

ANNUAL REPORT 2022



Largest Bangladeshi
Sewing Thread Manufacturer

www.simtexgroup.com



TABLE OF CONTENTS

Letter of Transmittal	01
Notice of the 15 th Annual General Meeting	02
Corporate Information	03
Brief History of the Company	04
Vision and Mission Statement	05
Board of Directors and Management of the Company	06
Brief Profile of the Board of Directors	07
Message from the Chairman	10
Message from the Managing Director	12
Directors' Report to the Shareholders	14
Management Discussion and Analysis on Financial Position and Performance	22
Financial Highlights	23
Event Highlights and Photographs	25
CEO and CFO's Declaration to the Board of Directors	28
Certificate of Compliance of Corporate Governance Code	29
Report on Compliance of Corporate Governance Code	30
Application of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS)	42
Report of the Audit Committee	43
Report of the Nomination and Remuneration Committee	45
Information Relating to Capital Structure	47
Status of Credit Rating	48
Certificate of Bangladesh Association of Publicly Listed Companies	49
Certificate of OEKO-TEX® Standard 100	50
Certificate of Achievements	51
Auditors' Report and Audited Financial Statements	52
Proxy Form and Attendance Slip	83



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 2022.

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 2022, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year ended on 30 June 2022, and 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 15TH ANNUAL GENERAL MEETING

Notice is hereby given to all the Shareholders of Simtex Industries Limited, that the 15th Annual General Meeting (AGM) of the Company will be held on Thursday, 22nd December 2022 at 11:00 a.m. The AGM will be held virtually by using digital platform through the following link: <https://simtex.digitalagmbd.net>, 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 2022, 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 consider appointment of Independent Director/Nominated Directors of the Company.
05. To appoint Statutory Auditors of the Company and Professionals for compliance of Corporate Governance Code and to fix their remuneration.
06. To approve the change of the existing registered name of the Company.
07. To purchase 33.04 decimal land at price of Tk. 3,30,40,000 which is located adjacent to and alongside with the factory project of the Company (Khagan, Birulia, Savar, Dhaka) for expansion of the project.

By order of the Board

Ashis Kumar Saha
Company Secretary

Dated, Dhaka
November 25, 2022

Note:

01. The Shareholders whose names will appear in the Depository Register of CDBL as on the Record Date i.e. November 24, 2022 will be eligible to attend the 15th 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. The Proxy Form duly filled, signed and stamped with revenue stamp of Tk.20, must be deposited at the registered office of the Company or through e-mail at companysecretary@simtexgroup.com 48 hours before the time fixed for the meeting.
03. The ensuing 15th AGM will be conducted via live webcast by using digital platform, pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Order No. SEC/SRMIC/94-231/91 dated 31st March, 2021.
04. The members will be able to submit their questions/comments, and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging into the system, the members need to enter their 16-digit Beneficial Owner (BO) ID number/ Folio Number and other credentials as proof of their identity by visiting the link <https://simtex.digitalagmbd.net>
05. Pursuant to the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006/158/208/Admin/81 dated 20 June 2018, the Company will send the Annual Report-2022 in soft formats to the respective e-mail address of the shareholders available in their BO account maintained with Depository Participants (DP). The soft copy of the Annual Report-2022 will be also available on the Company's website at: www.simtexgroup.com
06. We encourage the Members to login to the system prior to the meeting starting time i.e. 11:00 a.m. Bangladesh Standard Time (BST) on December 22, 2022. The Shareholders are requested to take ample time to login and establish their connectivity. The webcast will start at 11.00 a.m. Bangladesh Standard Time (BST). The Shareholders are requested to contact at +8801404451252 if any technical difficulties in accessing the virtual meeting.
07. Members are requested to update their respective BO Account with 12 Digit e-TIN, Bank Account, Mailing Address and Contact Number through their respective Depository Participant (DP). Advance Income Tax (AIT) @ 15% (instead of 10%) will be deducted from eligible cash dividend, if anyone fails to update his/her BO Account with the 12 Digit e-TIN on or before the Record Date.
08. The concerned Brokerage Houses/DPs are requested to provide us the statement (both hard copy & soft copy) on or before 05 December 2022 with details of their margin loan holders entitled to Dividend for the year ended 30 June 2022. The statement should include Shareholders Name, BOID Number, Client-wise shareholding position, contact person etc.



CORPORATE INFORMATION

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 May, 2007
Commencement of Commercial Operation	: 01 July 2009
Production Capacity	: 43.20 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 1,000.00 million
Paid Up Capital	: BDT 795.95 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-1206 Southeast Bank Ltd., Principal Branch, Motijheel, Dhaka-1000
Auditors	: Pinaki & Company, Chartered Accountants Ahsandell, 2/A Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000
Professionals for Compliance Report on Corporate Governance Code	: Podder and Associates, Cost and Management Accounts 6/A/1, Segunbagicha (Ground Floor), Dhaka-1000
Tax Consultants	: Pinaki & Associates Ahsandell, 2/A Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000
Credit Rating Agency	: Credit Rating Information and Services Ltd. (CRISL) Nakshi Homes (1st, 4th & 5th Floor), 6/1/A Segunbagicha 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 in a small infrastructural facility at Mirpur, Dhaka with the vision to bring revolution in Sewing Thread business.

Since its launch Simtex has grown to become the country's leading Sewing Thread manufacturer with large production capacity to capture major market share.

The Company was registered as a Private Limited Company 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, raised Capital through IPO and listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Company started commercial operation in 2009. The growth rate in terms of both production capacity and growth of revenue has been enormous with the exception in recent few years due to effect of COVID 19 and Russia and Ukraine war.



VISION STATEMENT

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

MISSION STATEMENT

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



BOARD OF DIRECTORS AND MANAGEMENT OF THE COMPANY

Board of Directors

Major General (retd) Dr. Md Sarwar Hossain	Independent Director & Chairman (Appointed on August 17, 2022)
Mr. Neaz Rahman Shaqib	Managing Director
Lt. Col. Md. Anisur Rahman (Retd.)	Director
Mr. Sharif Shahidul Islam	Nominated Director, representing M/S Excel FARMGANIC Limited (Appointed on February 17, 2022)
Mr. Md. Hafizur Rahman	Nominated Director, representing M/S Excel FARMGANIC Limited (Appointed on February 17, 2022)
Mr. Shah Md. Asad Ullah	Independent Director

Audit Committee

Mr. Shah Md. Asad Ullah Independent Director	Chairman
Mr. Sharif Shahidul Islam Nominated Director	Member
Mr. Md. Hafizur Rahman Nominated Director	Member
Mr. Ashis Kumar Saha Company Secretary	Member Secretary

Nomination and Remuneration Committee

Mr. Shah Md. Asad Ullah Independent Director	Chairman
Mr. Sharif Shahidul Islam Nominated Director	Member
Mr. Md. Hafizur Rahman Nominated 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



Major General(retd) Dr. Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc Independent Director and Chairman

Major General (retd) Dr. Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc, after completing his early education at Shaheen School Kurmitola and Adamjee Cantonment College joined the Bangladesh Army in 1987. He was born on 16 January 1966 and hails from the district of Chandpur.

He obtained a Master in Management Studies from Hyderabad University, India, and a Doctor of Philosophy from Dhaka University. General Sarwar attended a number of professional courses at home and abroad. He held several operational, staff, and instructional appointments during his extensive career.

The General has varied experience serving in the Army within and outside the country. He participated in the United Nations peacekeeping missions in Kuwait and Ivory Coast and contributed commendably to counter-insurgency operations in the Chittagong Hill Tracts (CHT) and peace-keeping operations in the middle-east and Africa. He served in 44, 48, 6, 16, and 4 East Bengal

Regiments and commanded 305 Infantry Brigade in Rangamati. He also served as the Military Secretary to the Honourable President of Bangladesh.

After retirement, General Sarwar joined a Faculty at NSU (Department of History & Philosophy). He is also the Chairman of AFC Health Ltd, Chief Advisor of Premium Sweets and Third House International.

He has authored several monographs and articles on contemporary issues. "Random Thoughts" – is an erudite collection of General Sarwar's ideas and themes viewed through a practitioner's lens, his first published book. He wrote a phenomenal book on our war titled "1971 Resistance Resilience Redemption" which has been also published in Bangla. He received City-Ananda Alo Literary Award 2019 for the Bengali version of the book titled "1971: Protirodh Songram Bijoy". He also received Mirza Banu & Sirajul Islam Endowment Fund Award, Dhaka University for "1971: Resistance, Resilience, Redemption".

General Sarwar traveled to the U.S.A., U.K., K.S.A., Japan, Switzerland, France, Germany, India, Malaysia, U.A.E., Thailand, Singapore, Iraq, Kuwait, Ivory Coast, Turkey, Nepal, Pakistan, Kazakhstan, etc.

Mr. Neaz Rahman Shaqib Managing Director

Mr. Neaz Rahman Shaqib is the Managing Director of Simtex Industries Limited, succeeding his father Mr. Md Siddiqur Rahman, the founder of Simtex Industries Limited.

He has had a brilliant academic career at home and abroad. After the completion of his IGCSE from Scholastica, Mr. Shaqib attended the United World College of the Atlantic in Wales, UK, where he completed his International Baccalaureate (IB) Diploma. He also graduated from Boston University (USA) pursuing a major in Economics, and a double minor in Business Administration and Communications.

Mr. Shaqib is a young, energetic and innovative businessman who has been gathering knowledge regarding the management of Simtex from a young age alongside the former Managing Director to be able to lead the Company as and when needed. The company entrusted upon him to lead Simtex to newer heights while keeping true to the company's mission statement.

He is a permanent member of Uttara Club Limited. Furthermore, he is also associated with numerous social and humanitarian organizations, and is also one of the founding fathers of the Boston based Greek organization, Phi Kappa Tau.





Mr. Md. Hafizur Rahman
Nominated Director

Mr. Md. Hafizur Rahman joined Simtex Industries Limited as a Director in the Board of Simtex Industries Limited on February 17, 2022 being nominated by M/S Excel FARMGANIC Limited a shareholder of Simtex Industries Limited. Mr. Rahman has a brilliant academic career and secured many scholarships in public level examinations. Mr. Rahman did his Bachelor's and Master's in English. He has also obtained a number of certificates from different foreign Universities and Institutes including New South Wells (UNSW), Australia and Cambridge International Assessment Education (CIAE), UK from Jakarta, Indonesia. By profession, Mr. Rahman is an educationist. He worked as lecturer and Head of the department of English in different English medium schools in Dhaka. Presently Mr. Md. Hafizur Rahman is working as a principal of Radius International School, Uttara, Dhaka.

Mr. Sharif Shahidul Islam
Nominated Director

Mr. Sharif Shahidul Islam joined Simtex Industries Limited as a Director in the Board of Simtex Industries Limited on February 17, 2022 being nominated by M/S Excel FARMGANIC Limited a shareholder of Simtex Industries Limited. He is a graduate in business and presently engaged in construction business with good reputation. He is also involved with different social and charitable organizations.



Lieutenant Colonel Md Anisur Rahman (Retd)
Director

Lieutenant Colonel Md Anisur Rahman (Retd) joined the Board of Directors of Simtex Industries Limited on 11th February 2021. Mr Rahman studied in Rajshahi Cadet College and joined the Bangladesh Army. He was commissioned in the year 1986 and retired as Lieutenant Colonel in the year 2017. He was graduated from Chittagong University and also completed BSc in Telecommunications Engineering (TE), MBA in HRM and PhD in HRD. He is an Associate Member of the Institute of Professional Management Dhaka.



Mr. Shah Md. Asad Ullah
Independent Director

Mr. Shah Md Asad Ullah joined the Board as Independent Director on October 07, 2021 and subsequently nominated as a member of the Audit Committee and NR committee of the Board of Simtex Industries Limited. Mr. Asad Ullah obtained his BA Honor's and Master's in Philosophy from the University of Dhaka. Following of which he has also obtained LLB from Dhaka University. He has long experience over 30 years in Banking with Janata Bank Limited and retired as General Manager. He earned his professional qualification from Diplomaed Associates of the Institute of Bankers Bangladesh (DAIBB) from the Institute of Bankers Bangladesh.



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 15th 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 Simtex. It is also my privilege to present to you Company's Annual Report for the year ended June 30, 2022 along with our business performance.

