company. Besides her business areas, Ms. Hafiza Khanam is a social entrepreneur creating opportunities to grow and make a difference in the arena where she lives in.



Mr. Uzzal Kumar Nandi, FCA
Independent Director

Mr. Uzzal Kumar Nandi is the Independent Director of Simtex Industries Limited. He is also the Chairman of the Board of Directors of People's Leasing And Financial Services Limited, Northern Jute Manufacturing Company Limited and Anan Chemical Industries Limited. Mr. Nandi is a Chartered Accountant. He obtained both BBA & MBA (Major in Accounting) from Department of Accounting & Information Systems, under the Faculty of Business Studies From Dhaka University. Moreover, he is the proprietor of Uzzal Nandi & Co., Chartered Accountants. Previously he was the Chief Financial Officer of Golden Life Insurance Limited and Chief Financial Officer and Company Secretary of Industrial and Infrastructure Development Finance Company (IIDFC) Limited.



MESSAGE FROM THE CHAIRMAN

Bismillahir Rahmanir Rahim

Respected Members, Shareholders and Other Stakeholders,

Assalamualaikum

It is a great pleasure for me to be here with you at the 10th Annual General Meeting of Simtex Industries Limited. On behalf of the Board of Directors and myself, I express my heartfelt thanks and profound gratitude to you for your support and confidence on us. It is also my privilege to present you Company's Annual Report for the Year ended June 30, 2017 along with our business performance. We are always trying to create the value for investment of the shareholders who have pledged their trust on us over the years.

Simtex Industries Ltd performed very well during the year 2016-2017. We believe that our endeavors and team work have enabled the Company to maintain its profitability under competitive industry scenario.

In 2017, the Company has maintained its growth in Profit comparing to the previous year. It is expected that positive momentum will continue in the coming year. Based on performance and business results the Board has recommended 2% Cash dividend and 10% Stock dividend totaling 12% for the year 2016-2017.



Simtex Industries Limited recognizes that its people are its most valuable asset. Accordingly, Company continued its programs for development of its human resources being the key contributor to Company's success. We value the contributions of our employees to the organization and adopted policy to reward them accordingly.

At Simtex we are working for a better future for our stakeholders, buyers, employees and society at large. At this occasion, I would like to thank the employees, without whose efforts and commitment we would not have earned such a strong business position. I would also like to extend my gratitude to the Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies and Firms, National Board of Revenue, Central Depository Bangladesh Limited and our numerous shareholders for their valuable guidance, support and cooperation at the time of our needs. Our commitment is to attain our cherished mission through execution of prudent business strategies while ensuring that we contribute positively towards the furtherance of our national economy.

Yours sincerely

Ms. Mahfuza Rahman Baby
Chairman



MESSAGE FROM THE MANAGING DIRECTOR

Bismillahir Rahmanir Rahim

It is a great pleasure and privilege for me to attend this 10th Annual General Meeting of Simtex Industries Limited along with our distinguished shareholders. I am delighted to announce that 2016-2017 has been a successful year for the Company. During this year the Company has also maintained its volume of revenue and profitability under highly competitive industry scenario by means of improvement in the quality of products and customer satisfaction.

Simtex Industries Limited is the second largest Sewing Thread manufacturer and exporter of Bangladesh. We have to ensure perfection in terms of Quality, Pricing and Timeliness of our product as before and we are striving to stay likewise in the years ahead.

Though it is not very perceptible and it comprises a very small fragment of the retail selling price of a garment, sewing thread is an integral component of the apparel product. Typically the cost of thread is less than 5% of the retail selling price. As, the vast majority of seams in garments are held together by sewing thread, it is important to recognize that 50% of the charisma of the garment's performance is derived from the sewing thread.

I hope that the production capacity of the Company will be further increased by implementing the capital investment from IPO fund in the existing line business that is already under process.



I believe that the dedication and commitment of all our employees towards our customers have been the main driving force in our successful performance. Accordingly, I would thank our devoted workforce and would expect their similar dedication in future. At the same time, I would also like to thank the members of the Board of Directors for their continued support to the Management of the Company. I also acknowledge with gratitude the relentless backing and cooperation of our numerous stakeholders and earnestly thank them for their continued trust and confidence on us.

Thanking You

A handwritten signature in black ink, appearing to read "Md. Siddiqur Rahman".

Md. Siddiqur Rahman
Managing Director



DIRECTORS' REPORT

Bismillahir Rahmanir Rahim
Dear Shareholders

Assalamualaikum

On behalf of the Board of Directors of Simtex Industries Limited, I welcome you all to the 10th Annual General Meeting. It is our pleasure to present you the Audited Financial Statements of the Company for the year ended June 30, 2017, Auditors' Report and the Directors' Report thereon along with Company's performance and other matters in terms of Companies Act 1994, listing regulations of DSE and CSE, the guidelines issued by Bangladesh Securities and Exchange Commission (BSE) and Bangladesh Accounting Standards and other applicable rules & regulations.

Background

Simtex Industries Limited was incorporated with the Registrar of Joint Stock Companies and Firms (RJSC) on May 29, 2007 and was converted into a Public Limited Company on November 15, 2012 under the Companies Act, 1994. The Company went for Initial Public Offering of shares in July 2015 which was fully subscribed and issued. The Company was listed with Dhaka Stock Exchange Limited (DSE) on November 03, 2015 and Chittagong Stock Exchanges Limited (CSE) on 29 October 2015. The Authorized capital of the company is Tk. 1,000 million and paid up capital Tk. 599.25 million.

Revenue

You are aware that **the Company is a 100% deemed exporter, engaged mainly in the business of manufacturing of Sewing Thread for use in the export oriented garments industry.** The turnover of the Company stood at Taka 138.15 crore in 2016-17. During the last financial years the textile sector went through the toughest time in recent era both domestically and internationally with the ongoing world-wide recession which is still continuing and hindering our regular business affairs. Yet the efficient and prudent management of process control has enabled the company to avoid financial catastrophe and has earned substantial profit.

The operating financial results of the Company for the year 2016-2017 as compared to previous year are summarized hereunder:

Particulars	2016-2017	2015-2016
Turnover	1,381,538,367	1,380,435,126
Gross Profit	299,831,797	313,087,747
Financial Expenses	80,851,929	107,461,745
Other Income	29,427,799	14,556,431
Net Profit Before Tax (NPBT)	178,301,301	159,629,251
Provision for Taxation	27,422,124	30,800,804
Net Profit After Tax (NPAT)	150,879,178	128,828,447
Gross Margin (Turnover)	21.70%	22.68%
Net Margin Before Tax	12.91%	11.56%
Net Margin After Tax	10.92%	9.33%
Earnings Per Share (EPS) BDT.	2.52	2.15
Number of Shares used to compute EPS	59,925,000	59,925,000

Industry outlook and possible future developments in the industry

As mentioned, the Company is a 100% deemed exporter, mainly engaged in the business of manufacturing of Sewing Thread for use in the export oriented garments industry. Competitive wage together with easily trainable workforce, entrepreneurial skill, expanding supply side capacity, and government policy support helped to translate the comparative advantages into competitive advantages of this industry. As one of the premier sewing thread manufacturer in Bangladesh, we will make full use of the market scope, our business potentials and dynamics to benefit over-proportionally from the accelerating economic growth, while always keeping in mind the interests of our shareholders.

The Company has been operating in the market for a long time with reputation and commitment. With long experience in sewing thread manufacturing, we are confident and believe that we can hold on our reputation as a quality manufacturer. We have plans to add other items of accessories in our product line.

Segment Reporting

The company operates only in one segment that is the manufacturing through the process of Dyeing & Conning/winding of Sewing Thread.

Risk and concerns

Changes in the existing global or national policies can have either positive or negative impacts for the Company. Any scarcity or price hike of raw materials due to change in policy in the international market might hamper the production and profitability. Changes in forex rates might also affect the pricing and thereby the profitability of the Company.

The performance of the Company may also be affected negatively by the political and economic instability both in Bangladesh and worldwide

Similarly, risks and concern of the industry depends on the Government policies as well. However, garments being the major foreign currency earner have always enjoyed special consideration from all the successive Governments and expectation is that it will continue to enjoy similar care and consideration from policy makers in the future. In the same way sewing thread industry also will enjoy this benefit. Unless any policy change that may negatively and materially affect the industry as a whole, the business of the company is expected not to be affected in the short run.

A position on cost of goods sold, gross margin and net profit margin

Profit from Operation	30-June-17		30-June-16	
	Amount	Percentage	Amount	Percentage
Turnover	1,381,538,367	100%	1,380,435,126	100%
Cost of Goods Sold	1,081,706,570	78.30%	1,067,347,378	77.32%
Gross Profit	299,831,797	21.70%	313,087,747	22.68%
Net Profit for the year	150,879,178	10.92%	128,828,447	9.33%

Discussion on continuity of extra-ordinary gain or loss

Extraordinary gains or losses refer to infrequent and unusual gain or loss and which is not part of the Company's ordinary/day to day operations. As to the Company, there was no such gain or loss during the year under reporting.

Related party transactions

Related party transactions are presented in note no.2.16 of the notes to the financial statements.

Significant variance of financial statements

No significant variation occurred between quarterly and final results of the Company during the year ended June 30, 2017.

Utilization of IPO fund

With premium of Tk. 30 crore the Company raised total Tk. 60.00 crore by issuing ordinary shares through IPO. Of the



Tk. 60 crore, the Company utilized total Tk. 39.45 crore by 30 June, 2017. Utilization includes paying off Term loan of Tk. 20.00 crore, working capital loan Tk. 6.53 crore, acquiring Capital Machinery of Tk. 10.51 crore, incurring Building & Civil Construction expenses for Tk. 0.56 crore and IPO expenses of Tk. 1.85 crore.

From 1st July 2017 to 30th September 2017, the Company has further utilized Tk. 3.47 crore for acquiring Capital Machinery. Moreover, the Company deposited Tk. 12.36 crore to Bank against 100% LC margin for further importing Capital Machinery. The rest of Tk. 4.72 crore is also going to be invested for Capital Investment

Compliance of Notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012.

Board Size:

The number of Directors in the board of Directors of the Company is five including one Independent Director that is line with notification given by BSEC.

Independent Directors

In terms of the provision under CGG, the Boards of Directors had appointed Mr. Uzzal Kumar Nandi, FCA as Independent Director of the Company for a period of three years till 2019. He is well versed and experienced person.

Qualification of Independence Director

Mr. Uzzal Kumar Nandi, FCA is a professional Accountant and successful businessman. He has vast experience in Accounting, Company Law and Taxation matters. He completed MBA and BBA majoring in Accounting from the University of Dhaka. Mr. Nandi is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB).