During the year 2021-2022 Simtex Industries Limited performed moderately despite counter effects of Covid-19 and the effect of Russia and Ukraine war. I hope you have gone through the Annual Report and have had seen how the Company Management could get out of the woods & thorns of business throughout the FY 2021-2022 when the COVID 19 had appeared so ugly and violently to destroy the economic superstructure of the country. The study of the financial operating results reveals standard recovery in production, turnover and operating/net profit. The Management Team shares the larger tranche of the success for developing appropriate strategy for escaping from the grasp of the COVID 19. We all welcome the team and its allied forces.

Despite moderate business performance the Board has recommended 8% Cash dividend for all ordinary shareholders, including the Sponsors and Directors for the year 2021-2022.



The team of Simtex are working together to face all challenges in many issues and turn back once again to protect the stakeholders' interest and maximizing the wealth of the shareholders in the upcoming days. We are expecting that the profitability of the company will increase in the running year and increase the dividend in the next declaration.

At this occasion, I would like to thank the employees, without who's efforts and commitment, we would not have earned such a position. I would 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 our positive contribution towards the furtherance of our national economy.

Yours sincerely

A handwritten signature in black ink, appearing to be "Dr. Md Sarwar Hossain", written in a cursive style.

Major General (retd) Dr. Md Sarwar Hossain
Chairman



MESSAGE FROM THE MANAGING DIRECTOR

Bismillahir Rahmanir Rahim

Ashalamualaikun and Good Morning

It is my great pleasure and privilege to attend this 15th Annual General Meeting of Simtex Industries Limited along with our distinguished shareholders. Though you know the reasons well, I beg to mention that the Company has been facing adverse situation due to the effect of covid-19 for three successive years and the impact of the war of the Ukraine and Russia. We are looking forward for improvement of the situation in the next year and onward easing lockdowns and opening of economic activities in the target markets of the RMG products. However the thread still remains as very high as to the war between Russia and Ukraine that has to be kept in mind.

Simtex Industries Limited is the largest national Sewing Thread Manufacturer and Exporter of Bangladesh. We shall continue to ensure perfection of our products in terms of Quality, Pricing, Timeliness in delivery and service for which we have a RND department who constantly watch over technological development and lacuna in the process if any.

In the meantime we have addressed almost all the compliance parameters in order to be able to compete with multinational companies operating in our country. Installed capacity wise we have large potentiality and we are working with new zeal to attain our goal in respect to production, sales and revenue to be the market leader at the earliest.

An examination of the operating performance would reveal that though the Company's turnover increased by 4.29% compared to previous year on the other side operating expenses decreased by 0.75% over 2021-2022. This reflects an increase in efficiency/productivity rate by the operating human forces at all the levels of production. The net profit before tax increased by 16%, EPS increased by 5.43% and NAV increased by 2.61% compared to previous year. Considering the interest of the shareholders the Board of Directors proposed 8% cash dividend for the year 2021-2022 which is enhanced by 100% compared to the previous year.

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 that reads "Neaz Rahman".

Neaz Rahman Shaqib
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 15th Annual General Meeting. It is a pleasure to present you the Audited Financial Statements of the Company for the year ended June 30, 2022, 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 (BSEC), International Financial Reporting Standards, International Accounting Standards, and other applicable rules and regulations.

Background

Simtex Industries Limited was incorporated with the Registrar of Joint Stock Companies and Firms (RJSC) on May 29, 2007 and converted to a Public Limited Company on November 15, 2012 under the Companies Act, 1994. The Company floated 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 is Tk.795.95 million.

Revenue

You are aware that the Company is a 100% deemed exporter, engaged solely in the business of manufacturing Sewing Thread used in the export-oriented garments factories. The turnover of the Company stood at Tk. 138.76 Crore for the year ended on 30 June 2022 positively raised by 4.29% compared to the previous year. The textile sector is passing through hard time in recent years internationally due to recession caused by COVID and war between Russia and Ukraine. Yet the efficient and prudent management has enabled the company to earn a moderate profit.

The operating financial results of the Company for the year 2021-2022 as compared to previous year are summarized hereunder:

Particulars	2021-2022	2020-2021
Turnover	1,387,655,587	1,330,609,019
Gross Profit	248,933,094	222,035,767
Financial Expenses	75,609,922	61,156,297
Other Income	1,912,855	1,889,739
Net Profit Before Tax (NPBT)	92,038,554	79,295,297
Provision for Taxation	14,792,085	6,227,853
Net Profit After Tax (NPAT)	77,246,469	73,067,444
Gross Margin (Turnover)	17.94%	16.69%
Net Margin Before Tax	6.63%	5.96%
Net Margin After Tax	5.57%	5.49%
Earnings Per Share (EPS) BDT.	0.97	0.92
Number of Shares used to compute EPS	79,595,381	79,595,381

Segment Reporting

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



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 strategy in the international market might raise production cost and reduction of profitability.

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

Similarly, risk factors of the industry depend 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 policymakers 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.

In addition to the above conventional risks, we are going through most deadly risk that has ever been experienced before worldwide, i.e. the risk of Covid-19 menaces. The researchers around the world have in the meantime found effective vaccine against Covid-19, but still it is a gigantic task to cover peoples to an acceptable level also we have business risk due to the overall impact of the Russia-Ukraine war. Therefore the risk will be persist.

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

Profit from Operation	2021-2022		2020-2021	
	Amount	Percentage	Amount	Percentage
Turnover	1,387,655,587	100%	1,330,609,019	100%
Cost of Goods Sold	1,138,722,493	82.06%	1,108,573,252	83.31%
Gross Profit	248,933,094	17.94%	222,035,767	16.69%
Net Profit for the year	77,246,469	5.57%	73,067,444	5.49%

Discussion on scope of extraordinary 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 for 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. 2.19 of the notes to the financial statements.

Significant variance of financial statements

Over all COVID-19 situation has improved worldwide. In Bangladesh Covid-19 situation has also improved as well. But due to the impact of Russia-Ukraine war, world business and economy is suffering in the recent times. As a result, RMG and related business has been suffering due to the same issues and hampering the RMG export business of our Country. Although having huge barriers during the financial year 2021-22, our sewing thread sale has increased compared to financial year 2020-21. Due to increase of sales, Net profit After Tax, Earnings per Share (EPS), Net Assets Value per share increased compared to previous year. While Net operating Cash Flow per Share has decreased compared to previous year due to slow recovery from receivables.

Investment Planning

Company is pursuing with a prudent plan for investment in capital assets and working capital in line with the goal of the company.

Compliance of Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018:

Board Size

The number of members in the Board of Directors of the Company is six including two Independent Directors in line with notification given by BSEC.

Independent Directors

In terms of the provision under CGC, the Board of Directors appointed Major General (ret'd) Dr. Md Sarwar Hossain as Independent Director of the company for a period of three years in place of Mr. Akram Hossain upon his resignation from the Board of Directors dated August 17, 2022.

Qualification of Independent Directors

Major General (ret'd) Dr. Md Sarwar Hossain obtained a Master in Management Studies from Hyderabad University, India, and a Doctor of Philosophy from the University of Dhaka. He has varied experience serving in the Armed force of Bangladesh within and outside the country. He was the former Military Secretary to the honourable President of Bangladesh. After retirement, General Sarwar joined a Faculty at NSU (Department of History & Philosophy). He is also the Chairman of AFC Health Ltd, Chief Advisor of Premium Sweets and Third House International. Mr. Shah Md Asad Ullah obtained his BA Honors and Masters in Philosophy from the University of Dhaka. He is a retired banker and earned his professional qualification from Diplomaed Associate of the Institute of Bankers Bangladesh (DAIBB). Mr. Shah Md Asad Ullah retired as a General Manager from Janata Bank Limited.

Chief Financial Officer, Company Secretary, Head of Internal Audit

As per Corporate Governance Code 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. Kobirul Islam (CA CC)

Audit Committee

The Audit Committee, as a sub-committee of the Board has been constituted with an 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 picture 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.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee, as a sub-committee of the Board of Directors has been constituted with three Non-Executive Directors among them one Independent director plays role as Chairman of the Committee. The company Secretary acts as Secretary to the Committee. The Nomination and Remuneration Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and Independence of Directors and top level executives as well as a policy for formal process of considering remuneration of directors, top level executives of the company. NRC is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. Since the corporate governance code has been adopted on 03 June, 2018; we have been taking necessary steps to comply with it.

External Statutory Auditors

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

Maintaining a website

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

Subsidiary Company

The company has no subsidiary company whatsoever.

Duties of CEO and CFO

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

Elect/Re-Elect of Directors

In regards 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 legislation. Accordingly, Lt. Col. Md. Anisur Rahman (ret'd.), Director of the Board will retire at the annual general meeting and is eligible for re-election to the same position.



This is to be mentioned that, the Board of Directors of Simtex Industries Limited, in its meeting held on October 27, 2022, advised that Expression Of Interest (EOI) should be obtained from Lt. Col. Md. Anisur Rahman (retd.), existing Director of the Company and or any other eligible candidates if any, before the Annual General Meeting.

Accordingly, the Company has already received Expression Of Interest (EOI) from Lt. Col. Md. Anisur Rahman (retd.), existing Director of the Company and also received an Expression Of Interest (EOI) from a private limited Company holding 2.01% shares of Simtex Industries Limited who have intended to nominate Mr. Md. Nazmus Sakeve Jugbhery as Director in the Board of Simtex Industries Limited.

However, since Company has no casual vacancy in the Board of Directors, we may approach for decision regarding election/re-election before the general shareholders in the 15th Annual General Meeting.

Shareholding pattern

The shareholding of directors at the end of 30 June, 2022 is shown as below:

	Name of the shareholders	Position	Shares held	%
a.	Parent/Subsidiary/Associated companies and other related parties	Nil	Nil	Nil
b.	Directors, Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their Spouse and Minor Children:			
	Lt Col Md Anisur Rahman (Retd.)	Director	1,594,961	2.00%
	Mr. Neaz Rahman Shaqib	Managing Director	5,420,955	6.81%
	Mr. Sharif Shahidul Islam (Representing Excel Farmganic Limited)	Nominated Director	1,876,000	2.36%
	Mr. Md. Hafizur Rahman (Representing Excel Farmganic Limited)	Nominated Director	Nil	Nil
	Mr. Md. Akram Hossain	Ex-Independent Director	Nil	Nil
	Mr. Shah Md. Asad Ullah	Independent Director	Nil	Nil
	Mr. M A Shahjahan	Chief Financial Officer	Nil	Nil
	Mr. Ashis Kumar Saha	Company Secretary	Nil	Nil
	Mr. Kobirul Islam	Head of Internal Audit	Nil	Nil
c.	Executives	-	Nil	Nil
d.	Shareholders holding 10% or more voting interest in the Company	Mr. Md. Siddiqur Rahman	14,778,996	18.57%

Directors involved in other Companies:

Sl.	Name	Position in SIL	Involved in Other Company	Position
1	Lt Col Md Anisur Rahman (Retd.)	Director	Nil	-
2	Mr. Neaz Rahman Shaqib	Managing Director	Nil	-
3	Mr. Sharif Shahidul Islam	Nominated Director	Nil	-
4	Mr. Md. Hafizur Rahman	Nominated Director	Nil	-
5	Mr. Md. Akram Hossain	Ex- Independent Director	Nil	-
6	Mr. Shah Md. Asad Ullah	Independent Director	Nil	-

Board Meeting and Attendance

9 (Nine) nos. of Board of Directors Meeting were held during the year. The attendance record of the directors is as given below:

Name of Directors	Meeting Held During His/Her Duration	Attendance
Lt Col Md Anisur Rahman (Retd.)	9	9
Mr. Neaz Rahman Shaqib	9	9
Ms. Hafiza Khanam	6	6
Mr. Md. Ensan Ali Sheikh	6	6
Mr. Md. Akram Hossain	9	8
Mr. Shah Md. Asad Ullah	7	7
Mr. Sharif Shahidul Islam	3	3
Md. Hafizur Rahman	3	3



Directors' remuneration

Directors' remuneration is shown in the note no. 25 of the notes to the Financial Statements.

Statement of Directors on Financial Reports

In accordance with the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018; the Directors are pleased to confirm the following:

- a) The financial statements together with notes thereon have been drawn up in conformity with the Companies Act, 1994 and The 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.
- b) Proper books of accounts of the company have been maintained.
- c) Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in the preparation of the financial statements.
- e) Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- f) The system of internal control is sound and has been implemented and monitored effectively.
- g) No bonus shares or stock dividend has been or shall be declared as interim dividend.
- h) Management discussion and analysis signed by MD presenting detailed analysis of the Company's position and operations along with a brief discussion on changes in the financial statements. Page No. 22.
- i) The key operating and financial data for the last five years. Page No. 23.

Going Concern

While approving the financial statements, the directors have made appropriate inquiries and analysis of the significant financial result, as well as other indicators for enabling them to understand the ability of the Company to continue its operation for 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 the going concern basis in preparing the financial statements.

Significant deviation of Operating Result

During the year due to impact of COVID-19 followed by Russia Ukraine war that has resulted recession in the target market of our RMG sector who are our buyers. We have been suffering from slow recovery of receivables and cash collection which has resulted in reduction of our Net Operating Cash Flows Per Share (NOCFPS) as compared to previous year.

Dividend Policy

The Board of Directors has established a dividend policy, which forms the basis for the proposals on dividend payments that it makes to the Shareholders taking into consideration the business performance of the Company and its strategic initiatives. The Board believes that it is in the best interest of Simtex Industries Limited (SIL) to draw up a long-term and predictable dividend policy. The Board has approved the following dividend policy:

Important highlights of the Dividend Distribution Policy are as follows:

Procedure for payment of dividends

Dividend would be recommended by the Board of Directors based on the Audited Financial Statements of the company. All requisite approvals and clearances, where necessary shall be obtained before the declaration of dividend. Dividend shall be approved by the Shareholders at an Annual General Meeting (AGM) on the basis of recommendation of the Board of Directors but no dividend shall exceed the amount recommended by the Directors. No dividend shall be paid other than out of profits of the year or any other undistributed profits. No dividend shall be declared out of the capital reserve account or the revaluation reserve account or any unrealized gain or out of profit earned prior to the incorporation of the company, if any, or through reducing paid-up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance.



Final dividend

The Board of Directors of the company shall recommend to final dividend for the shareholders on the basis of annual audited financial statements and declare the shareholders who shall be entitled to such dividend. The decision about recommending or not recommending final dividend and entitlement for such dividend, if recommended, shall be taken after considering the interim dividend already distributed and cannot be changed prior to holding of the AGM. In case of declaration of stock dividend for the year, the company shall explain the reason for declaring stock dividend and utilization of such retained amount as capital (stock dividend) shall be disclosed in the annual report.

Entitlement to dividend

The Shareholders whose names would appear in the Register of the company and/or in the Depository participant (DP) on the 'Record Date' would be entitled to receive the dividend and would be eligible to join the AGM and entitled to receive the annual/final dividend.

Payment of dividend

SIL shall pay off the final dividend to the entitled shareholders, within 30 (thirty) days from the date of approval by shareholders in AGM.

Cash dividend

Cash dividend shall be distributed in the following manner and procedures:

- Within 10 (ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of SIL.
- SIL shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholders in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN).
- SIL may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN.
- Upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, SIL shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.
- In case of non-availability of bank account information or if not possible to distribute cash dividend through BEFTN or electronic payment system, SIL shall issue cash dividend warrant and shall send it by post to the shareholders.

SIL shall maintain detailed information of unpaid or unclaimed cash dividend, as per BO account (number-wise or name-wise or folio number-wise) of the shareholders, and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/annually) as a separate line item 'Unclaimed Dividend Account'. SIL shall publish the year-wise summary of its unpaid or unclaimed cash dividend in the website.

Stock dividend

SIL shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholders, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL). SIL shall follow the provisions of Regulation 46 of the Depository Regulation, 2003 for issuance of bonus shares. SIL shall maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

- SIL shall send at least 3 (three) reminders to the entitled shareholders.
- The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to the issuer.
- Any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account.



- SIL shall, upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Bangladesh Securities and Exchange Commission (BSEC) and Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).
- Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholders is established.

Payment of unclaimed or unpaid cash dividend and stock dividend

SIL shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force. SIL shall follow the rules & regulations of the regulators issued from time to time regarding payment of unclaimed or unpaid cash dividend and stock dividend to the entitled shareholders. As per BSEC's requirements we have already transferred the unclaimed or unpaid dividend amount to the CMSF recently. A list of the shareholders by name has been uploaded to our company official website.

Submission of dividend distribution compliance report

SIL shall submit a dividend distribution compliance report to BSEC, DSE & CSE in a specified format issued by the regulator(s) within stipulated time of completion of dividend distribution to the entitled shareholders.

Dividend

The Board of Directors has recommended 8% cash dividend for all ordinary shareholders including Sponsors and Directors.

Particulars	2021-2022	2020-2021
Profit available for appropriation:	Amount in Taka	Amount in Taka
Profit/loss after Tax	77,246,469	73,067,444
Un-appropriated profit brought forward from previous year	505,312,738	444,582,557
Prior Adjustment	27,793	19,500,889
Total Amount available for appropriation	582,587,000	537,150,890
Appropriation	-	-
Closing Retained Earning at year end (Before proposed final dividend)	582,587,000	537,150,890
Proposed Dividend for the year 2022 (8% cash for all ordinary shareholders including Directors and Sponsors) and in 2021 (4% cash for all ordinary shareholders including Directors and Sponsors)	63,676,305	31,838,152
Retained Earnings after proposed dividend	518,910,695	505,312,738

Basis for Emphasis of Matter:

1. Cash payment above Tk. 50,000 should be avoided at any cost.
2. The total purchase should be reconciled with monthly VAT return (Mushak 9.1).
3. Unclaimed dividend need be substantiated by specific bank balance.
4. Workers portion of Workers Profit Participate Fund (WPPF) should be made under bank transactions.
5. Due care need be maintained for documentation against foreign exchange gain or loss.
6. Long standing Advance against Expenses and Purchase demand due scrutiny and be accounted for.
7. Overall documentation need be further developed.

Statutory Auditors

The Auditors of the Company, M/S Pinaki & Company, Chartered Accountants 2/A, Ahsandell, Mymensingh Road (2nd Floor), Shahbagh, Dhaka-1000 has carried out the audit of the company for the year ended 30 June 2022. They were appointed as Statutory Auditor in 14th 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 to re-appoint M/S Pinaki & Company, Chartered Accountants 2/A, Ahsandell, Mymensingh Road (2nd Floor), Shahbagh, Dhaka-1000 as Auditor for the year 2022-2023. Accordingly, a proposal is being placed for Shareholder's approval and fixation of their fees, subject to the approval by the Shareholders in 15th AGM.



Professionals for Compliance of Corporate Governance Code

The Board of Directors has recommended for re-appointment M/S Podder and Associates, Cost and Management Accounts, 6/A/1, Segunbagicha (Ground Floor), Dhaka-1000 as professional for Report on Compliance Governance Code for the year 2022-2023 on their willingness to certify the compliance of Corporate Governance Code as issued by the Bangladesh Securities and Exchange Commission, subject to the approval by the shareholders in the 15th AGM.

Acknowledgment

The Company expresses its sincere thanks and gratitude to the respected shareholders, valued clients, 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 Organization and many others for extending co-operation and support to our Company.

I, on behalf of the Board, also put on record my deep appreciation for the services and loyalty of the executives, officers and employees of the Company at all levels without which we could not have achieved this result.

Thanks are also due to all the Directors of the Company for their excellent, sincere and dedicated efforts in achieving Company's result.

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

Thanking you.

On behalf of the Board of Directors

Major General (retd) Dr. Md Sarwar Hossain
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL POSITION AND PERFORMANCE

The world has witnessed toughest time in the history of 21st century because of Covid-driven pandemic. In the meanwhile, we have also witnessed the on going war between Russia-Ukraine which directly created huge impact on the overall financial situation of the world. Since the Covid situation became eased in the recent time we have faced another back to back issue thereafter. In spite of that, in the fiscal year 2021-22 Bangladesh has crossed the milestone of \$50 billion in exports for the first time. Bangladesh's exports increased by 35.47 percent in one fiscal year. From July 2021 to June 2022, Bangladesh exported goods worth \$52.08 billion in total during 12 months, of which \$42.61 billion was from ready-made garments, which accounted for 81.81 percent of total exports in the just-ended fiscal year. In the previous fiscal year apparel exports were worth \$31.45 billion. The main reason for the success of the RMG sector in Bangladesh in the last financial year was the diversification of export destinations to some extent.

As far as our company is concerned, during the preceding five financial years, the company generated moderate growth in sales. Our sales and net profit after tax were in good position in the year 2017-2018 and 2018-2019 which was hampered in the year 2019-2020 due to Covid issues and followed by Russia and Ukraine war with the thread of world wide rescission. However, we assure that we would be cautious and prudent to manage the situation for maintaining sustainability.

As far as risks are concerned, Simtex Industries Limited is exposed to foreign exchange risk and inflation risk. We are both Importer and Exporter, as such foreign exchange risk is well mitigated while the risk of inflation in the economy will be managed by adjustment of prices of products and other strategies.

Neaz Rahman Shaqib
Managing Director

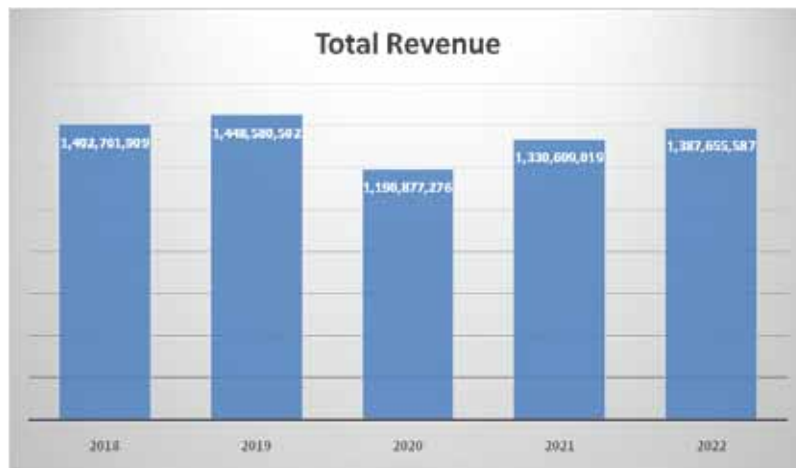


FINANCIAL HIGHLIGHTS

Operational Result	Amount in Taka				
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Turnover	1,387,655,587	1,330,609,019	1,190,877,276	1,448,580,502	1,402,761,909
Gross Profit	248,933,094	222,035,767	199,902,681	313,844,087	304,314,288
Profit from Operation	169,460,461	141,978,102	134,525,411	237,184,015	234,408,292
Net Profit before tax	92,038,554	79,295,297	63,646,636	172,735,170	178,409,179
Net Profit after Tax	77,246,469	73,067,444	44,468,281	152,063,469	146,254,768
Net Operating Cash Flow per Share	(0.27)	3.14	(0.98)	2.30	2.13
Financial Position					
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Non-Current Assets	1,239,925,141	1,306,629,587	1,346,853,549	1,252,610,395	1,120,342,267
Current Assets	1,565,818,044	1,313,055,913	1,297,847,163	999,517,585	951,186,899
Shareholder's Equity	1,782,209,708	1,736,773,599	1,671,789,042	1,674,721,052	1,555,562,166
Current Liability	797,416,538	610,123,566	737,409,924	271,631,356	240,793,631
Long Term Liability	226,116,939	272,788,335	235,501,746	305,775,572	243,955,690
Key Financial Ratio					
	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Current Ratio	1.96	2.15	1.76	3.67	3.95
Quick Ratio	1.27	1.44	1.15	2.42	2.34
Debt to Equity Ratio	0.51	0.45	0.48	0.26	0.24
Net Income Ratio (%)	5.56%	5.49%	3.73%	10.50%	10.43%
Return on Equity (%)	4.39%	4.29%	2.66%	9.41%	9.82%
Earnings Per Share	0.97	0.92	0.56	2.01	2.22

FINANCIAL HIGHLIGHTS IN THE FORM OF GRAPHICAL REPRESENTATION

Amount in Million



EVENT HIGHLIGHTS



14th Annual General Meeting



ACHIEVEMENTS



BGAPMEA EXPORT TROPHY- 2019

BGAPMEA EXPORT TROPHY- 2018



BGAPMEA EXPORT TROPHY- 2017



Fire Pump Room

Fire Control and CCTV Monitoring Room



Medical Center



Annexure-A
[Certificate as per condition No. 1(5) (xxvi)]

DECLARATION BY CEO AND CFO

Date: 27.10.2022

Board of Directors
Simtex Industries Limited.
Khagan, Birulia, Savar, Dhaka-1341

Subject: Declaration on Financial Statement for the year ended on 30 June 2022.