Chief Financial Officer, Company Secretary, Head of Internal Audit

As per corporate governance guidelines of BSEC, the Company has allocated the responsibilities of the officials as follows:

Chief Financial Officer	: Mr. M A Shahjahan
Company Secretary	: Mr. Ashis Kumar Saha
Head of Internal Audit	: Mr. Emdad Ali Mina

Audit Committee

The Audit Committee, as a sub-committee of the Board has been constituted with the Independent Director as Chairman and two other Directors as members. The Company Secretary acts as Secretary to the Audit Committee. This committee assists the Board of the Company in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company. Audit Committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The roles and functions of the Audit Committee have been stated in the annual audit committee report and it is annexed herewith.

External Statutory Auditors

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

Subsidiary Company

The Company has no subsidiary Company whatsoever.

Duties of CEO & CFO

The provision of BSEC regulations have been compiled in the Annual Report.

Reporting and Compliance of Corporate Governance

Status of compliance with the conditions imposed by the Commission's Notification No SEC/CMRRCD /2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

Directors' Appointment and Re-Appointment

With regard to the appointment, retirement and re-appointment of directors, the Company is governed by its Articles of Association, the Companies Act, 1994 and other related legislations. Accordingly, the following Directors of the Board will retire at the annual general meeting and be eligible to offer themselves for re-election:

- 1) Ms. Mahfuza Rahman Baby
- 2) Md. Ensan Ali Sheikh

Shareholding pattern

The Pattern of shareholding of Simtex Industries Limited as at 30 June, 2017 as per SEC's Notification No. SEC/CMRRCD/ 2006-158/134/admin/44 dated 07 August 2012:

	Name of the shareholders	Position	Shares held	%
i.	Parent/Subsidiary/Associated companies and other related parties	-	-	-
ii.	Directors:			
	Ms. Mahfuza Rahman Baby	Chairman	2,170,050	3.62%
	Md. Siddiqur Rahman	Managing Director	15,207,945	25.38%
	Md. Ensan Ali Sheikh	Director	1,290,300	2.15%
	Ms. Hafiza Khanam	Director	1,290,300	2.15%
	Mr. Uzzal Kumar Nandi	Independent Director	-	-
iii.	Shares held by Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their Spouse and Minor Children are as follows :			
	Mr. Md. Siddiqur Rahman	Managing Director, his Spouse and Minor Children	15,207,945	25.38%
	Ms. Mahfuza Rahman Baby		2,170,050	3.62%
	Mr. Neaz Rahman Shaqib		14,07,600	2.35%
	Mr. Istiaq Rahman Imran		14,07,600	2.35%
	Mr. M A Shahjahan	Chief Financial Officer	-	-
	Mr. Ashis Kumar Saha	Company Secretary	-	-
	Mr. Emdad Ali Mina	Head of Internal Audit	-	-
iv.	Executives:	-	-	-
v.	Shareholders holding 10% or more voting interest in the company:	-	-	-

Directors involved in other Companies:

SL.	Name	Position in SIL	Involvement	
			Name of company	Position
1	Ms. Mahfuza Rahman Baby	Chairman	FAS Finance & Investment Limited	Nominated Director
2	Mr. Md. Siddiqur Rahman	Managing Director	Clewiston Foods and Accommodation Limited (Owner co. of <i>Radisson</i> Cox's Bazar)	Director
			FAS Finance & Investment Limited	Director
			Nitol Insurance Company Limited	Nominated Director
			FAS Capital Management Limited	Director
3	Mr. Md. Ensan Ali Sheikh	Director	FAS Capital Management Limited	Director
4	Ms. Hafiza Khanam	Director	FAS Capital Management Limited	Director
5	Mr. Uzzal Kumar Nandi	Independent Director	People's Leasing & Financial Service Limited	Chairman
			Northern Jute Manufacturing Company Limited	Chairman
			Anan Chemical Industries Limited	Chairman

**Board Meeting and Attendance**

During the year, 10 (Ten) nos. of Board Meetings were held. The attendance record of the directors is as given below:

Name of Directors	Attendance
Ms. Mahfuza Rahman Baby	10
Md. Siddiqur Rahman	10
Md. Ensan Ali Sheikh	10
Ms. Hafiza Khanam	10
Mr. Uzzal Kumar Nandi	10

Director's remuneration

Director's remuneration is shown in the note no. 20 of the notes to the Financial Statements.

Directors' Statement on Financial Reports

In accordance with the Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 the Directors are pleased to confirm the following:

- The financial statements together with notes thereon have been drawn up in conformity with the Companies Act. 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh, have been followed in the preparation of the financial statements.
- The system of internal control is sound and has been implemented and monitored effectively.
- The key operating and financial data for the last five years.

Going Concern

While approving the financial statements, the directors have made appropriate enquiries and analysed the significant financial, operating as well as other indicators for enabling them to understand the ability of the Company to continue its operation for a foreseeable period. Directors are convinced and have a reasonable expectation that the Company has adequate resources to continue its operation consistently for the foreseeable future. Therefore the Company adopted as a going concern basis in preparing the financial statements.

Significant deviation of Operating Result

There is no significant deviation from the last year's operating result of the Company.

Dividend

The Board of Directors has recommended 2% Cash dividend and 10% Stock dividend.

Particulars	2017	2016
Profit available for appropriation		
Profit/loss after Tax	150,879,178	128,828,447
Un-appropriated profit brought forward from previous year	267,548,488	262,518,542
Prior Adjustment (over provision of Tax)	-	5,451,499
Total Amount available for appropriation	418,427,666	396,798,488
Appropriation		
Closing Retained Earning at year end (Before proposed final dividend)	418,427,666	396,798,488
Proposed Dividend for the year 2017 (2% cash and 10% stock) (in 2016: 20% cash and 2% stock)	71,910,000	129,250,000
Retained Earnings after proposed dividend	346,517,666	267,548,488

Statutory Auditors

The Auditors of the Company, M/S Pinaki & Company, Chartered Accountants 2/A, AHSANDELL, Mymensingh Road (2nd Floor), Shahbag Dhaka-1000 has carried out the audit of the Company for the year ended 30 June 2017. They were appointed as Statutory Auditor in 9th AGM. As per regulation 15 (2) & (3) of DSE and CSE (listing) regulations, 2015 existing auditor is eligible for re-appointment. Accordingly the Board of Directors has recommended re-appointment of M/S Pinaki and Company, Chartered Accountants, 2/A, AHSANDELL, Mymensing Road, (2nd Floor), Shahbagh, Dhaka-1000 at an annual fee of Tk.1,50,000/=. A proposal for re-appointment of M/S Pinaki & Company, Chartered Accountants as auditor for the year 2017-18 of the Company will be placed in the forthcoming 10th AGM for shareholder's approval and fixation of their fees.

Acknowledgment

The Company express its sincere thanks and gratitude to the respected shareholders, valued clients, suppliers, banks and well-wishers home and abroad for their wholehearted co-operation and active support.

We are thankful to the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), Registrar of Joint Stock Companies & Firms (RJSC), Central Depository Bangladesh Limited (CDBL), Government and private sector Organizations and other stakeholders for extending co-operation and support to our Company.

Thanks are also due to all directors, all executives, officers, staff and workers of the company for their excellent, sincere, dedicated efforts in achieving company's target during the year.

I, on behalf of the board of directors, take the opportunity to inform you that we welcome any suggestions and opinion to improve our Company performance and financial stability.

Thanking you.

On behalf of the Board of Directors



Ms. Mahfuza Rahman Baby
Chairman

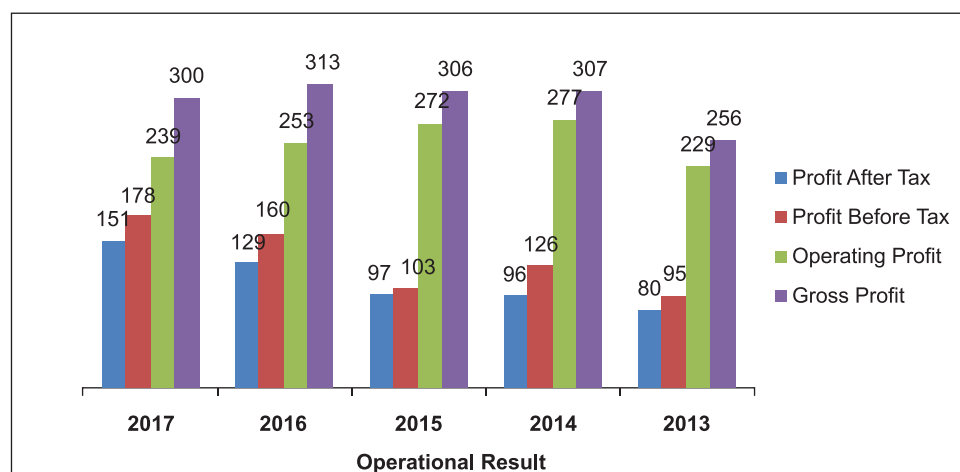
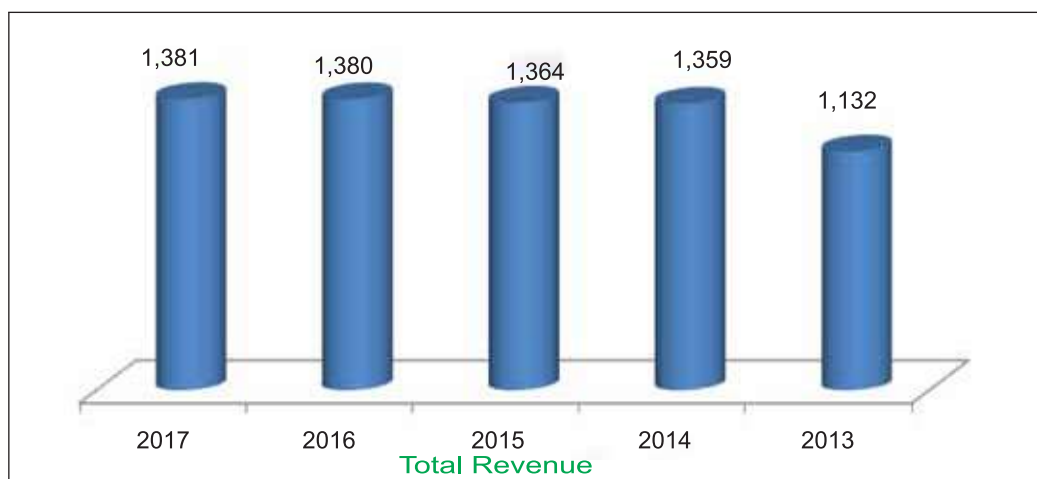
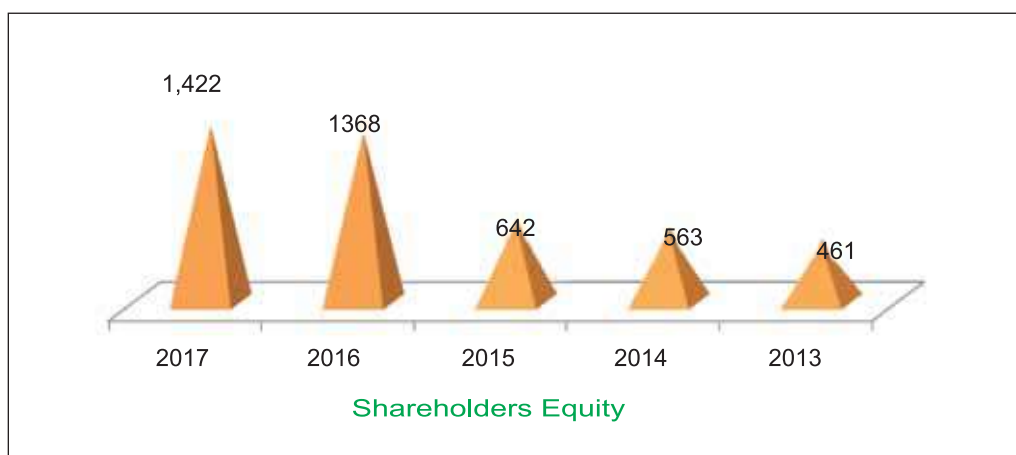