Dear Sir

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/2017/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Simtex Industries Limited for the year ended on 30 June 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June 2022 and 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 collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Neaz Rahman Shaqib
Managing Director

M A Shahjahan
Chief Financial Officer (CFO)



Annexure-B
[Certificate as per condition No. 1(5) (xxvii)]



PODDER & ASSOCIATES

Cost and Management Accountants

**Report to the Shareholders of SIMTEX INDUSTRIES LIMITED on
compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Simtex industries Limited** for the year ended on June 30, 2021. This Code relates to the Notification No. BSEC/CMRRCD 2006-158 /207/ Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the company is satisfactory'

Place: Dhaka
Dated: November 15, 2022

For Podder & Associates

Jayanta Kumer Podder
Cost & Management Accountants

6/A/1 (Ground Floor), Segun Bagicha, Dhaka-1 ooo. Phone :02-57160360, 02 57160425,
E-mail : podderassociates@yahoo.com, web : www.thepodders.com



Annexure- C
[As per condition No. 1(5)(xxvii)]

Simtex Industries Ltd.

Status of Compliance with the Corporate Governance Code (CGC) For the year ended 30 June 2021

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition No.	Title	Complied	Not Complied	Remarks (If any)
1	Board of Directors			
1(1)	Size of the Board of Directors			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	√		The Boards of Directors are comprised (06) Six Directors including 02 (Two) Independent Directors.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		There are Two (02) Independent Directors in the SIL Board.
1(2)(b)	For the purpose of this clause 'independent director' means a director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		Does not hold any share of the Company
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√ √		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		One Independent Director has appointed on 17.08.2022 by the Board of Directors and to be placed before the shareholders for approval in the 15 th AGM.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	√		
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1(3)(b)	Independent Director shall have following qualifications:			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	-		N/A
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	√		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-		N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;	-	-	No such issue arose
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			

Condition No.	Title	Complied	Not Complied	Remarks (If any)
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1(4)(e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		No such incident arose yet
1(5)	The Directors' Report to Shareholders:			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	√		No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	√		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;	√		Properly described in Director's Report
1(5)(x)	A statement of remuneration paid to the directors including independent directors	√		No remuneration paid to any Directors except Managing Director
1(5)(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	Proper books of account of the issuer company have been maintained;	√		

Condition No.	Title	Complied	Not Complied	Remarks (If any)
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)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		Properly described in Director's Report
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	Company has declared 8% Cash dividend for the year 2021-2022
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-		N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	-		N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-	√		
1(5)(xxiv)(a)	a brief resume of the director;	√		
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas;	√		
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
1(5)(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ; and	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	√		
1(6)	Meetings of the Board of Directors:			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3(2)	Requirement to attend Board of Directors' Meetings:			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		Disclosed in the Annual Report.
4	Board of Directors' Committee:- For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		Audit Committee (AC) is comprised of 3 (Three) members including 01 (One) Independent Director
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		All the AC members are non-executive Directors including Independent Director;
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		No such incident arose yet
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	Role of Audit Committee: The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;	-		No such Incident arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-		No such Incident arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-		No such Incident arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-		No such Incident arose
5(6)(b)	Reporting to the Authorities:			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-		No such Incident arose
5(7)	Reporting to the Shareholders and General Investors:			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		



Condition No.	Title	Complied	Not Complied	Remarks (If any)
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		NRC is comprised of 03 (Three) members including 01 (One) Independent Director
6(2)(b)	All members of the Committee shall be non-executive directors;	√		All the NRC members are non-executive Directors including one Independent Directors
6(2) (c)	Members of the Committee shall be nominated and appointed by the Board;	√		The NRC members are duly appointed by the Board.
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		No such Incident arose during the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-		No such Incident arose after formation of NRC



Condition No.	Title	Complied	Not Complied	Remarks (If any)
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;	√		
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual Report.	√		
7	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			

Condition No.	Title	Complied	Not Complied	Remarks (If any)
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	√		
7(1)(ix)	any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (AGM or EGM) to answer the queries of the shareholders.	√		
8	Maintaining a website by the Company:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporate Governance:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		Required certification has been obtained from "PODDER & ASSOCIATES" Cost & Management Accountants for the year ended 30th June 2022.
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		



APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) AND INTERNATIONAL ACCOUNTING STANDARDS (IAS)

Name of the Accounting Standards	Ref. No.	Status of Application
Financial Instruments : Disclosure	IFRS-7	Applied
Financial Instruments	IFRS-9	Applied
Fair Value Measurement	IFRS-13	Applied
Revenue from Contracts with Customers	IFRS-15	Applied
Lease	IFRS-16	Applied
Presentation of Financial Statements	IAS-1	Applied
Inventories	IAS-2	Applied
Statement of Cash Flows	IAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
The effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Financial Instruments: Presentation	IAS-32	Applied
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Financial Instrument: Recognition & Measurement	IAS-39	Applied



REPORT OF THE AUDIT COMMITTEE

(For the year ended on 30 June 2022)

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. Shah Md. Asad Ullah. The Committee is composed of 3 (three) members of the Board. The members of the Audit Committee are as follows:

Mr. Shah Md. Asad Ullah Independent Director	Chairman
Mr. Sharif Shahidul Islam Nominated Director	Member
Mr. Md. Hafizur Rahman Nominated Director	Member
Mr. Ashis Kumar Saha Company Secretary	Member Secretary

Audit Committee Meeting Attendance record of the Members

Name	Position	Meeting Held	Meeting Attended
Mr. Md. Akram Hossain	Ex-Chairman	4	4
Mr. Md. Ensan Ali Sheikh	Ex-Member	3	3
Mr. Shah Md. Asad Ullah	Chairman	4	4
Mr. Sharif Shahidul Islam	Member	1	1

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 Code of Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03June 2018 condition no 5.5. 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 the Management, the quarterly, half yearly and Annual Financial statements before submission to the Board of Directors for approval.
- Hold meeting with the external or statutory Auditors for review of the Financial Statements before submission to the Board of Directors 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 Management's Discussion and Analysis before disclosing in the Annual Report.



During the period under report the committee met four times and its activities include:

- The financial statements of the quarterly, half yearly and the full year were reviewed by the committee and subsequently recommended to the Board of Directors 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, 2021. This review 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 appointment of external auditors.

Audit Committee expressed their sincere thanks to all members of Board, team of Internal Audit, team of Accounts & Finance and Management of the Company for their support.

On behalf of the Committee

A handwritten signature in black ink, appearing to read "Shah Md. Asad Ullah".

Shah Md. Asad Ullah
Chairman, Audit Committee



REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Company has formed a Nomination and Remuneration Committee (NRC) as per notification no. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018.

Members of NRC:

The committee consists of 3 members; which is as follows:

1. Mr. Shah Md. Asad Ullah Chairman
2. Mr. Sharif Shahidul Islam Member
3. Mr. Md. Hafizur Rahman Member
4. Mr. Ashis Kumar Saha Secretary Member

The main role of the Committee is to assist and advise the Board on the Company's Remuneration Policy (for the Board and key management personnel), drive diversity and inclusion in the organization, guide standards of behavior and culture code, ensure appropriate processes for performance-related pay in order to motivate and retain executives and ensure that the Company is able to attract the best talents in order to maximize Stakeholders' value.

During this year, the Committee held 2 (Two) meeting, complying with the requirement of at least one meeting to be held during the year.

NRC Meeting Attendance record of the Members

Name	Position	Meeting Held	Meeting Attended
Mr. Akram Hossain	Ex-Chairman	1	1
Mr. Md. Ensan Ali Sheikh	Ex-Member	1	1
Mr. Shah Md. Asad Ullah	Chairman	1	1
Mr. Sharif Shahidul Islam	Member	1	1

Terms of Reference:

The terms of reference of the Committee as set out by the Nomination & Remuneration Committee which was adopted by the Board during the year under review, the Committee shall oversee, among others, the following matters and shall recommend the following for review and/or approval of the Board, as the case may be:

- i. the criteria for determining qualifications, positive attributes and independence of a director
- ii. a policy relating to the remuneration of the directors, top level executive, considering the following:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - b. the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- iii. a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- iv. the plan in relation to identification of persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- v. the criteria for evaluation of performance of independent directors and the Board;
- vi. the plan or proposal on company's needs for employees at different levels and the selection, transfer or replacement and promotion criteria/ principles and
- vii. the annual exercise on the developments, recommendations and review of the company's human resources and training policies;

Major Activities during the year:

During the year under review, the Committee carried out the following activities:

- a. Reviewed and ratified the uniform Code of Conduct for the Company which is also applicable to members of the Board and Key Management Personnel and Top-Level Executives as adopted by the Board
- b. Reviewed the available documents of the Company which underly all aspects of individual and collective performance and functioning of the Company
- c. Reviewed the core human resources principles and philosophies of the Company including recruitment, performance evaluation across all levels of members and talent value proposition of the Company
- d. Reviewed Employee Benefit policies to attract the job seekers and retain internal talents. In addition, they also addressed succession planning of the Company to have our future leaders ready according to the requirements, while ensuring extensive training and development plans for the individual and/or group of people.

The NR Committee expressed its sincere thanks to the members of the Board and Management of the Company for their support in carrying out its duties and responsibilities effectively. The Committee will proceed to function through constant monitoring of the progress of such activities throughout the calendar year.

On behalf of the Committee,



Shah Md. Asad Ullah

Chairman of

Nomination and Remuneration Committee

& Independent Director



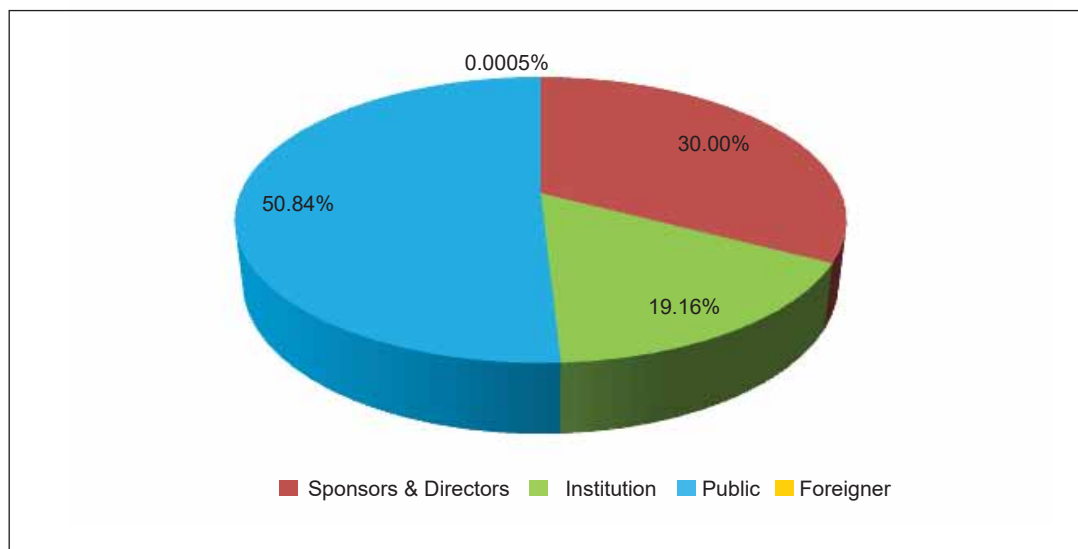
INFORMATION RELATING TO COMPANY CAPITAL

Simtex Industries Limited is the second largest sewing thread manufacturer in Bangladesh. The Company started its business with paid-up Capital TK. 6.00 million and now it's existing paid-up capital stands at 795.954 million. Authorized Capital of the Company is TK. 1000 million. In 2015 the Company raised its paid-up capital by TK. 300 million through IPO. The Company is listed with DSE and CSE. The Capital Structure of the Company is the nominated as under:

Particulars	Amount in Taka	Percentage
Sponsor & Directors	238,790,560/-	30.00%
Public	404,687,490/-	50.84%
Institution	152,471,710/-	19.16%
Foreigner	4,050/-	0.0005%
	<u>795,953,810/-</u>	<u>100%</u>

The Range of Shareholding as on 30 June, 2021:

Particulars of Investors	Number of Shareholders	Number of Shares	Percentage of Shareholders %
1 to 100 Shares	637	17,561	0.02
101 to 500 Shares	1,904	697,220	0.88
501 to 1,000 shares	555	473,291	0.59
1,001 to 10,000 shares	1,877	7,300,487	9.17
10,001 to 20,000 shares	308	4,553,253	5.72
20,001 to 50,000 shares	257	8,332,094	10.47
50,001 to 1,00,000 shares	90	6,524,148	8.20
1,00,001 to 10,00,000 shares	74	19,420,105	24.40
10,00,001 to 50,00,000 shares	8	12,077,271	15.17
50,00,001 to 1,00,00,000 shares	1	5,420,955	6.81
1,00,00,001 and above	1	14,778,996	18.57
Total	5,712	79,595,381	100.00



CREDIT RATING

Simtex Industries Limited has been rated as A (Pronounced as single A) for long-term credit rating and ST-3 for Short-term credit rating by Credit Rating Information and Services Ltd. (CRISL) based on audited financial statements up to 30 June, 2021, Bank liability position as on 31 March, 2022 and other available information up to the date of rating declaration. The date of rating was on 28 April, 2022. The outlook on the rating is Stable.

CREDIT RATING REPORT - RATIONALE

Nakshi Homes (1st, 4th & 5th Floor)
6/7/A, Segunbagicha, Dhaka-1000, Bangladesh
Tel: 88-02-953 0991-3, Fax: 88-02-953 0995
E-mail: info@crislbdf.com

CRISL

First ISO 9001 : 2015 Certified Credit Rating Company in Bangladesh Operating Since 1995

Setting global standard at national level

CRISL/CER/2587/22

SIMTEX INDUSTRIES LIMITED RATING SPECIFICS

Date of Rating: April 28, 2022		Valid up to: April 27, 2023	
		Long Term	Short Term
Entity Rating		A	ST-3
Outlook		Stable	
Bank Facilities Rating			
Bank/FF	Mode of Exposures (Figures in million)	Bank Loan Rating	
Trust Bank Limited	*TLO-Tk.255.82	bir A	
	**WCLL-Tk.1,385.00		
	***WCLO-Tk.0.98		

*TLO- Term loan outstanding, **WCLL- Working capital loan limit, ***WCLO-Working Capital Loan Outstanding

CRISL has reaffirmed the Long Term rating to 'A' (pronounced as single A) and the Short Term rating to 'ST-3' of Simtex Industries Limited ('SIL') based on both relevant qualitative and quantitative information up to the date of rating. The above ratings have been reassigned due to consistent maintenance of some fundamentals such as equity based capital structure, good financial performance, regular loan repayment history, good infrastructure facilities and experienced management team etc. The above factors are however constrained to some extent by moderate production capacity utilization, moderate operating efficiency, expose to price fluctuation risk, energy price hike risk etc.

The Long Term rating implies that entities rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The Short Term rating indicates good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to financial markets is good with small risk factors.

CRISL also views the company with "Stable Outlook" for its steady business growth and consistent fundamentals and believes that the company will able to maintain its fundamentals with the same trend in foreseeable future.


Tanzirul Islam
Vice President

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2022/001

BAPLC

Date of issue : January 2, 2022

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 2022.




Secretary General



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

OEKO-TEX®
INSPIRING CONFIDENCE

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 22.0.34732



for the following articles:

Sewing, embroidery and filament thread made of 100 % recycled polyester (recycled content 100 %: from post-consumer PET bottles), white, 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®, Annex 6, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 6 for baby articles.

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

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

The certificate 21.HBD.75506 is valid until 30.11.2023

Boennigheim, 06.10.2022


Dipl.-Ing. (FH) Ivonne Schramm
Head of Certification Body OEKO-TEX®

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





BGAPMEA

BANGLADESH GARMENTS ACCESSORIES & PACKAGING MANUFACTURERS & EXPORTERS ASSOCIATION [BGAPMEA]

বাংলাদেশ গার্মেন্টস এক্সেসরিজ এন্ড প্যাকেজিং ম্যানুফাকচারার্স এন্ড এক্সপোর্টার্স এসোসিয়েশন (বিজিএপিএমইএ)

Sonartori Tower (9th Floor), 12, Sonargaon Link Road, Dhaka-1000, Bangladesh. Regd. No: C.T.0.290(02)/91

Tel: 9632700, 9666763, 9632717, Fax: 88-02 9632718, Email: bgapmea@gmail.com, Website: www.bgapmea.org

Regional Office: Akhtaruzzaman Centre (9th Floor), 21/22, Agrabad C/A, Chattogram. Phone & Fax : 88-031-2510709, E-mail : bgapmeactg@gmail.com

Certificate no. 134/2022

Membership no. 1253

Membership Certificate

This is to certify that

Simtex Industries Ltd.

of

Khagan, Birulia (Ashulia), Savar,

Dhaka

*is a member of this association. Their membership
is valid up to the 31st December 2022.*

08-01-2022

Date

President





Independent Auditors' Report

To the shareholders of Simtex Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Simtex Industries Limited (the Company) which comprise the statement of financial position as at 30 June 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2022 and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matter

We draw attention on the matters as disclosed below:

1. Cash payment above Tk. 50,000 should be avoided at any cost.
2. The total purchase should be reconciled with monthly VAT return (Mushak 9.1).
3. Unclaimed dividend need be substantiated by specific bank balance.
4. Workers portion of Workers Profit Participate Fund (WPPF) should be made under bank transactions.
5. Due care need be maintained for documentation against foreign exchange gain or loss.
6. Long standing Advance against Expenses and Purchase demand due scrutiny and be accounted for.
7. Overall documentation need be further developed.

However, there have been observed certain development in the matter of monthly VAT return and cash transaction during under our audit.

Key Audit Matters

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

The key audit matters are discussed below together with an explanation of how the risk and our audit response were tailored to address these specific areas.

Please refer to Annexure: 1 Key Audit Matters (KAM) for illustrative purposes.

Other Information:

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.



Our opinion on the financial statements does not cover the other information and we do not express any observation to that effect.

However, in connection with our audit of the financial statements, our responsibility is to read the other information identified in the Annual Report as & when it becomes available and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable 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.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) 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;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company and so far as it appeared from our examination of these books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dhaka.
Dated: 30 October 2022

Pinaki Das
Pinaki Das, FCA
Senior Partner
Enrollment Number: 151
Pinaki & Company
Chartered Accountants
DVC: 2210300151AS778226



Annexure-1

Key audit matter description	How the scope of our audit responded to the key audit matter.
Property, plant and Equipment	
<p>The carrying value of the PPE amounted to Tk. 1,235,940,301.00 as at 30 June, 2022.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> • determining which costs meet the criteria for capitalization; • determining the date on which the assets is recognized to property, plant and equipment and depreciation commences; • the estimation of economic useful lives and residual values assigned to Fixed asset. <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p> <p>See note no. 3 for details.</p>	<p>Our audit procedures to assess the carrying value of property, plant and equipment included the following:</p> <ul style="list-style-type: none"> • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. • We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals. • We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate. • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. • We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to make it ready for use, with the date of the completion of the work.
Revenue Recognition	
<p>The Company has reported sales revenue of Tk. 1,387,655,587.00</p> <p>All of the Company's sales are made under sales invoice, delivery challan. Its products primarily comprise sale of sewing thread. Revenue is recognized at the point of delivery from Factory.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As all sales are translated from USD currency to BDT, there is a risk that foreign exchange gain/loss might not be correctly recognized in the Financial Statements.</p> <p>See note no. 23 for details.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 "Revenue from contracts with customers" • Tested the internal control over financial reporting. We also assessed the existence and accuracy of the sales recorded; • We performed analytical test to understand how the revenue has trended over the year among other parameters, we performed a detailed substantive testing on transactions around the year end to ensure revenues were recognized in the correct accounting period. We also tested journal entries focusing on sales transactions; • Verified VAT return with General Ledger. • We obtained supporting documents for sales, transactions recorded during the year; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Valuation of Receivables	
<p>The Company has accounts receivable of Tk.926,138,635.00 as at 30 June 2022.</p>	<p>Our substantive procedures in relation to the assessing valuation of receivable comprises the following:</p> <ul style="list-style-type: none"> • Obtained a list of outstanding receivables;

**Annexure-1**

<p>Accounts receivable of the company comprise mainly receivables regarding the sale of yarns which is secured by Letter of Credit (L/C). See note no. 5 for details.</p>	<ul style="list-style-type: none"> • Reconciliation of receivables ageing to general ledger; • Conducting cut-off testing at the year-end; • Reviewing subsequent receipt of receivables balance.
Valuation of Inventories	
<p>The amount of inventory is Tk. 423,705,508.00 as at 30 June 2022 which amounted to 15% of the total assets. As per IAS 2, inventories are required to be valued at the lower to cost and net realizable value. Cost of inventories includes purchase cost and cost incurred in bringing inventories to its present location and condition. IAS 2 specifically prohibits certain costs from being excluded from the cost of inventories.</p> <p>SIL values its inventories using the weighted average method which is a complex process and prone to errors and manipulation. Due to the complex nature of accounting for inventories, there is an increased risk of misstatement in valuation of inventory items.</p> <p>IAS 2 defines inventories as assets which are: (a) held for sale in the ordinary course of business, (b) in the process of production for such sale, (c) in the form of materials or supplies to be consumed in the production process or rendering of services. There was therefore a risk that assets which do not meet the definition of inventories have been improperly classified as inventory items.</p> <p>See note no. 8 for details.</p>	<p>We obtained assurance over relevance and appropriateness of management's assumptions applied in calculating the value of the inventories by:</p> <ul style="list-style-type: none"> • We observed SIL's year-end inventory count, performed test counts and reconciled count sheet records to inventory valuation report in order to verify the existence of inventories reported in the accounts; • We tested the purchase costs of a sample of inventory items by inspecting invoices; • We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2; • We assessed the movement of inventories and analyzed whether closing inventories were valued using the weighted average method; • Testing, on a sample basis the stock expiry dates and the market price used in assessing the net realizable values of inventories of the related supporting documents. • Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories.
Measurement of deferred tax liability	
<p>The net deferred tax liability is Tk. 1,303,051.00 as at 30 June, 2022.</p> <p>Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years.</p> <p>See note no. 30 for details.</p>	<p>We carried out the following substantive testing for this item</p> <ul style="list-style-type: none"> • We checked deferred tax expenses and liabilities in the financial statements and calculation and records; • We obtained an understanding, evaluated the design and tested the operational effectiveness of the controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the Company's future taxable income. • We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities. • We also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.
Bank Loan	
<p>The company reported short term & long term loan 666,830,000.00 & 170,668,778.00 respectively in the statement of financial position at the reporting date.</p> <p>The above borrowing were considered as key audit matter because this external form of credit facilities availed by the company required fulfillment of several terms and conditions as mentioned in sanction letter</p>	<p>Our substantive audit procedures adopted during the audit includes the following test or details.</p> <ul style="list-style-type: none"> • Inspecting relevant board minutes in support of bank loan reported in the financial statements. • Tracing existence and completeness of reported borrowings with supporting evidence such as sanction letters, loan certificates and statements.

issued by lending bank. Any non-compliance with those stipulated terms and conditions might result in subsequent withdrawal and pose a threat to ongoing operation of the company. Besides, risk of material misstatement also lies due to non-disclosure of all those terms and conditions in the financial statements.

See note no. 17 & 13 for details.

- Sending out and obtaining confirmation from the lenders.
- Recalculating and testing accuracy and completeness of finance costs charged by the company during the year with corresponding loan statements provided by bank.