FINANCIAL HIGHLIGHTS

Operational Result	Amount in Taka				
	30 June 2017	30 June 2016	30 June 2015	30 June 2014	30 June 2013
Turnover	1,381,538,367	1,380,435,126	1,364,024,239	1,359,191,916	1,131,544,681
Gross Profit	299,831,797	313,087,747	305,568,713	307,383,518	256,424,045
Profit from Operation	238,640,497	252,534,564	271,603,169	276,562,014	228,638,178
Net Profit before tax	178,301,301	159,629,251	103,260,237	126,795,796	94,892,659
Net Profit after Tax	150,879,178	128,828,447	96,617,480	95,839,370	80,129,672
Financial Position	30 June 2017	30 June 2016	30 June 2015	30 June 2014	30 June 2013
Non-Current Assets	936,399,361	831,396,032	837,717,122	762,317,115	770,041,924
Current Assets	961,649,838	1,038,728,639	601,585,719	619,327,113	466,801,113
Shareholder's Equity	1,422,233,924	1,368,246,302	642,239,409	563,358,556	461,230,591
Current Liability	200,915,340	157,811,096	363,874,999	316,729,209	309,436,391
Long Term Liability	248,342,860	323,382,992	417,771,816	477,112,753	453,575,748
Key Financial Ratio	30 June 2017	30 June 2016	30 June 2015	30 June 2014	30 June 2013
Current Ratio	4.79	6.58	1.65	1.96	1.51
Quick Ratio	3.53	5.09	1.04	1.31	0.94
Debt to Equity Ratio	0.26	0.37	1.24	1.45	1.68
Net Income Ratio (%)	10.92%	9.33%	7.08%	7.05%	7.08%
Return on Equity (%)	10.81%	12.82%	16.03%	18.71%	19.17%
Earnings Per Share	2.52	2.54	3.36	3.33	3.21

Financial Highlights in the form of Graphical Representation

Amount in Million





Event Highlights



9th Annual General Meeting



9th Annual General Meeting



New Machineries in Operation

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Status of compliance with the conditions imposed by the Commission's Notification No SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 as amended vide notification dated 21 July 2013 and 18 August 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.0	Board of Directors			
1.1	Board's Size The number of Board member Shall not be less than 5 (five) and more than 20 (twenty)	√		
1.2	Independent Directors			
1.2 (i)	One fifth (1/5) of the total number of directors	√		
1.2 (ii) a)	Does not hold any share or holds less than 1% shares to the total paid-up shares.	√		
1.2 (ii) b)	Not connected with any sponsor/director/ or shareholder who holds (1%) or more share of the total paid-up shares on the basis of family relationship.	√		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies.	√		
1.2 (ii) d)	Not a member, director or officer of any stock exchange?	√		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	√		
1.2 (ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of statutory audit firm.	√		
1.2 (ii) g)	Not be an independent director in more than 3 (three) listed companies.	√		
1.2 (ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a (NBFI).	√		
1.2 (ii) i)	Not been convicted for a criminal offence involving moral turpitude.	√		
1.2 (iii)	Nominated by the board of directors and approved the shareholders in the (AGM).	√		
1.2 (iv)	Not remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	Tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		Independent Director has been appointed for 2nd term and approved in the 9th AGM



Condition No.		Title	Compliance Status		Remarks (If any)
			Complied	Not Complied	
1.3	Qualification of Independent Director (ID)				
1.3	(i)	Knowledge of Independent Directors.	√		
1.3	(ii)	Background of Independent directors.	√		
1.3	(iii)	Special cases for qualifications.	-		N/A
1.4		Individual Chairman of the Board and CEO.	√		
1.5	The Directors' Report to Shareholders				
1.5	(i)	Industry outlook and possible future developments in the industry.	√		
1.5	(ii)	Segment-wise or product-wise performance.	√		
1.5	(iii)	Risks and concerns.	√		
1.5	(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5	(v)	Discussion on continuity of any Extra-ordinary gain or loss.	√		
1.5	(vi)	Basis for related party transactions.	√		
1.5	(vii)	Utilization of proceeds from public issues, rights issues and / or through any others.	√		
1.5	(viii)	An explanation if the financial result deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.	-	-	N/A
1.5	(ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements.	-	-	N/A
1.5	(x)	Remuneration to directors including independent directors.	√		
1.5	(xi)	Fairness of Financial Statement.	√		
1.5	(xii)	Maintenance of proper books of accounts.	√		
1.5	(xiii)	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)	Followed IAS/BAS/IFRS/BFRS in preparation of financial statements.	√		
1.5	(xv)	Soundness of internal control system.	√		
1.5	(xvi)	Ability of continue as a going concern.	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.5	(xvii) Significant deviations from the last year's.	-	-	N/A
1.5	(xviii) Key operating and financial data of at least preceding 5 (five) years.	√		
1.5	(xix) Reasons for not declared dividend (cash or stock)	-	-	N/A
1.5	(xx) Number of board meetings held during the year and attendance.	√		
1.5	(xxi) Pattern of shareholdings:			
1.5	(xxi) a) Parent/Subsidiary/Associated Companies and other related parties.	√		
1.5	(xxi) b) Directors, CFO,CS,CFO,HIA and their spouses and minor children.	√		
1.5	(xxi) c) Executives.	√		
1.5	(xxi) d) 10% or more voting interest.	√		
1.5	(xxii) Appointment/re-appointment of director:			
1.5	(xxii) a) Resume of the director.	√		
1.5	(xxii) b) Expertise in specific functional areas.	√		
1.5	(xxii) c) Holding of directorship and membership of committees of the board other than this company.	√		
2	CFO, Head of Internal Audit (HIA) and CS:			
2.1	Appointment of CFO, HIA and CS and defining their responsibilities.	√		
2.2	Attendance of CFO and CS at the meeting of the Board of Directors.	√		
3	Audit Committee			
3	(i) Constitution of Audit Committee	√		
3	(ii) Assistance of the Audit Committee to Board of Directors.	√		
3	(iii) Responsibility and duties of the Audit Committee.	√		
3.1	Constitution of the Audit Committee			
3.1	(i) At least 3 (three) members.	√		
3.1	(ii) Appointment of members of the Audit Committee.	√		
3.1	(iii) Qualifications of Audit Committee members.	√		
3.1	(iv) Term of service of Audit Committee members.	√		
3.1	(v) Secretary of the Audit Committee.	√		
3.1	(vi) Quorum of the Audit Committee.	√		



Condition No.	Title	Compliance Status		Remarks (If any)	
		Complied	Not Complied		
3.2	Chairman of the Audit Committee				
3.2	(i)	Board of Director shall select the Chairman.	√		
3.2	(ii)	Chairman of the audit committee shall remain present in the AGM.	√		
3.3	Role of Audit Committee				
3.3	(i)	Oversee the financial reporting process.	√		
3.3	(ii)	Monitor choice of accounting policies and principles.	√		
3.3	(iii)	Monitor Internal Control Risk management process.	√		
3.3	(iv)	Oversee hiring and performance of external auditors	√		
3.3	(v)	Review the annual financial statements before submission to the board for approval.	√		
3.3	(vi)	Review the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3	(vii)	Review the adequacy of internal audit function.	√		
3.3	(viii)	Review statement of significant related party transactions.	√		
3.3	(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
3.3	(x)	Disclosure about the uses/applications of funds raised by IPO/RPO/Right issue.	√		
3.4	Reporting of the Audit Committee				
3.4.1		Reporting to the Board of Directors	√		
3.4.1	(i)	Reporting of Activities of Audit Committee.	√		
3.4.1	(ii) a)	Conflicts of interests.	-	-	There was no such issue
3.4.1	(ii) b)	Material defect in the internal control system.	-	-	There was no such issue
3.4.1	(ii) c)	Infringement of laws, rules and regulations.	-	-	There was no such issue
3.4.1	(ii) d)	Any other matter.	-	-	There was no such issue
3.4.2		Reporting to the Authorities:			There was no such issue
3.5		Reporting to the Shareholders and General Investors.	√		No report to the BOD under condition 3.4.1 (ii)
4	Engagement of External/Statutory Auditors:				
4	(i)	Non-engagement in Appraisal/valuation/fairness opinions.	√		
4	(ii)	Non-engagement in designing &implementation of FIS.	√		
4	(iii)	Non-engagement in Book-keeping or accounting.	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
4	(iv)	Non-engagement in Broker-dealer services	√	
4	(v)	Non-engagement in Actuarial services.	√	
4	(vi)	Non-engagement in Internal audit services.	√	
4	(vii)	Non-engagement in services determined by the Audit Committee	√	
4	(viii)	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.	√	
5	Subsidiary Company			
5	(i)	Composition of the Board of Directors.		N/A
5	(ii)	At least 1 (one) independent director to the subsidiary company.		N/A
5	(iii)	Submission of Minutes to the holding company.		N/A
5	(iv)	Review of Minutes by the holding company.		N/A
5	(v)	Review of Financial Statement by the holding company.		N/A
6	Duties of Chief Executive Officer and Chief Financial Officer:			
6	(i) a)	Reviewed the materially untrue or omit any material fact or contain statements that might be misleading in the financial statements.	√	
6	(i) b)	Reviewed about compliance of the accounting standard.	√	
6	(ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct.	√	
7	Reporting and Compliance of Corporate Governance:			
7	(i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines.	√	
7	(ii)	Annexure attached in the directors' report.	√	



MAZUMDAR SIKDER AND ASSOCIATES

Cost & Management Accountants

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES TO THE SHAREHOLDERS OF SIMTEX INDUSTRIES LIMITED

We have examined the compliance to the BSEC guidelines on Corporate Governance by **Simtex Industries Limited** for the year ended 30 June 2017. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 as amended vide notification dated 21 July 2013 and 18 August 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance 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 Corporate Governance.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines is issued by BSEC.