Simtex Industries Limited
Statement of Financial Position
As on 30 June 2022

PARTICULARS	Notes	Amount in Taka	
		30.06.2022	30.06.2021
ASSETS			
A : NON-CURRENT ASSETS			
		1,239,925,141	1,306,629,587
Property, plant & equipment	3	1,235,940,301	1,302,591,524
Capital work in progress	4	3,984,840	4,038,063
B: CURRENT ASSETS			
		1,565,818,044	1,313,055,913
Accounts receivable	5	820,256,669	687,878,781
Advance, deposit & prepayments	6	78,119,489	80,511,323
Right-of-use assets	7	-	126,638
Inventory	8	423,705,508	380,179,606
Goods in transit	9	132,826,576	30,643,265
Investment in FDR	10	52,512,674	61,322,820
Cash & cash equivalent	11	58,397,128	72,393,480
TOTAL ASSETS (A+B)		2,805,743,185	2,619,685,500
SHAREHOLDERS EQUITY & LIABILITIES			
C : SHAREHOLDERS EQUITY			
		1,782,209,708	1,736,773,599
Share capital	12	795,953,810	795,953,810
Share premium		300,000,000	300,000,000
Revaluation reserve		103,668,899	103,668,899
Retained earnings		582,586,999	537,150,890
D : NON-CURRENT LIABILITIES			
		226,116,939	272,788,335
Long term loan net off current portion	13	170,668,778	218,643,224
Lease liabilities net off current portion	14	-	-
Deferred tax	15	55,448,161	54,145,111
E : CURRENT LIABILITIES			
		797,416,538	610,123,566
Accounts payable	16	1,162,200	1,172,100
Short term loan	17	666,830,000	466,192,891
Unclaimed IPO fund		-	317,366
Current portion of long term loan	18	78,448,000	90,538,937
Liabilities for expenses	19	20,501,197	18,944,901
Current portion of lease liabilities	14	-	413,357
Dividend payable	20	431,713	-
Unclaimed dividend account	21	8,464,471	15,660,244
Provision for income tax	22	21,578,957	16,883,770
TOTAL EQUITY & LIABILITIES (C+D+E)		2,805,743,185	2,619,685,500
Net Assets Value (NAV) Per Share	36	22.39	21.82


Chairman



Managing Director


Director


Chief Financial Officer


Company Secretary

The annexed notes (1-38) form an integral part of these financial statements


Pinaki Das, FCA
Senior Partner

Dated: 30 October 2022
Dhaka

Enrollment Number: 151
Pinaki & Company

Chartered Accountants
DVC: 2210300151AS778226



Simtex Industries Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2022

PARTICULARS	Notes	Amount in Taka	
		01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021
(A) Turnover	23	1,387,655,587	1,330,609,019
(B) Cost of goods sold	24	1,138,722,493	1,108,573,252
(C) Gross Profit (A - B)		248,933,094	222,035,767
(D) Operating Expenses		79,472,633	80,057,665
Administrative expenses	25	71,139,939	70,535,833
Selling & distribution expenses	26	8,332,694	9,521,832
(E) Profit from Operation(C-D)		169,460,461	141,978,102
(F) Financial expenses	27	75,609,922	61,156,297
(G) Foreign exchange gain/(Loss)		877,087	548,518
(H) Other income/(loss)	28	1,912,855	1,889,739
(I) Net Profit Before WPPF(E-F+G+H)		96,640,482	83,260,062
(J) Workers profit participation fund		4,601,928	3,964,765
(K) Net Profit Before Tax(I-J)		92,038,554	79,295,297
Less: Provision for Tax:		14,792,085	6,227,853
Current tax	29	13,489,035	3,142,586
Deferred tax	30	1,303,051	3,085,267
Net Profit After Tax		77,246,469	73,067,444
Other comprehensive income		-	-
Total Comprehensive Income		77,246,469	73,067,444
Earnings Per Share (EPS)	34	0.97	0.92

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

The annexed notes (1-38) form an integral part of these financial statements

Pinaki Das, FCA

Senior Partner

Enrollment Number: 151

Pinaki & Company

Chartered Accountants

DVC: 2210300151AS778226

Dated: 30 October 2022
Dhaka



Simtex Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2022

PARTICULARS	Amount in Taka					
	Share Capital	Share Premium	Revaluation Reserve	Other Comprehensive income	Retained Earnings	Total
Balance as on 01.07.2021	795,953,810	300,000,000	103,668,899	-	537,150,890	1,736,773,599
Cash dividend issued (4%)	-	-	-	-	(31,838,152)	(31,838,152)
Adjustment of use of Lease Assets	-	-	-	-	27,793	27,793
Net profit during the year	-	-	-	-	77,246,469	77,246,469
Balance as on 30.06.2022	795,953,810	300,000,000	103,668,899	-	582,586,999	1,782,209,708

Simtex Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2021

PARTICULARS	Amount in Taka					
	Share Capital	Share Premium	Revaluation Reserve	Other Comprehensive income	Retained Earnings	Total
Balance as on 01.07.2020	795,953,810	300,000,000	103,668,899	-	472,166,333	1,671,789,042
Cash dividend issued (5%)	-	-	-	-	(27,583,776)	(27,583,776)
Prior year adjustment	-	-	-	-	19,500,889	19,500,889
Net profit during the year	-	-	-	-	73,067,444	73,067,444
Balance as on 30.06.2021	795,953,810	300,000,000	103,668,899	-	537,150,890	1,736,773,599

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

The annexed notes (1-38) form an integral part of these financial statements

Dated: 30 October 2022
Dhaka



Simtex Industries Limited
Statement of Cash Flows
For the year ended 30 June 2022

PARTICULARS	Amount in Taka	
	01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021
Cash Flow from Operating Activities:		
Cash collection from turnover & others	31.00 1,255,277,699	1,291,127,636
Cash paid to suppliers, employee & others	32.00 (1,262,495,167)	(1,028,950,639)
Cash Generated from Operation	(7,217,468)	262,176,997
Income tax paid	33.00 (13,911,853)	(12,189,221)
Net Cash Flow from Operating Activities: (A)	(21,129,321)	249,987,776
Cash Flows from Investing Activities:		
Investment in FDR	8,810,146	(32,195,723)
Received from interest and dividend income	1,700,608	1,889,739
Receive from disposal of property plant & equipment	2,100,000	-
Payment for acquisition of property, plant & equipment	(29,143,154)	(59,197,321)
Advance for acquisition of property, plant & equipment	1,023,111	(1,074,519)
Payment for capital work in progress	(3,984,840)	(4,038,063)
Net Cash Used in Investing Activities: (B)	(19,494,128)	(94,615,887)
Cash Flow from Financing Activities:		
Payment of cash dividend	(38,602,212)	(26,551,568)
Payment of IPO subscription fund	(317,366)	(417)
Payment of interest	(75,609,922)	(61,156,297)
Lease payments	(292,215)	(375,705)
Net long term loan received/(payment)	(60,065,383)	27,902,567
Net short term loan received/(payment)	200,637,109	(40,320,413)
Net Cash Flow from Financing Activities: (C)	25,750,010	(100,501,833)
Net Increase/(Decrease) in Cash & Cash Equivalents:(A+B+C)	(14,873,439)	54,870,056
Cash & cash equivalents at the beginning of the year	72,393,480	16,974,906
Foreign exchange gain/(loss)	877,087	548,518
Closing Cash & Cash Equivalents at the End of the Year	58,397,128	72,393,480
Net Operating Cash Flows Per Share (NOCFPS)	35.00 (0.27)	3.14

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

The annexed notes (1-38) form an integral part of these financial statements

Dated: 30 October 2022
Dhaka



Simtex Industries Limited

Notes to the Financial Statements

As on and for the year ended 30 June 2022

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 Exchange Limited (CSE) in 2015.

1.02 Registered Office of the Company:

Registered Office of the Company is located at Khagan, Birulia, Savar, Dhaka-1341, 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:

2.01 Statement of Compliance:

The financial statements have been prepared in conformity with the provisions of the Companies Act 1994, The Securities and Exchanges Rules 1987, International Financial Reporting Standard and other relevant rules and regulations.

2.02 Basis of Preparation of Financial Statements

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention. The significant accounting policies are set out below.

2.03 Statement on Compliance of International Accounting Standards and International Financial Reporting Standards:

The following IASs and IFRSs are applicable for the financial statements for the year under review:

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-32	Financial Instruments: Presentation
IAS-33	Earnings Per Share
IAS-34	Interim Financial Reporting
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-39	Financial Instruments: Recognition and Measurement
IFRS-07	Financial Instruments: Disclosure
IFRS-09	Financial Instruments
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contracts with Customers
IFRS-16	Leases



2.04 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 in 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.

2.05 Accrual Basis:

The financial statements have been prepared, except cash flow information using the accrual basis of accounting.

2.06 Changes in Accounting Policies & Estimates:

The preparation of these financial statements is in conformity with IAS/IFRS 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 a going basis and used for accounting of certain terms such as provision for expenses and depreciation.

2.07 Cash Flow Statement:

Cash flow statement is prepared in accordance with IAS-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 IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method". A reconciliation of net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals is disclosed.

2.08 Property, Plant, Equipment and Depreciation:

All Property, Plant and Equipment are stated at cost less accumulated depreciation except Land and land development as per IAS-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:

<u>Kind of assets</u>	<u>Rate of Depreciation</u>
a) Land & Development	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) Fire Hydrant System	10%
i) Furniture & Fixture	10%
j) Transport & Vehicle	10%
k) Office Equipment	10%
l) Shade Book	15%
m) Int. Pantan Book	15%
n) Air Condition & Humidification	10%
o) Crockeries	10%
p) Software	20%



2.09 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.

2.10 Investment in Securities:

Investment in quoted shares initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares revalue at market value at reporting date.

2.11 Revenue Recognition:

In compliance with the requirements of IFRS- 15 Revenue from Contracts with Customers, 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.

2.12 Impairment:

In accordance with the provision of "IAS-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.

2.13 Financial Instrument:

Derivative

According to IFRS-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 IAS-39 "Financial Instruments: Recognition and Measurement".

2.14 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 IAS 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.

2.15 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.

2.16 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.

2.17 Number of Employees:

During the year under review, the number of employees stands at 650 and each Employee has been receiving minimum remuneration of Tk. 7,100/- and above per month. There was no part-time employee in the Company during the year under audit.

2.18 Capital expenditure commitment:

There was no capital expenditure commitment during the year.

2.19 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 IAS-24. The following related party transactions have been appeared during the year.

NAME	TYPE OF TRANSACTION	AMOUNT (Tk.)
Lt Col Md Anisur Rahman (Retd)	Board Meeting Fees	45,000
Mr. Neaz Rahman Shaqib	Remuneration and Board Meeting Fees	1,005,000
Mrs. Hafiza Khanam	Board Meeting Fees	30,000
Mr. Md. Ensan Ali Sheikh	Board Meeting Fees	45,000
Mr. Sharif Shahidul Islam	Board Meeting Fees	20,000
Mr. Md. Hafizur Rahman	Board Meeting Fees	15,000
Mr. Md. Akram Hossain	Board Meeting Fees	60,000
Mr. Shah Md. Asad Ullah	Board Meeting Fees	55,000

2.20 Event after the Balance Sheet Date:

As per IAS-10 "Event after the Balance Sheet Date" are those events 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 27, 2022 recommend 8% cash dividend for all shareholders including Directors and Sponsors held at record date for the year ended 30 June 2022. The dividend proposal is subject to shareholders' approval at the forthcoming Annual General Meeting.

2.21 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 IAS-21. The financial statements are prepared in Bangladeshi Taka which is the Company's functional currency.

2.22 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 IAS-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 IAS-12. During the year the Company has recognized for Deferred Tax as per provision of IAS-12.

2.23 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 IAS-23 "Borrowing Cost".

2.24 Earnings per share:

The company calculates Earnings per Share (EPS) in accordance with IAS-33 "Earnings per Share". The Earnings 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 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 Earnings 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 IAS-33. As the company has no dilutive potential ordinary shares, so diluted earnings per share was not calculated.

2.25 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).

2.26 Authorization date for issuing Financial Statements:

The financial statements were authorized by the Board of Directors on October 27, 2022.

2.27 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, 2022.
- b) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2022.
- c) Statement of Changes in Equity for the year ended June 30, 2022.
- d) Statement of Cash Flows for the year ended June 30, 2022.
- e) Explanatory notes to the financial statements.

2.28 Comparative Information

Comparative information has been disclosed as required by IAS 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.