Place -Dhaka.
Date- October 18, 2017

Sd/-
Mazumdar Sikder and Associates
Cost & Management Accountants

105/A (3rd Floor), Kakrail, Dhaka - 1000, Phone: 02-8300376, Fax: 02-8300375

Application of Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS)

Name of the Accounting Standards	Ref. No.	Status of Application
Financial Instruments : Disclosure	BFRS-7	Applied
Fair Value Measurement	BFRS-13	Applied.
Presentation of Financial Statements	BAS-1	Applied
Inventories	BAS-2	Applied
Statement of Cash Flows	BAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	BAS-8	Applied
Events after the Reporting Period	BAS-10	Applied
Income Taxes	BAS-12	Applied
Property, Plant and Equipment	BAS-16	Applied
Leases	BAS-17	Applied
Revenue Recognition	BAS-18	Applied
Employee Benefits	BAS-19	Applied
The Effects of Changes in Foreign Exchange Rates	BAS-21	Applied
Borrowing Costs	BAS-23	Applied
Related Party Disclosures	BAS-24	Applied
Financial Instruments: Presentation	BAS-32	Applied
Earnings Per Share	BAS-33	Applied
Provisions, Contingent Liabilities and Contingent Assets	BAS-37	Applied
Intangible Assets	BAS-38	Applied
Financial Instruments: Recognition & Measurement	BAS-39	Applied



AUDIT COMMITTEE REPORT (FOR THE YEAR ENDED 30 JUNE 2017)

Dear Shareholders

Simtex Industries Limited established an audit committee as a sub-committee of the Board of Directors and they assist the Board of Directors in fulfilling its oversight responsibilities and ensuring that the financial statement reflects true and fair view.

Composition of Audit Committee

As per requirements of BSEC circular, The Board of Directors of Simtex Industries Limited formed an Audit Committee headed by Company's Independent Director Mr. Uzzal Kumar Nandi. The Committee is composed of 3 (three) members of the Board. The members of the Audit Committee are as follows:

Mr. Uzzal Kumar Nandi, FCA Independent Director	Chairman
Mr. Md. Ensan Ali Sheikh Director	Member
Ms. HafizaKhanam Director	Member
Mr. Ashis Kumar Saha Company Secretary	Member Secretary

Audit Committee Meeting Attendance record of the Members

Name	Position	Meeting Attended	Percentage
Mr. Uzzal Kumar Nandi Independent Director	Chairman	6	100
Mr. Md. Ensan Ali Sheikh	Member	6	100
Ms. HafizaKhanam	Member	6	100

The Role and Responsibilities of the Audit Committee

The Role and Responsibilities of the Audit committee are clearly mentioned in the Compliance of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 condition no 3.3. The key responsibilities of the Audit committee are as follows.

- Oversee the financial reporting process.
- Monitor choice of accounting policies and principles.
- Monitor Internal Control Risk management process.
- Oversee hiring and performance of external auditors
- Review along with management, the Annual Financial Statements before submission to the board for approval.
- Review along with management, the quarterly and half yearly Financial Statements before submission to the Board for approval.
- Review the adequacy of internal Audit function.
- Review statement of significant related party transactions submitted by the management.
- Review Management letter/Letter of Internal Control weakness issued by statutory auditors.
- Review the Utilization report of Initial Public Offering (IPO) proceeds.

The Committee during the period under report met six times and its activities includes:

- The financial statements of the quarterly, half yearly and the full year were reviewed by the committee and subsequently recommended to the Board for adoption consideration and circulation as per the requirement of Bangladesh Securities & Exchange Commission.
- The committee also reviewed the audited financial statements of the Company for the year ended June 30, 2017 this reviews incorporated the accounting policies and key judgments and estimates underpinning financial statements as disclosed in Notes to the Accounts.
- The committee also reviewed the work of the internal audit department and made suggestions for improvement.
- The committee reviewed the compliance with existing laws and regulation.
- Approved the internal audit plan.
- Reviewed the effectiveness and independence of the Statuary auditors and recommended re-appointment of external auditors.



On behalf of the Committee
Uzzal Kumar Nandi, FCA
Chairman, Audit Committee



CEO & CFO'S DECLARATION TO THE BOARD OF DIRECTORS

In Compliance with condition no.06 of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, we do hereby certify to the Board of Directors that:

01. We have reviewed the financial statements for the year ended on 30 June 2017 and state that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement 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.
02. There are to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's codes of conduct.

Md. Siddiquir Rahman, MBA, FCS
Managing Director

MA Shahjahan
Chief Financial Officer (CFO)



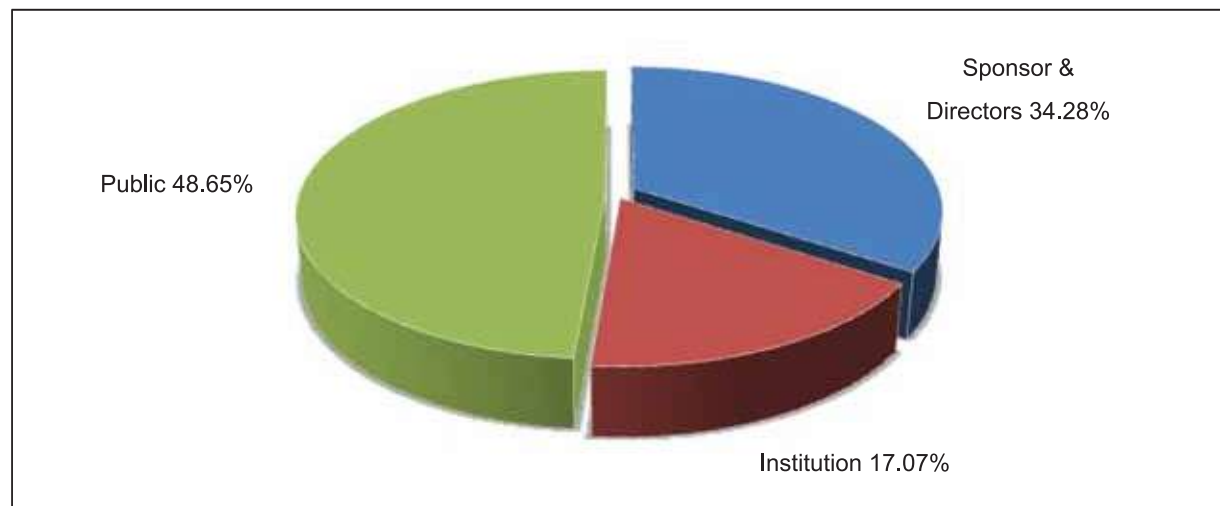
INFORMATION RELATING TO COMPANY CAPITAL

Simtex Industries Limited is the second largest sewing thread manufacturer in Bangladesh. The Company started its business with paid up Capital of Tk. 6.00 million. At present authorized capital of the Company is Tk. 1000 million and paid-up capital is Tk.599.25 million. The Company raised paid-up capital by Tk. 300 million through IPO in the year 2015. The Company is listed with DSE and CSE. Ownership Capital Structure of the Company is as under :

Particulars	Amount in Taka	Percentage
Sponsor & Director :	205,509,600/-	34.28
Institution :	102,245,740/-	17.07
Public :	291,494,660/-	48.65
	<u>599,250,000/-</u>	<u>100</u>

The Range of Shareholding as on 30 June, 2017

Particulars of Investors	Number of Shareholders	Number of Shares	Percentage of Shareholding (%)
1 to 500 Shares	5,439	1,451,427	2.42
501 to 5,000 shares	441	939,106	1.57
5,001 to 10,000 shares	85	650,315	1.09
10,001 to 20,000 shares	53	744,266	1.24
20,001 to 30,000 shares	31	781,808	1.31
30,001 to 40,000 shares	11	387,620	0.65
40,001 to 50,000 shares	11	501,651	0.84
50,001 to 100,000 shares	22	1,640,949	2.74
100,001 to 1,000,000 shares	46	16,674,994	27.83
Over 1,000,000	16	36,152,864	60.33
Total	6,155	59,925,000	100%





CREDIT RATING

Simtex Industries Limited has been rated as A (Pronounced as single A) long term credit rating and ST-3 Short term credit rating by Credit Rating Information and Services Ltd. (CRISL) based on audited financial statements up to 30 June, 2016, Bank liability position as on 31 March, 2017 and other available information up to the date of rating declaration. The date of rating was on 9 May, 2017. The outlook on the rating is Stable.

Long Term Rating
A

Short Term Rating
ST-3

Outlook
Stable

Date of Validity
May 8, 2018

CRISL considered financial performance, revenue, export, receivable, payable, capital base, asset quality, liquidity position, management experience and prospect of the industry while assigning the rating that reflects the strengths of the company which has long operating history, moderate to high revenue growth.

CREDIT RATING INFORMATION
AND SERVICES LIMITED

CREDIT RATING REPORT - RATIONALE

Nakshi Homes (4th & 5th Floor)
101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 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BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: CM-2017/002

Date of issue: 11th January 2017

Renewed Certificate

This is to certify that

SIMTEX INDUSTRIES 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 2017.




Secretary-General
(Acting)



HOHENSTEIN Textile Testing Institute GmbH & Co. KG
Schloss Hohenstein, 74357 Bönnigheim, Germany

OEKO-TEX®
CONFIDENCE IN TEXTILES

CERTIFICATE

The company

Simtex Industries Limited
Khagan, Birulia
Savar, Dhaka - 1341, BANGLADESH

is granted authorisation according to STANDARD 100 by OEKO-TEX® to
use the STANDARD 100 by OEKO-TEX® mark, based on our test report
17.0.19833



for the following articles:

Sewing, embroidery and filament threads made of 100 % polyester, white and disperse dyed; 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®, Appendix 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 Appendix 6 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.) as well as the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass).

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 07.KA.53099 is valid until 31.10.2018

Boennigheim, 10.10.2017


Dipl.-Ing. (FH) Elisabeth Weisheit
Head of Certification Body Oeko-Tex®

OEKO-TEX® Association | Genferstrasse 23 | P.O. Box 2006 | CH-8027 Zurich





AUDITOR'S REPORT TO THE SHAREHOLDERS OF SIMTEX INDUSTRIES LIMITED

We have audited the accompanying Financial Statements of **SIMTEX INDUSTRIES LIMITED** which comprises the Statement of Financial Position as at June 30, 2017 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations, This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

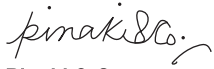
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the Financial Statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the results of its operations and its cash flows for the year then ended and comply with the Bangladesh Securities and Exchange Rules 1987, the Companies Act 1994 and other applicable laws and regulations. However, documentation process need be strengthened further

We also report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received;
- (iii) The Company's Statement of Financial Position and Statement of Profit or Loss and other comprehensive Income and its Statements of Cash Flows dealt with by the report are in agreement with the books of accounts and returns;
- (iv) The expenditure incurred was for the purpose of the Company's business;

Dhaka
Dated: October 08, 2017


Pinaki & Company
Chartered Accountants



Simtex Industries Limited
Statement of Financial Position
As at 30 June 2017

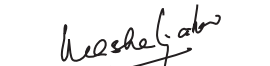
PARTICULARS	Notes	Amount in Taka	
		30.06.2017	30.06.2016
ASSETS			
A : NON-CURRENT ASSETS		936,399,361	831,396,032
Property, Plant & Equipment	03	936,399,361	831,396,032
B: CURRENT ASSETS		961,649,838	1,038,728,639
Accounts Receivable	04	386,466,620	369,795,068
Investment in Share	05	8,146,873	34,474,463
Advance, Deposit & Prepayments	06	74,197,162	62,945,324
Inventory	07	242,410,188	235,631,036
Goods in Transit	08	10,798,083	13,244,800
Cash & Cash Equivalent	09	239,630,912	322,637,949
TOTAL ASSETS (A+B)		1,898,049,199	1,870,124,671
SHAREHOLDERS EQUITY & LIABILITIES			
C : SHAREHOLDERS EQUITY		1,422,233,924	1,368,246,302
Share Capital	10	599,250,000	587,500,000
Share Premium		300,000,000	300,000,000
Revaluation Reserve		103,668,899	103,668,899
Other Comprehensive Income		887,359	(19,721,085)
Retained Earnings		418,427,666	396,798,488
D : NON-CURRENT LIABILITIES		274,899,935	344,067,273
Long term Loan Net of Current Portion	11	248,342,860	323,382,992
Deferred Tax	12	26,557,075	20,684,281
E : CURRENT LIABILITIES		200,915,340	157,811,096
Accounts Payable	13	2,772,076	2,145,650
Short term Loan from Bank & Others	14	24,019,909	20,424,572
Share Money (Refundable)		437,782	880,222
Current portion of Long Term Loan	15	93,220,523	81,754,926
Liabilities For Expenses	16	22,645,717	10,606,428
Dividend Payable		4,844,709	-
Provision For Income Tax	17	52,974,624	41,999,298
TOTAL EQUITY & LIABILITIES (C+D+E)		1,898,049,199	1,870,124,671
Net Assets value (NAV) Per Share		23.73	23.29

The annexed notes form an integral part of these financial statements.


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

Dated: October 08, 2017
Dhaka


Pinaki & Company
Chartered Accountants



Simtex Industries Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2017

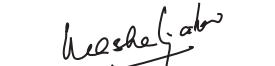
PARTICULARS	Notes	Amount in Taka	
		01.07.2016 to 30.06.2017	01.07.2015 to 30.06.2016
(A) Turnover	18	1,381,538,367	1,380,435,126
(B) Cost of Goods Sold	19	1,081,706,570	1,067,347,378
(C) Gross Profit (A-B)		299,831,797	313,087,748
(D) Operating Expenses		61,191,300	60,553,183
Administrative Expenses	20	51,636,389	53,153,513
Selling & Distribution Expenses	21	9,554,911	7,399,670
(E) Profit from Operation (C-D)		238,640,497	252,534,564
(F) Financial Expenses	22	80,851,929	107,461,745
(G) Other Income/Loss	23	29,427,799	14,556,431
(H) Net Profit Before WPPF (E-F+G)		187,216,367	159,629,251
(I) Workers Profit Percipation Fund		8,915,065	-
(J) Net Profit Before Tax (H-I)		178,301,301	159,629,251
Less: Provision for Tax:		27,422,124	30,800,804
Current Tax	24	21,549,330	25,533,139
Deferred Tax	25	5,872,794	5,267,665
Net Profit After Tax		150,879,178	128,828,447
Other Comprehensive Income	26	20,608,444	(8,273,053)
Total Comprehensive Income		171,487,622	120,555,394
Earnings Per Share (Adjusted EPS)		2.52	2.15
Number of Shares used to Compute EPS		59,925,000	59,925,000

The annexed notes form an integral part of these financial statements.


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

Dated: October 8, 2017
Dhaka


Pinaki & Company
Chartered Accountants



Simtex Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2017

PARTICULARS	Amount in Taka					
	Share Capital	Share Premium	Revaluation Surplus	Other Comprehensive income	Retained Earnings	Total
Balance as on 01.07.2016	587,500,000	300,000,000	103,668,899	(19,721,085)	396,798,488	1,368,246,302
Stock Dividend Issued (2%)	11,750,000	-	-	-	(11,750,000)	-
Cash Dividend Issued (20%)	-	-	-	-	(117,500,000)	(117,500,000)
Addition during the year	-	-	-	20,608,444	-	20,608,444
Net Profit during the year	-	-	-	-	150,879,178	150,879,178
Balance as on 30.06.2017	599,250,000	300,000,000	103,668,899	887,359	418,427,666	1,422,233,924

Simtex Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2016

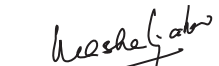
PARTICULARS	Amount in Taka					
	Share Capital	Share Premium	Revaluation Surplus	Other Comprehensive income	Retained Earnings	Total
Balance as on 01.07.2015	287,500,000	-	103,668,899	(11,448,032)	262,518,542	642,239,409
Share Issued during the year	300,000,000	-	-	-	-	300,000,000
Share Premium during the year	-	300,000,000	-	-	-	300,000,000
Prior Year Adjustment (Over Provision)	-	-	-	-	5,451,499	5,451,499
Addition during the year	-	-	-	(8,273,053)	-	(8,273,053)
Net Profit during the year	-	-	-	-	128,828,447	128,828,447
Balance as on 30.06.2016	587,500,000	300,000,000	103,668,899	(19,721,085)	396,798,488	1,368,246,302

The annexed notes form an integral part of these financial statements.


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary



Simtex Industries Limited
Statement of Cash Flows
For the year ended 30 June 2017

PARTICULARS	Amount in Taka	
	01.07.2016 to 30.06.2017	01.07.2015 to 30.06.2016
Cash Flow from Operating Activities:		
Cash Collection From Turnover & Others	1,364,866,815	1,305,566,987
Cash Paid to Suppliers, Employee & Others	(1,082,674,159)	(1,118,349,370)
Cash Generated from Operation	282,192,656	187,217,617
Interest Paid	(80,851,929)	(106,521,023)
Income Tax Paid	(20,949,695)	(17,196,874)
Net Cash flow from Operating Activities:(A)	180,391,032	63,499,721
Cash Flows from Investing Activities:		
Investment in Share	62,392,321	651,577
Receive from Interest Income	14,691,084	15,878,631
Receive from Dividend Income	-	17,768
Paid for Acquisition of Property, Plant & Equipment	(173,525,644)	(52,604,908)
Receive from disposal of Property Plant & Equipment	6,121,100	4,825,000
Net Cash used in Investing Activities:(B)	(90,321,139)	(31,231,932)
Cash flow from Financing Activities		
Share Capital	-	300,000,000
Share Premium	-	300,000,000
Cash Dividend Payment	(117,500,000)	-
IPO Subscription Money	(442,440)	880,222
Dividend Payable	4,844,709	-
Net Long Term Loan Received/Payment	(63,574,535)	(74,839,390)
Net Short Term Loan Received/Payment	3,595,337	(244,122,045)
Net Cash flow from Financing Activities:(C)	(173,076,929)	281,918,787
Net increase/decrease in cash & Cash equivalents:(A+B+C)	(83,007,036)	314,186,577
Cash & Cash equivalents at the beginning of the year	322,637,949	8,451,372
Closing Cash & Cash equivalents at the end of the year	239,630,913	322,637,949
Net operating cashflows per share (NOCFPS)	3.01	1.08


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary



SIMTEX INDUSTRIES LIMITED
Notes to the Financial Statements
For the year ended 30 June 2017

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

1.01 Legal form of the Enterprise:

The company namely Simtex Industries Limited was incorporated as private limited company with the issuance of certificate of incorporation bearing no.C-67047(4539)/2007 dated May 29, 2007 by the Registrar of Joint Stock Companies & Firms. Subsequently the company has been converted into Public Limited Company in 2012. The Company was listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchanges (CSE) in 2015

1.02 Registered Office of the Company:

Registered Office of the Company is located at Khagan, Birulia, Savar, Dhaka, Bangladesh.

1.03 Principal activities and nature of the business:

The principal activities and nature of the business of the company is to carry on a Dyeing & Conning/winding of sewing thread.

2. SIGNIFICANT ACCOUNTING POLICIES:

Basis of Preparation of Financial Statements

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities Exchange Rules 1987 and other applicable laws & regulation in Bangladesh.

2.01 Going Concern:

This financial statement has been prepared on the assumption that the entity is a going concern and will continue its business for the foreseeable future. Hence, it is assumed that the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operation.

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis is preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.02 Changes in Accounting Policies & Estimates:

The preparation of these financial statements is in conformity with BASs/BFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

2.03 Cash Flow Statement:

Cash flow statement is prepared in accordance with BAS-7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of BAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".

2.04 Property, Plant, Equipment and Depreciation:

All Property, Plant and Equipment are stated at cost less accumulated depreciation except Land and land development as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefit embodied with the item will flow to and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the year in which it is incurred.

Depreciation has been charged on Property, Plant and Equipment under reducing balance method and depreciation has been charged on addition of assets during the year when it is put in to available for use.

The annual rates of depreciation applicable to the principal categories of fixed assets are:

Kind of assets	Rate of Depreciation
a) Land & Developments	0%
b) Building & Fabricated Shade	10%
c) Plant & Machinery	10%
d) Trolley	10%
e) Gas and Electrical Line	10%
f) Electrical Equipment	10%
g) Spare parts and Tools	10%
h) Transport & Vehicle	10%
i) Office Equipment	10%
j) Furniture & Fixture	10%
k) Shade Book	15%
l) Int. Panton Book	15%
m) Air Condition	10%
n) Crockery	10%
o) Software	20%

2.05 Revaluation of Property, Plant and Equipment (Land):

Land of the company was revalued and certified by the valuer M/S Ata Khan & Co. Chartered Accountants in their valuation report dated December 31, 2012 and accordingly account for by the company. The Board of Directors of the company has approved the valuation report to incorporate in the accounts dated December 31, 2012.

2.06 Investment in Securities:

Investment in quoted shares is initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at market value at reporting date. Net of unrealized gain and loss has been recognized in the statement of Profit & Loss and other Comprehensive Income.

2.07 Revenue Recognition:

In compliance with the requirements of BAS - 18 Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably.

2.08 Impairment:

In accordance with the provision of "BAS-36" Impairment of Assets the carrying amount of non financial assets other than inventories are reviewed to determine whether there is any indication of impairment. No such indication of impairment has arisen till the date of audit.

2.09 Financial Instrument:

Derivative

According to BFRS-7, "Financial Instruments Disclosures" the company was not a party to any derivative contract (financial instruments) at the Balance Sheet Date, such as forward exchange contracts, currency swap agreement or contract to hedge currency exposure related to import of capital machinery to be leased to lessees in future.



Non-Derivative

Non-derivative financial instruments comprise of accounts and other receivable, borrowings and other payables and are shown at transaction cost as per BAS-39 "Financial Instruments: Recognition and Measurement".

2.10 Valuation of Current Assets:

Accounts Receivable:

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount was provided for as bad debt in the current year accounts.

Inventories:

In compliance with the requirements of BAS 2 "Inventories" & with Schedule XI Part-II of the Companies Act 1994, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous year practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further cost expected to be incurred to make the sale.

2.11 Creditors and Accrued Expenses:

Liabilities are recognized for amounts to be paid in the future for goods and services received whether or not billed by the supplier.

2.08 Impairment:

In accordance with the provision of "BAS-36" Impairment of Assets the carrying amount of non financial assets other than inventories are reviewed to determine whether there is any indication of impairment. No such indication of impairment has risen till the date of audit.

2.12 Employee Benefit Plan:

The Company has Contributory Provident Fund plan which contribute both employer & employee an equal amount. The company has introduced Workers Profit Participation and Welfare Fund (WPPF) for the employees and made provision @5% on net profit before Tax accordingly.

2.13 Number of Employees:

During the year under review, the number of employees stands at 694 and each Employee has been receiving minimum remuneration of Tk. 5,300/= and above per month. There was no part-time employee in the Company during the Year under audit.

2.14 Capacity Utilization:

	2016-2017 Cones	2015-16 Cones
Total Production Capacity in Cones	37,500,000	37,500,000
Capacity Utilization in Cones	27,464,768	27,448,458
Capacity Utilization for the year	73.24%	73.20%

2.15 Capital expenditure commitment:

There was no capital expenditure commitment during the year.

2.16 Related party disclosure:

Related party is considered if the party is related to the company and exerts significant influence over the day to day transactions of the subject gain as per BAS-24. The following related party transactions have been appeared during the year.

NAME	TYPE OF TRANSACTION	AMOUNT (TK.)
Mr. Md. Siddiqur Rahman	Remuneration and Board Meeting Fees	630,000
Mrs. Mahfuza Rahman	Remuneration and Board Meeting Fees	630,000
Mrs. Hafiza Khanam	Remuneration and Board Meeting Fees	810,000
Mr. Md. Ensan Ali Sheikh	Remuneration and Board Meeting Fees	780,000
Mr. Uzzal Kumar Nandi	Board Meeting Fees	30,000
FAS Finance & Investment Ltd.	Share Purchase	2,580,588

2.17 Even after the Balance sheet Date:

As per BAS-10 “Even after the Balance sheet Date” are those event favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Subsequent to the Statements of Financial Position date, the Board of Directors in their meeting held on October 08, 2017 recommend 2% cash dividend and 10% stock dividend to existing shareholders held at record date for the year ended 30 June 2017. The dividend proposal is subject to shareholders’ approval at the forthcoming Annual General Meeting.

2.18 Functional and Presentational Currency:

Realization and payments in foreign currency are converted into the local currency at the rate of exchange prevailing on the date of receives and payments respectively, as such any gain or loss arisen out of transactions in foreign currency is charged to the related items as per BAS-21. The financial statements are prepared in Bangladeshi Taka which is the Company’s functional currency.

2.19 Taxation:

Provision for Taxation:

Provision for current income tax has been made at the rate of 15% on business income and tax provision on other income as prescribed in the Income Tax ordinance, 1984 on the accounting profit made by the Company in compliance with BAS-12 “Income Taxes”.

Deferred Tax:

Deferred tax is provided for all temporary differences comprising between the tax base of assets and liabilities and their carrying amounts in financial statements in accordance with the provision of BAS-12. During the year the Company has recognized for Deferred Tax as per provision of BAS-12.

2.20 Borrowing Cost:

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using effective interest method. Borrowing cost incurred against loan for expansion of project has been capitalized under effective interest rate method as per BAS-23 “Borrowing Cost”.

2.21 Earnings per share:

The company calculates Earning per Share (EPS) in accordance with BAS-33 “Earning per Share”. The Earning per share has been calculated using weighted average method.

Basic Earnings: This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, monetary interest or any extra other ordinary items. The net profit after tax for the year has considered as fully attributable to the ordinary shareholders.



Weighted average number of ordinary shares outstanding during the year: The basis of computation of number of shares is in line with the provision of IAS-33: Earnings per Share. Therefore, the total number of shares outstanding at the end of the year multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the year.

Diluted Earning Per Share: Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. This is in compliance with the requirement of BAS-33. As the company has no dilutive potential ordinary shares, so diluted earnings per shares was not calculated.

2.22 Responsibility for preparation and presentation of financial statements:

The company's management and the Board of Directors are responsible for the preparation and presentation of Financial Statements as per section 183 of the companies Act 1994 and the corporate Governance guideline provided by Bangladesh Securities and Exchange Commission (BSEC).

2.23 Authorization date for issuing Financial Statements:

The financial statements were authorized by the Board of Directors on October 08, 2017.

2.24 Components of the Financial Statements:

According to IAS –1 “presentation of the Financial Statements” the complete set of financial statement includes the following components

- a) Statement of Financial Position as at June 30, 2017.
- b) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2017.
- c) Statement of Changes in Equity for the year ended June 30, 2017.
- d) Statement of Cash Flows for the year ended June 30, 2017.
- e) Explanatory notes to the financial statements

2.25 Comparative Information

Comparative information has been disclosed as required by BAS 34: ‘Interim Financial Reporting’ In respect of the previous year for all numerical information in the current financial statements.

Narrative and descriptive information for comparative information have also been disclosed whenever it is relevant for understanding of the current year's financial statement.

2.26 General:

- i) The figure has been rounded off to the nearest taka.
- ii) The financial Statements have been prepared covering one year from July 01, 2016 to June 30, 2017.
- iii) To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or re-stated or reclassified whenever considered necessary to conform to current year presentation.



Simtex Industries Limited Notes to the Financial Statement

As at 30 June 2017

	Amount in Taka	
	30.06.2017	30.06.2016
3.00 PROPERTY, PLANT AND EQUIPMENT: Tk. 936,399,361		
Opening Balance (at cost)	1,160,173,358	1,115,818,450
Add : Addition made during the year	173,525,644	52,604,908
Less: Disposal	(13,325,286)	(8,250,000)
Closing Balance	1,320,373,716	1,160,173,358
Less : Accumulated Depreciation	383,974,355	328,777,326
Written Down Value	936,399,361	831,396,032

Details of Property Plant & Equipment and Depreciation are shown in the annexed Schedule -A/1.

4.00 ACCOUNTS RECEIVABLE: Tk. 386,466,620

This is made up as follows:

Particulars

Accounts Receivable	562,784,869	579,303,529
Less: Adjustment of Inland Bill Purchase	176,318,249	209,508,461
	386,466,620	369,795,068

Note: 4.01

i) The balance is represents dues from various parties against export sales. The balances are considered good and collectable. No bad debts were made during the year from the outstanding balances.

ii) No amount was due to managing partner, employees & Officers during the year

Aging of Accounts Receivable

Dues within 6 months	562,784,869	579,303,529
Dues above 6 months	-	-
	562,784,869	579,303,529

4.01 ADJUSTMENT OF INLAND BILL PURCHASE (Net off Assets & Liabilities) : Tk.176,318,249

This is made up as follows:

Particulars

Branch Name

Southeast Bank Limited	Principal Branch, Dilkusha, Dhaka	-	18,539,352
Trust Bank Limited	Millennium Corporate Branch, Dhaka	176,318,249	190,969,109
		176,318,249	209,508,461

5.00 INVESTMENT : Tk. 8,146,873

The Investment is made up as under:

Investment in Shares (market value)		8,146,873	34,474,463
		8,146,873	34,474,463
<u>Details</u>	<u>Cost Price</u>		
FAS Finance & Investment Ltd.	2,580,588	3,348,075	34,471,312
Reckitt Benck.(BD) Ltd.	-	-	3,150
MTB	84,471	92,250	-
ILFSL	3,994,257	4,099,398	-
Premier Bank	175,939	175,950	-
Fortune	424,258	431,200	-
	7,259,514	8,146,873	34,474,463



Simtex Industries Limited **Notes to the Financial Statement**

As at 30 June 2017

Amount in Taka	
30.06.2017	30.06.2016

6.00 ADVANCE, DEPOSITS & PREPAYMENTS: Tk. 74,197,162

This is made up as follows:

Particulars

Advance, Deposit & Prepayments

		64,962,006	56,767,337
Tax Deductions at source	Note-6.01	27,711,017	17,335,326
Advances against Expenses		16,656,052	16,585,885
Advances against Purchases		15,052,600	17,102,768
Prepaid Insurance Premium		1,245,137	1,624,933
Advance against rent		285,000	-
Advanced against salary		4,012,200	4,118,425

Deposit

		9,235,156	6,177,988
L/C margin deposit		3,742,316	1,719,398
Security Deposit	Note-6.02	5,492,840	4,458,590
		74,197,162	62,945,324

6.01 Tax Deductions at source: Tk. 27,711,017

This is made up as follows:

Particulars

Opening Balance	17,335,326	4,148,074
Addition during the year	9,837,051	8,268,537
AIT Through Payment Order	9,605,429	4,918,715
Less: Adjustment during the year (Assesment 2015-16)	(9,066,789)	-
	27,711,017	17,335,326

6.02 SECURITY DEPOSIT: Tk. 5,492,840

This represents the amount deposit with utility provider in respect of:

Particulars

Bank Guarantee Margin for Titas Gas	454,790	454,790
Electricity Demand note (REB)	1,713,800	1,713,800
Bangladesh Telegraph and Telephone Board (BTTB)	16,000	16,000
Titas Gas Transmission & Distribution Ltd.	3,258,250	2,274,000
Bank Guarantee Margin for Nitol Insurance	50,000	-
	5,492,840	4,458,590

7.00 INVENTORY: Tk. 242,410,188

The above balance is made up as follows:

Particulars	30.06.2017		30.06.2016	
	Qty.Kgs/Pcs	Taka	Qty.Kgs/Pcs	Taka
Raw material of Yarn	721,250.00 Kgs	168,469,236	737,053.85 Kgs	169,846,690
Raw material of Dyes & Chemical	91,458.05 Kgs	43,575,508	62,934.68 Kgs	30,245,780
Packing Materials	16,720kgs & 2,650,708 pcs	8,785,686	18,000 kgs & 3,396,896 pcs	8,546,691
Work-in-process	46,394.10 Kgs	12,104,747	30,856.39 Kgs	7,745,645
Finished goods	200,766 cones	9,475,011	409,494.25 Cones	19,246,230
Total:		242,410,188		235,631,036



Simtex Industries Limited
Notes to the Financial Statement
As at 30 June 2017

			Amount in Taka	
			30.06.2017	30.06.2016

We have verified and reconciled the above Bank balances with the Bank statements as at June 30, 2017 and found correct.

10.00 SHARE CAPITAL: Tk. 599,250,000

This is made up as follows:

Particulars

Authorized Capital		
100,000,000 ordinary Shares of Tk.10 each	1,000,000,000	1,000,000,000
Issued, Subscribed & Paid up Capital		
58,750,000 Ordinary Shares of Tk.10 each fully paid-up in cash	587,500,000	587,500,000
1,175,000 Ordinary shares of Tk. 10 each fully paid-up in bonus share	11,750,000	-
59,925,000 Ordinary Shares of Tk.10 each	599,250,000	587,500,000



Simtex Industries Limited
Notes to the Financial Statement
As at 30 June 2017

Amount in Taka	
30.06.2017	30.06.2016

The Distribution Schedule showing the number of Shareholders and corresponding holding percentage under DSE & CSE Listing Regulation 37 as on June 30, 2017

Particulars of Investors	Number of Shareholders	Number of Shares	Percentage of Shareholding (%)
1 to 500 Shares	5,439	1,451,427	2.42
501 to 5,000 shares	441	939,106	1.57
5,001 to 10,000 shares	85	650,315	1.09
10,001 to 20,000 shares	53	744,266	1.24
20,001 to 30,000 shares	31	781,808	1.31
30,001 to 40,000 shares	11	387,620	0.65
40,001 to 50,000 shares	11	501,651	0.84
50,001 to 100,000 shares	22	1,640,949	2.74
100,001 to 1,000,000 shares	46	16,674,994	27.83
Over 1,000,000	16	36,152,864	60.33
Total	6,155	59,925,000	100.00

11.00 LONG TERM LOAN FROM BANK & FINANCIAL INSTITUTION Tk. 248,342,860

Particulars	Name of Branch		
Trust Bank Ltd.	Millennium Branch, Jahangir Gate, Dhaka	326,212,156	404,175,197
Southeast Bank Ltd.	Principal Branch, Dilkusha	243,797	962,721
NCC Bank Ltd.	Uttara Branch, Dhaka	15,107,430	-
Total Term Loan Outstanding		341,563,383	405,137,918
Less: Current Portion		93,220,523	81,754,926
		248,342,860	323,382,992

The loan sanctioned from Trust Bank Ltd against various Investment facilities through 6-year HPSM- Capital Machinery facility . This Loan is secured by registered mortgage of 695.19 Decimal land located at Khagan, Gouripur, Bashaid, Aukpara and Ashulia Dhaka and personal guarantee of all Directors of the Company. This Loan is repayable in 60 equal monthly installments as per sanction letter. The loan bears 10% interest which is subject to change time to time.

The loan sanctioned from Southeast Bank Ltd against various credit facilities . This Loan is secured by registered mortgage of 8.14 Decimal land located at plot No. 1/A, Sector No. 07, Sonargaon Janapath Road, Uttara Dhaka and personal guarantee of all Directors of the Company. This Loan is repayable in 36 equal monthly installments as per sanction letter. The loan bears 10% interest which is subject to change time to time.

The loan sanctioned from NCC Bank Ltd against lease finance facility of acquisition of vehicles. This loan is secured by personal guarantee of the directors of the company and ownership and registration of the vehicles in the name of NCC Bank Ltd. The loan is payable in 60 equal monthly installments as per sanction letter and bears 12% interest.

12.00 DEFERRED TAX : Tk. 26,557,075

Carrying Value	936,399,361	831,396,032
Tax Base	759,352,196	693,500,822
Temporary/(Deductible) Difference	177,047,165	137,895,210
Effective Tax Rate	15%	15%
Deferred Tax Liability/(Asset)	26,557,075	20,684,281



Simtex Industries Limited
Notes to the Financial Statement
As at 30 June 2017

Amount in Taka	
30.06.2017	30.06.2016

13.00 ACCOUNTS PAYABLE: Tk. 2,772,076

This is made up as follows:

Particulars

Keya Packaging Industries.
Olympic Accessories Ltd.
Excel Trade Link Ltd.
Islam Brothers Ltd.
M/S Simi Enterprise
Masud Plastic
Tanim Plastic Industries
Hawa Enterprise
M/S Jewel Packaging

635,500	280,000
942,800	445,000
-	115,000
96,776	45,000
750,000	645,350
330,000	225,000
17,000	-
-	175,300
-	215,000
2,772,076	2,145,650

14.00 SHORT TERM LOAN FROM BANK (Secured): Tk. 24,019,909

This is made up as follows:

Particulars

Cash Credit Loan (C C)
Deferred LC (UPAS)

Note-14.01

4,952,621	1,025,250
19,067,288	19,399,322
24,019,909	20,424,572

14.01 CASH CREDIT LOAN (CC): Tk. 4,952,621

Name of Bank

A/C NO.

Name of Branch

Southeast Bank Ltd. CC-1717 Principal Branch, Motijheel
Trust Bank Ltd. Bai Muajjal Millennium Branch, Jahangir Gate, Dhaka

4,952,621	1,025,250
-	-
4,952,621	1,025,250

15.00 CURRENT PORTION OF LONG TERM LOAN: Tk. 93,220,523

This is made up as follows:

Particulars

Name of Branch

Trust Bank Limited Millennium Branch, Jahangir Gate, Dhaka
Southeast Bank Ltd. (SEBL) Principal Branch, Motijheel
NCC Bank Uttara Branch

90,103,442	80,962,926
315,652	792,000
2,801,429	-
93,220,523	81,754,926

16.00 LIABILITY FOR EXPENSES: Tk. 22,645,717

This is made up as follows:

Particulars

Salary & Wages
Electricity Bill
Mobile and Telephone Bill
Internet Bill
Provident Fund
Provision for WPPF
Audit Fees
Gas bill

8,050,500	7,514,000
151,929	151,929
1,425	1,288
29,000	14,000
1,733,134	805,960
8,915,065	-
191,667	187,500
3,572,997	1,931,751
22,645,717	10,606,428



Simtex Industries Limited
Notes to the Financial Statement
As at 30 June 2017

Amount in Taka	
30.06.2017	30.06.2016

17.00 PROVISION FOR INCOME TAX: Tk. 52,974,624

This is made up as follows:

Particulars

Opening Balance	41,999,298	25,927,280
Add: Provision for Current year tax (24.00)	21,549,330	25,533,139
Less: Tax Paid for Assessment Year 2013-2014	-	(1,500,726)
Less: Tax Paid for Assessment Year 2014-2015	-	(2,508,896)
Less: Tax Paid for Assessment Year 2015-2016	(1,507,215)	-
Less: Adjustment during the year for Assessment year 2015-2016	(9,066,789)	-
Less: Prior Year Adjustment (Over Provision)	-	(5,451,499)
Closing Balance as on June 30, 2017	52,974,624	41,999,298

18.00 TURNOVER: Tk. 1,381,538,367

This is made up as follows:

Sales	Note-18.01	1,381,538,367	1,380,435,126
		1,381,538,367	1,380,435,126

18.01 SALES

Particulars	30.06.2017		30.06.2016	
	Qty (Kgs)	Taka	Qty (Kgs)	Taka
Sewing Thread	2,954,179	1,327,903,617	2,932,336	1,331,280,619
Poly Poly Core spun	5,583	6,521,116	2,989	3,503,206
Filament Thread	70,954	47,113,634	68,341	45,651,301
Total	3,030,716	1,381,538,367	3,003,665	1,380,435,126

19.00 COST OF GOODS SOLD: Tk. 1,081,706,570

Raw materials Consumption	Note-19.01	741,289,362	732,277,236
Dyes & Chemical Consumption	Note-19.02	76,511,705	90,005,948
Packing Materials Consumption	Note-19.03	76,038,346	74,749,425
Factory Overhead	Note-19.04	183,795,585	172,057,728
Cost of Production		1,077,634,998	1,069,090,337
		(4,359,102)	83,980
Opening work-in process		7,745,645	7,829,625
Closing work-in process		12,104,747	7,745,645
		9,771,219	(243,378)
Opening finished goods		19,246,230	19,002,852
Closing finished goods		9,475,011	19,246,230
Goods available for sale		1,083,047,115	1,068,930,939
Sample expense		(1,340,545)	(1,583,560)
Total Cost of Goods Sold		1,081,706,570	1,067,347,379

19.01 RAW MATERIALS CONSUMPTION: Tk. 741,289,362

Opening Inventory	169,846,690	156,982,071
Add: Purchased during the year	739,911,908	745,141,855
Less: Closing Inventory	168,469,236	169,846,690
	741,289,362	732,277,236



Simtex Industries Limited
Notes to the Financial Statement
For the year ended 30 June 2017

		Amount in Taka	
		30.06.2017	30.06.2016
19.02 DYES & CHEMICAL CONSUMPTION: Tk. 76,511,705			
Opening Inventory	30,245,780	30,751,468	
Add: Purchased during the year	89,841,433	89,500,260	
Less: Closing Inventory	43,575,508	30,245,780	
	76,511,705	90,005,948	
19.03 PACKING MATERIALS CONSUMPTION: Tk. 76,038,346			
Opening Inventory	8,546,691	7,963,806	
Add: Purchased during the year	76,277,341	75,332,310	
Less: Closing Inventory	8,785,686	8,546,691	
	76,038,346	74,749,425	
19.04 FACTORY OVERHEAD: Tk. 183,795,585			
This is made up as follows:			
<u>Particulars</u>			
Wages	83,754,705	81,783,426	
Overtime	5,210,732	5,133,660	
Tiffin Bill	1,797,433	1,804,217	
Electricity Bill	1,843,776	1,847,919	
Repair & Maintenance	2,237,798	2,182,210	
Festival Bonus for workers	2,899,968	2,859,520	
Loading & Unloading-Labor	341,930	338,492	
Fuel & Lubricant	3,452,760	3,387,540	
Gas Bill	26,018,573	24,178,559	
ETP. Operating Expense	706,414	660,590	
Depreciation	55,531,496	47,881,595	
	183,795,585	172,057,727	
20.00 ADMINISTRATIVE EXPENSES: Tk. 51,636,389			
This is made up as follows:			
<u>Particulars</u>			
Salary & allowance	16,406,100	11,062,670	
Director's Remuneration	2,130,000	2,130,000	
Tours & Travelling Expenses	1,830,810	1,689,760	
Board Meeting Attendance Fee	150,000	156,000	
IPO Expenses	-	18,600,769	
Festival Bonus	2,925,460	1,245,320	
Telephone and Mobile Bill	651,478	614,412	
Internet Bill	228,000	168,000	
Electricity Expenses	969,532	253,457	
Subscription and donation	392,700	69,560	
Audit Fees	402,500	297,084	
Provident Fund	874,634	402,980	
Fees Forms and Renewal	1,110,673	879,746	
Entertainment	1,965,560	1,454,572	
Managing Director Remuneration	600,000	600,000	
Office Rent	414,000	269,975	
Canteen Subsidy	575,700	467,210	
House Rent	1,320,000	804,000	
Medical Expenses	970,410	151,341	



Simtex Industries Limited
Notes to the Financial Statement
For the year ended 30 June 2017

	Amount in Taka	
	30.06.2017	30.06.2016
Insurance	2,039,980	2,165,128
Office Maintenance	1,559,370	267,540
Miscellaneous Expenses	750,770	619,161
Staff Uniform	825,470	698,930
Car Maintenance	820,350	234,680
News Papers & periodical	525,700	132,608
Fuel & Lubricant	1,300,970	1,025,616
Conveyance	1,205,980	1,071,965
Postage & Courier	501,750	112,465
AGM Expenses	1,156,825	-
Stationery Expenses	881,520	432,932
Depreciation	6,150,147	5,075,632
	51,636,389	53,153,513

Payment/Perquisites to Directors and officers

The aggregate amount paid/ provided during the year in respect of Directors and Officers of the Company as defined in the Securities and Exchange Rules 1987 are disclosed below:

Particulars

Directors Remuneration	2,130,000	2,130,000
Managing Director Remuneration	600,000	600,000
Board Meeting fee	150,000	156,000

i) The Board of Directors have drawn Tk. 3,000/- Per Board meeting attendance fees during the year under review.

ii) No money was given to any directors for rendering special services to the Company.

iii) Ten (10) meeting of the Board of Directors were held during the Year.

iv) The Company has been provided car facilities to the Managing Director, CFO & General Manager.

21.00 SELLING & DISTRIBUTION EXPENSES: Tk. 9,554,911

This is made up as follows:

Particulars

Advertisement	326,857	289,380
Promotional Expenses	1,007,353	698,500
Conveyance	1,032,886	908,680
Collection and C & F Charges	890,550	414,950
Expenses for Product development	1,136,070	426,710
Sample Expenses	1,340,545	1,583,560
Fuel & Lubricant for Vehicle	1,410,660	1,036,915
Car Maintenance	2,409,990	2,040,975
	9,554,911	7,399,670

22.00 FINANCIAL EXPENSES: Tk. 80,851,929

This is made up as follows:

Interest	78,075,135	106,521,023
Bank Charges, Commission & Brokerage Fees	2,776,794	940,722
	80,851,929	107,461,745



Simtex Industries Limited
Notes to the Financial Statement
For the year ended 30 June 2017

		Amount in Taka	
		30.06.2017	30.06.2016
23.00 OTHER INCOME: Tk. 29,427,799			
This is made up as follows:			
Particulars			
Interest Income		14,691,004	15,878,631
Dividend Income		80	17,768
Realized Gain/Loss on sale of Share		15,456,288	(196,196)
Gain/(Loss) on disposal of Vehicle		(719,573)	(1,143,772)
		29,427,799	14,556,431
24.00 CURRENT YEAR TAX : TK. 21,549,330			
This is made up as follows:			
Particulars			
Profit before Tax except other Income	148,153,930		
Tax Rate on Operating Profit	15%		
Tax On Operating Profit	22,223,090	22,223,090	21,559,928
Tax on Other Income (Dividend)	80	16	3,554
Tax on Other Income (Interest)	14,691,004	3,672,751	3,969,658
Tax on Other Income (Relized Gain)	15,456,288	1,545,629	-
		27,441,485	25,533,139
Less: Over Provision for assessment year 2015-2016		5,892,155	-
		21,549,330	25,533,139
25.00 CURENT YEAR DEFERRED TAX : Tk.5,872,794			
This is made up as follows:			
Particulars			
Total Deferred Tax		26,557,075	20,684,281
Less: Opening Balance		20,684,281	15,416,617
		5,872,794	5,267,665
26.00 OTHER COMPREHANCIVE INCOME: TK.20,608,444			
This is made up as follows:			
Gain/(Lss) on Fair Value of investment in Share		20,608,444	(8,273,053)
		20,608,444	(8,273,053)
27.00 EARNINGS PER SHARE			
Net Profit after Taxes		150,879,178	128,828,447
Weighted Average No. of Share		59,925,000	59,925,000
Earning per share (Taka)		2.52	2.15
Weighted average/Total existing no. of share:			
Opening no. of share outstanding			58,750,000
Add: Issued during the period (Stock dividend)			1,175,000
			59,925,000



Simtex Industries Limited
Schedule of Property, Plant & Equipment
as at June 30, 2017

Schedule-A/1
Amount in Taka

Particulars	Cost Value			Rate	Depreciation			W. D. V As on 30.06.2017
	Opening Balance As on 01.07.16	Addition during the Year	Disposal		Opening Balance As on 01.07.16	Charged during the Year	Disposal	
Factory:								
Land & Development	221,512,001	1,987,138	-	0%	-	-	-	223,499,139
Building & Fabricated Shade	268,390,730	7,493,330	-	10%	98,364,897	17,410,043	-	160,109,120
Plant and Machinery	405,085,401	126,344,459	-	10%	174,633,468	32,003,412	-	324,792,980
Trolley	67,058	-	-	10%	40,132	2,693	-	24,233
Gas and Electrical Line	5,141,080	-	-	10%	1,856,763	328,432	-	2,955,886
Electrical Equipment	50,231,778	133,420	-	10%	18,590,581	3,170,471	-	28,604,146
Spare Parts & Tools	32,683,197	1,630,126	-	10%	10,757,968	2,276,241	-	21,279,114
Furniture and Fixture	4,509,415	286,100	-	10%	1,174,762	340,205	-	3,280,548
Sub Total	987,620,660	137,874,573			305,418,571	55,531,496	-	764,545,167
Office:								
Transport & Vehicles	41,274,726	30,574,804	13,325,286	10%	13,354,762	4,157,638	6,484,613	47,496,458
Office Equipment	11,368,337	2,978,852	-	10%	3,662,004	863,319	-	9,821,866
Furniture and Fixture	10,209,609	1,128,500	-	10%	4,196,679	644,314	-	6,497,116
Shade Book	115,000	62,000	-	15%	82,855	8,697	-	85,449
Int. Panton Book	84,500	-	-	15%	58,255	3,937	-	22,308
Air Condition	4,945,500	841,500	-	10%	1,583,565	386,210	-	3,817,225
Crockeries	149,087	65,415	-	10%	49,947	12,763	-	151,792
Software	737,040	-	-	20%	370,690	73,270	-	293,080
Sub Total	68,883,799	35,651,071	13,325,286		23,358,755	6,150,147	6,484,613	68,185,295
Revaluation Surplus :								
Particulars	Cost Value			Rate	Depreciation			W. D. V As on 30.06.2017
	Opening Balance As on 01.07.16	Addition during the Year	Disposal		Opening Balance As on 01.07.16	Charged during the Year	Disposal	
Land & Development	103,668,899	-	-	0%	-	-	-	103,668,899
Sub Total	103,668,899	-	-		-	-	-	103,668,899
GRAND TOTAL	1,160,173,358	173,525,644	13,325,286		328,777,326	61,681,643	6,484,613	936,399,361

Factory 55,531,496
Aministration 6,150,147
Total 61,681,643



SIMTEX INDUSTRIES LIMITED

Registered Office, Khagan, Birulia, Savar, Dhaka

PROXY FORM

I/We.....of being a
shareholders of Simtex Industries Limited and entitle to vote, hereby appoint Mr./Mrs./Miss.....
.....as
my/our proxy to attend and vote for me/us and on my/our behalf at the 10th Annual General Meeting of the Company
to be held on Thursday, 30th November, 2017 at 11.00 a.m. at the Auditorium of Trust Milonayaton, Dhaka Cantonment,
Dhaka or at any adjournment there of or at any ballot to be taken in consequence hereof.

Signed this.....Signature of proxy
day of2017

Tk. 20

(Signature Shareholder)

(Signature of Proxy)

BO ID NO.

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No. of Shares

Note:

- 1) This form of proxy, duly completed and signed must be deposited at least 48 hours before the meeting at the Company's registered office. Proxy is invalid if not signed and stamped as explained above.
- 2) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company.



SIMTEX INDUSTRIES LIMITED

Registered Office, Khagan, Birulia, Savar, Dhaka

ATTENDANCE SLIP

I hereby record my attendance at 10th Annual General Meeting of the Company being held on Thursday, 30th November, 2017 at 11.00 a.m. at the Auditorium of Trust Milonayaton, Dhaka Cantonment, Dhaka.

Name of the Member/Proxy :

BO ID NO.

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Signed this..... Signature of proxy day of2017

N.B. Shareholder attending meeting in person or by Proxy are requested to complete the Attendance slip and deposit the same at the entrance of the meeting.



Simtex Industries Limited

Khagan, Birulia, Savar, Dhaka-1341

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Production
Galaxy Corporation
Phone : 7192877