2.29 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, 2021 to June 30, 2022.
- 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 Note to the Financial Statement

As on 30 June 2022

	Amount in Taka	
	30.06.2022	30.06.2021
3.00 PROPERTY, PLANT AND EQUIPMENT: Tk. 1,235,940,301		
Opening Balance (at cost)	2,005,435,141	1,931,268,579
Add : Addition made during the year	33,181,217	74,166,562
Less: Disposal	(3,501,835)	-
Closing Balance	2,035,114,523	2,005,435,141
Less : Accumulated Depreciation	799,174,222	702,843,617
Written Down Value	1,235,940,301	1,302,591,524

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

4.00 CAPITAL WORK IN PROGRESS: Tk. 3,984,840

This is made up as follows:

Opening Balance	4,038,063	14,969,242
Addition during the year	3,984,840	4,038,063
Transfer to Fixed Asset	(4,038,063)	(14,969,242)
	3,984,840	4,038,063

The amount represents construction of factory building and civil construction. It will be transferred to fixed asset when it is available for use.

5.00 ACCOUNTS RECEIVABLE: Tk. 820,256,669

This is made up as follows:

Particulars

Accounts Receivable	926,138,635	772,764,128
Less: Adjustment of Inland Bill Purchase	105,881,966	84,885,347
	820,256,669	687,878,781

i) The company reported trade receivables of BDT 926,138,635 in the statement of financial position as on 30 June 2022. The above balances remained outstanding against number of letters of credit (LCs) denominated in USD and is subject to realization upon receipt of supporting documents from the banks.

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

5.01 ADJUSTMENT OF INLAND BILL PURCHASE (Net off Assets & Liabilities) : Tk. 105,881,966

This is made up as follows:

Particulars

Trust Bank Limited Millennium Corporate Branch, Dhaka	105,881,966	84,885,347
	105,881,966	84,885,347

6.00 ADVANCE, DEPOSITS & PREPAYMENTS: Tk. 78,119,489

This is made up as follows:

Particulars

Advance, Deposit & Prepayments

Tax Deductions at Source	19,694,723	14,576,716
Advances against Expenses	25,686,612	27,142,909
Advances against Purchases	23,452,829	24,475,942
Prepaid Insurance Premium	1,264,395	1,285,782
Advance against Office Rent	-	127,500
Advanced against Salary	2,540,780	3,041,500
	5,480,150	9,860,974
<u>Deposit</u>		
L/C Margin Deposit	-	3,827,614
Security Deposit	5,480,150	6,033,360
	78,119,489	80,511,323



Amount in Taka	
30.06.2022	30.06.2021

6.01 Tax Deductions at source: Tk. 19,694,723

This is made up as follows:

Particulars

Opening Balance	14,576,716	69,287,308
Addition during the year	7,696,441	6,643,708
AIT through payment order for Assessment year 2022-2023	2,300,000	-
AIT through payment order for Assessment year 2021-2022	3,054,574	-
AIT through payment order for assessment year 2020-2021	860,838	-
AIT through payment order for Assessment year 2019-2020	-	1,175,227
AIT through payment order for Assessment year 2018-2019	-	813,160
AIT through payment order for Assessment year 2017-2018	-	3,557,126
Adjustment during the year for Assessment year 2017-2018	-	(24,848,303)
Adjustment during the year for Assessment year 2018-2019	-	(23,639,162)
Adjustment during the year for Assessment year 2019-2020	-	(18,412,347)
Adjustment during the year for assessment year 2020-2021	(8,793,847)	-
	19,694,723	14,576,716

6.02 SECURITY DEPOSIT: Tk. 5,480,150

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

Particulars

Bank Guarantee Margin for Titas Gas	-	553,210
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.	3,750,350	3,750,350
	5,480,150	6,033,360

7.00 Right of Use Assets: Tk. 0

Opening	126,638	506,550
Less: Depreciation	(31,660)	(379,913)
Less: Adjustment with Lease Liability	(94,978)	-
	-	126,638

8.00 INVENTORY: Tk. 423,705,508

The above balance is made up as follows:

Particulars	30.06.2022		30.06.2021	
	Qty (Kgs/Pcs)	Taka	Qty (Kgs/Pcs)	Taka
Raw material of Yarn	1,203,656 Kgs	310,824,514	1,254,233 Kgs	300,689,819
Raw material of Dyes & Chemical	71,505 Kgs	64,401,879	57,813 Kgs	36,873,131
Packing Materials	35,915 Kgs & 3,100,257 Pcs	7,407,375	39,780 Kgs & 3,277,074 Pcs	10,499,024
Work-in-process	74,083 Kgs & 115,420 Pcs	22,900,457	67,784 Kgs	20,308,086
Finished goods	328,892 Cones	18,171,283	248,204 Cones	11,809,546
		423,705,508		380,179,606

9.00 GOODS in TRANSIT: Tk. 132,826,576

The above balance is made up as follows:

Raw Materials in Transit	132,826,576	30,643,265
--------------------------	--------------------	-------------------

The above balance represents goods in transit under various L/C.



		Amount in Taka	
		30.06.2022	30.06.2021
10.00	INVESTMENT IN FDR: Tk. 52,512,674	52,512,674	61,322,820
	Schedule-B/1		
11.00	CASH & CASH EQUIVALENT: Tk. 58,397,128		
	This is made up as follows:		
	Cash in Hand	6,816,979	5,855,202
	Cash at Bank	51,580,149	66,538,278
	Note: 11.01		
		58,397,128	72,393,480
11.01	CASH AT BANK: Tk. 51,580,149		
	The above has been made up as follows:		
	Particulars		
	Name of Bank		
	A/C NO.		
	Trust Bank Ltd.	861,793	15,714,438
	Trust Bank Ltd.	1,997,209	2,252,708
	Trust Bank Ltd.	427,389	-
	BRAC Bank Ltd.	-	10,489
	BRAC Bank Ltd.	-	287,584
	BRAC Bank Ltd.	-	29,781
	Trust Bank Ltd.	46,814,700	44,300,979
	Trust Bank Ltd.	84,157	40,116
	Trust Bank Ltd.	237,343	522,014
	Trust Bank Ltd.	14,431	29,747
	Mercantile Bank Ltd.	284,650	286,405
	Southeast Bank Ltd.	10,769	1,128,354
	Southeast Bank Ltd.	-	1,434,996
	NCC Bank Ltd.	847,709	499,037
	Mercantile Bank Ltd.	0	1,630
		51,580,149	66,538,278
12.00	SHARE CAPITAL: Tk. 795,953,810		
	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
	20,845,381 Ordinary shares of Tk. 10 each fully paid-up in bonus share	208,453,810	208,453,810
	79,595,381 Ordinary Shares of Tk.10 each	795,953,810	795,953,810

Bonus Fraction share of 0.25 and its value of Tk. 2.50 are excluded from above share capital.



Amount in Taka	
30.06.2022	30.06.2021

The Distribution Schedule showing the number of Shareholders and corresponding holding percentage under DSE & CSE Listing Regulation 37 on June 30, 2022:

Particulars of Investors	Number of Shareholders	Number of Shares	Percentage of Shareholding (%)
1 to 100 Shares	637	17,561	0.02%
101 to 500 Shares	1,904	697,220	0.88%
501 to 1,000 shares	555	473,291	0.59%
1,001 to 10,000 shares	1,877	7,300,487	9.17%
10,001 to 20,000 shares	308	4,553,253	5.72%
20,001 to 50,000 shares	257	8,332,094	10.47%
50,001 to 100,000 shares	90	6,524,148	8.20%
100,001 to 1,000,000 shares	74	19,420,105	24.40%
1,000,001 to 5,000,000 shares	8	12,077,271	15.17%
5,000,001 to 10,000,000 shares	1	5,420,955	6.81%
Over 10,000,000 shares	1	14,778,996	18.57%
Total	5,712	79,595,381	100.00%

13.00 LONG TERM LOAN FROM BANK Tk. 170,668,778

Particulars

Trust Bank Ltd.	249,116,778	309,182,161
Total Term Loan Outstanding	249,116,778	309,182,161
Less: Current Portion	78,448,000	90,538,937
	170,668,778	218,643,224

The loan sanctioned from Trust Bank Ltd against various Investment facilities through three BDT HPSM Loan bearing @9.00% interest and two USD Off-shore Loan bearing interest @4.50% and @5.50% . This Loans are secured by registered mortgage of 783.19 Decimal land and a Flat 1637.58 sft. located at Khagan, Gouripur, Bashaid, Aukpara , Ashulia and Uttara Dhaka, Capital Machineries and personal guarantee of all Directors of the Company. This Loan is repayable in monthly and quarterly installments as per sanction letter.

14.00 LIABILITY for LEASE: Tk. 0

Opening	413,357	739,633
Add: Interest	1,629	49,430
Less: Payment	(292,215)	(375,705)
Less: Adjustment with Right of use Assets	(94,978)	-
Less: Adjustment with Retained Earnings	(27,793)	-
Closing Balance	-	413,357
Less: Current portion of Lease Liabilities	-	413,357
Lease Liabilities Net off Current Portion	-	-

15.00 DEFERRED TAX : Tk. 55,448,161

Carrying Value	1,235,940,301	1,302,591,524
Tax Base	866,285,893	941,624,120
Temporary/(Deductible) Difference	369,654,408	360,967,405
Effective Tax Rate	15%	15%
Deferred Tax Liability/(Asset)	55,448,161	54,145,111



		Amount in Taka	
		30.06.2022	30.06.2021
16.00	ACCOUNTS PAYABLE: Tk. 1,162,200		
	This is made up as follows:		
	Particulars		
	M/S Simi Enterprise	-	69,000
	Shaan Packaging Industries Ltd.	213,500	36,400
	Tanim Plastic Industries	-	207,000
	Hawa Enterprise	280,000	280,000
	Vision Carton & Accessories Ltd.	221,000	-
	Arktek Communication	241,500	350,700
	Olympic Accessories	206,200	229,000
		1,162,200	1,172,100
17.00	SHORT TERM LOAN: Tk. 666,830,000		
	This is made up as follows:		
	Particulars		
	Cash Credit Loan (CC) Note: 17.01	70,850,000	197,347,066
	Deferred L/C	595,980,000	268,845,825
		666,830,000	466,192,891
17.01	CASH CREDIT LOAN (CC): Tk. 70,850,000		
	Name of Bank A/C NO.		
	Southeast Bank Ltd. CC-1717	-	9,548,716
	Trust Bank Ltd. (Bai Muajjal Stimulus Package)	-	35,796,250
	Trust Bank Ltd. (Bai Muajjal WC)	45,780,000	152,002,100
	Trust Bank Bai Muajjal	25,070,000	-
		70,850,000	197,347,066
18.00	CURRENT PORTION OF LONG TERM LOAN: Tk. 78,448,000		
	This is made up as follows:		
	Particulars		
	Trust Bank Limited	78,448,000	90,538,937
		78,448,000	90,538,937
19.00	LIABILITY FOR EXPENSES: Tk. 20,501,197		
	This is made up as follows:		
	Particulars		
	Salary & Wages	10,634,270	10,496,729
	Electricity Bill	541,169	83,185
	Telephone and Mobile Bill	128,944	147,686
	Internet Bill	43,634	38,338
	Provident Fund	418,890	383,852
	Provision for WPPF	4,601,928	3,964,765
	Audit and Professional Fees	372,000	337,500
	Security Service	192,200	-
	Other Payable	9,128	-
	Gas bill	3,559,035	3,492,846
		20,501,197	18,944,901
20.00	DIVIDEND PAYABLE: Tk. 431,713		
	This is made up as follows:		
	Particulars		
	Opening Balance	-	-
	Addition during the year	31,838,152	-
	Payment during the year	(31,406,440)	-
	Closing Balance	431,713	-
		431,713	-
		431,713	-

Year	No. of Shareholders	Amount
2020-21	584	431,713
Total	584	431,713



Amount in Taka	
30.06.2022	30.06.2021

21.00 UNCLAIMED DIVIDEND ACCOUNT: Tk. 8,464,471

This is made up as follows:

Particulars

Opening	15,660,244	14,497,908
Addition during the year	-	27,583,776
Adjustment of Fraction Share	-	130,128
Payment during the year	(7,195,772)	(26,551,568)
Closing Balance	8,464,471	15,660,244

Year	No. of Shareholders	Amount
2018-19	3788	6,336,451
2019-20	3409	2,128,020
Total	7197	8,464,471

22.00 PROVISION FOR INCOME TAX: Tk. 21,578,957

This is made up as follows:

Particulars

Opening Balance	16,883,770	80,640,995
Add: Provision for Current year tax	13,489,035	3,142,586
Less: Adjustment during the year for Assessment year 2017-2018	-	(24,848,303)
Less: Adjustment during the year for Assessment year 2018-2019	-	(23,639,162)
Less: Adjustment during the year for Assessment year 2019-2020	-	(18,412,347)
Less: Adjustment during the year for assessment year 2020-2021	(8,793,847)	-
Closing Balance	21,578,957	16,883,770



Simtex Industries Limited Note to the Financial Statement

For the year ended 30 June 2022

Amount in Taka	
01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021

23.00 TURNOVER: Tk. 1,387,655,587

This is made up as follows:

Sales	Note: 23.01	1,387,655,587	1,330,609,019
		1,387,655,587	1,330,609,019

23.01 SALES

Particulars	30.06.2022		30.06.2021	
	Qty (Kgs)	Taka	Qty (Kgs)	Taka
Sewing Thread	2,880,554	1,333,327,675	2,803,617	1,278,299,146
Poly Poly Core Spun	5,447	6,583,680	5,322	6,403,862
Filament Thread	70,492	47,744,232	68,313	45,906,011
Total	2,956,493	1,387,655,587	2,877,251	1,330,609,019

24.00 COST OF GOODS SOLD: Tk. 1,138,722,493

Raw materials Consumption	Note: 24.01	749,433,073	730,414,881
Dyes & Chemical Consumption	Note: 24.02	82,494,496	72,101,664
Packing Materials Consumption	Note: 24.03	70,357,792	67,044,268
Factory Overhead	Note: 24.04	246,507,492	243,252,685
Cost of Production		1,148,792,853	1,112,813,498
		(2,592,371)	(1,774,697)
Opening work-in process		20,308,086	18,533,389
Closing work-in process		22,900,457	20,308,086
		(6,361,737)	(1,097,729)
Opening finished goods		11,809,546	10,711,817
Closing finished goods		18,171,283	11,809,546
Goods available for sale		1,139,838,746	1,109,941,072
Sample expense		(1,116,253)	(1,367,820)
Total Cost of Goods Sold		1,138,722,493	1,108,573,252

24.01 RAW MATERIALS CONSUMPTION: Tk. 749,433,073

Opening Inventory	300,689,819	308,185,395
Add: Purchased during the year	759,567,768	722,919,305
Less: Closing Inventory	310,824,514	300,689,819
	749,433,073	730,414,881

24.02 DYES & CHEMICAL CONSUMPTION: Tk. 82,494,496

Opening Inventory	36,873,131	46,678,002
Add: Purchased during the year	110,023,244	62,296,793
Less: Closing Inventory	64,401,879	36,873,131
	82,494,496	72,101,664

24.03 PACKING MATERIALS CONSUMPTION: Tk. 70,357,792

Opening Inventory	10,499,024	18,754,732
Add: Purchased during the year	67,266,143	58,788,560
Less: Closing Inventory	7,407,375	10,499,024
	70,357,792	67,044,268



Amount in Taka	
01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021

24.04 FACTORY OVERHEAD: Tk. 246,507,492

This is made up as follows:

Particulars

Salary and Wages	92,814,645	91,399,412
Overtime	9,714,723	6,760,693
Tiffin Bill	1,625,913	1,576,421
Electricity Bill	4,515,867	1,340,999
Repair & Maintenance	1,732,141	1,726,794
Festival Bonus	4,959,062	5,096,909
Loading & Unloading Labor	407,501	353,613
Fuel & Lubricant	2,540,244	3,045,567
Gas Bill	36,544,147	35,710,558
ETP. Operating Expense	701,204	715,320
Depreciation	90,952,045	95,526,399
	246,507,492	243,252,685

25.00 ADMINISTRATIVE EXPENSES: Tk. 71,139,939

This is made up as follows:

Particulars

Salary & allowance	34,796,592	35,576,843
Tours & Travelling Expenses	1,142,839	1,341,600
Board Meeting Attendance Fee	356,076	225,000
Festival Bonus	3,435,770	4,199,504
Telephone and Mobile Bill	1,544,889	1,605,836
Internet Bill	529,837	479,629
Electrical Expenses	638,048	585,744
Subscription and donation	110,890	107,750
Audit and Professional Fees	979,060	542,660
Provident Fund	2,431,286	2,117,741
Fees Forms and Renewal	2,339,654	1,121,932
Entertainment	965,661	1,100,865
Managing Director Remuneration	960,000	600,000
Testing Fee	78,072	210,000
Interest charged for the Right-of-use Assets	1,629	49,430
Depreciation charged for the Right-of-use Assets	31,660	379,913
Land Rent	-	345,000
Canteen Subsidy	731,438	726,161
House Rent	-	208,725
Medical Expenses	1,277,233	1,260,585
Insurance	1,990,873	2,108,105
Office Maintenance	692,250	717,282
Miscellaneous Expenses	650,477	626,307
Staff Uniform	765,392	1,281,040
Car Maintenance	1,049,547	1,053,200
News Papers & Periodical	109,320	184,568
Fuel & Lubricant	1,545,966	1,531,127
Conveyance	182,488	-
Pick & Drop Facility	860,000	880,435
Postage & Courier	435,627	200,450
AGM Expenses	325,000	274,500
Stationery Expenses	1,702,450	960,955
Staff Welfare	23,950	-
Security Service	1,463,323	-
Depreciation	6,992,642	7,932,946
	71,139,939	70,535,833



Amount in Taka	
01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021

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

Managing Director Remuneration	960,000	600,000
Board Meeting fee	356,076	225,000

i) The Board of Directors have drawn Tk. 5,000/- 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) Nine (09) meeting of the Board of Directors were held during the Year.

26.00 SELLING & DISTRIBUTION EXPENSES: Tk. 8,332,694

This is made up as follows:

Particulars

Advertisement	373,376	481,083
Promotional Expenses	628,009	944,055
Conveyance	1,024,195	1,048,250
Collection and C & F Charges	602,700	981,318
Expenses for Product development	1,088,963	1,431,356
Sample Expenses	1,116,253	1,367,820
Fuel & Lubricant for Vehicle	1,889,733	1,705,970
Transport and Car Maintenance	1,609,465	1,561,980
	8,332,694	9,521,832

27.00 FINANCIAL EXPENSES: Tk. 75,609,922

This is made up as follows:

Particulars

Interest Expenses	61,336,688	59,347,992
Bank Charges, Commission & Brokerage Fees	14,273,234	1,808,305
	75,609,922	61,156,297

28.00 OTHER INCOME: Tk. 1,912,855

This is made up as follows:

Particulars

Interest Income	1,642,481	1,889,739
Other Income from Provident Fund	58,127	-
Gain/(Loss) on Disposal of Vehicle	212,247	-
	1,912,855	1,889,739

29.00 CURRENT YEAR TAX : TK. 13,489,035

REGULAR TAX: Tk. 13,489,035

This is made up as follows:

Particulars

Net Profit Before Tax	92,038,554	79,295,297
Add: Accounting Depreciation	97,944,687	103,459,345
Less: Tax Depreciation	(106,751,688)	(124,027,782)
Less: Profit Other Than Business Income	(1,912,855)	(1,889,739)
Profit/(loss) from Business	81,318,698	56,837,121
Income Tax on Business Income	12,197,805	8,525,568
Income Tax on Other Income	430,392	425,191
	12,628,197	8,950,759
Less: Over provision for assessment year 2017-18	-	(2,593,182)
Less: Over provision for assessment year 2018-19	-	(3,854,645)
Add: Under provision for assessment year 2019-20	-	639,654
Add: Under provision for assessment year 2020-21	860,838	-
	13,489,035	3,142,586



Amount in Taka	
01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021

MINIMUM TAX: Tk. 6,112,578

This is made up as follows:

Particulars

Gross Receipt From Turnover & Others	1,387,655,587	1,330,609,019
Foreign Exchange Gain/(Loss)	877,087	548,518
Other Income	1,912,855	1,889,739
Income Tax on Turnover	5,550,622	5,322,436
Income Tax on Foreign Exchange Gain/(Loss)	131,563	82,278
Income Tax on Other Income	430,392	425,191
6,112,578	5,829,905	

ADVANCE TAX: Tk. 9,996,441

This is made up as follows:

Particulars

Tax Deductions at Source from Export, Bank Interest, Import and Car Tax	7,696,441	6,643,708
AIT through payment order for Assessment year 2022-2023	2,300,000	-
9,996,441	6,643,708	

30.00 CURRENT YEAR DEFERRED TAX : Tk. 1,303,051

This is made up as follows:

Particulars

Total Deferred Tax	55,448,161	54,145,111
Less: Opening Balance	54,145,111	51,059,844
1,303,051	3,085,267	

31.00 CASH COLLECTION FROM TURNOVER & OTHERS: Tk. 1,255,277,699

Revenue	1,387,655,587	1,330,609,019
Opening Accounts Receivable	687,878,781	648,397,397
Closing Accounts Receivable	(820,256,669)	(687,878,781)
1,255,277,699	1,291,127,636	

32.00 CASH PAID TO SUPPLIERS, EMPLOYEE & OTHERS: Tk. -1,262,495,167

Cost of Goods Sold	(1,138,722,493)	(1,108,607,750)
Administrative Expenses	(71,139,939)	(70,501,332)
Selling & Distribution Expenses	(8,332,694)	(9,521,832)
Depreciation	97,944,687	103,459,345
Advance Deposit & Prepayments	6,486,728	9,252,408
Inventory	(43,525,902)	22,683,727
Goods in Transit	(102,183,312)	25,934,809
Accounts Payable	(9,900)	74,599
Liabilities For Expenses	919,134	1,892,052
WPPF	(3,964,765)	(4,046,007)
Adjustment for Right-of-use Assets	33,289	429,342
(1,262,495,167)	(1,028,950,639)	

33.00 INCOME TAX PAID: Tk. -13,911,853

AIT paid during the year	(7,696,441)	(6,643,708)
AIT paid through payment order	(6,215,412)	-
Tax paid after assessment	-	(5,545,513)
(13,911,853)	(12,189,221)	



	Amount in Taka			
	01.07.2021 to 30.06.2022	01.07.2020 to 30.06.2021		
34.00 EARNINGS PER SHARE				
Net Profit after Taxes	77,246,469	73,067,444		
Number of Shares for respected year	79,595,381	79,595,381		
Earning per share (Taka) (Basic)	0.97	0.92		
Net Profit after Taxes	77,246,469	73,067,444		
Weighted Average Number of Share	79,595,381	79,595,381		
Earning per share (Taka) (Adjusted)	0.97	0.92		
Weighted average/Total existing number of share:				
Opening number of share outstanding	79,595,381	79,595,381		
Add: Issued during the period (Stock dividend)	-	-		
	79,595,381	79,595,381		
35.00 NET OPERATING CASH FLOWS PER SHARE (NOCFPS)				
Cash Flows from Operating Activites	(21,129,321)	249,987,776		
Number of Shares	79,595,381	79,595,381		
Net Operating Cash Flows per Share (NOCFPS)	(0.27)	3.14		
36.00 NET ASSET VALUE PER SHARE (NAVPS)				
Net Asset Value	1,782,209,708	1,736,773,599		
Number of Shares	79,595,381	79,595,381		
Net Asset Value per Share	22.39	21.82		
37.00 RECONCILIATION OF NET INCOME WITH CASH FLOWS FROM OPERATING ACTIVITIES				
Profit Before Tax	92,038,554	79,295,300		
Adjustment for:				
Depreciation on Property, Plant and Equipment	97,944,687	103,459,345		
Depreciation charged for the Right-of-use Assets	31,660	379,913		
Other Income	(1,912,855)	(1,889,739)		
Workers Profit Participation Fund	4,601,928	3,964,765		
Foreign Exchange (Gain)/Loss	(877,087)	(548,518)		
Interest charged for the Right-of-use Assets	1,629	49,430		
Financial Expenses	75,609,922	61,156,297		
	267,438,437	245,866,793		
Less: (Increase)/ Decrease in Accounts Receivable	(132,377,888)	(39,481,383)		
Less: (Increase)/ Decrease in Inventory	(145,709,213)	48,618,536		
Less: Increase/ (Decrease) in Trade and Other Payables	(9,900)	74,599		
Less: (Increase)/ Decrease in Advance, Deposit & Prepayments	6,486,728	9,252,408		
Less: Increase/ (Decrease) in Liabilities for Expenses	(3,045,631)	(2,153,956)		
	(7,217,468)	262,176,997		
Less: Income Tax Paid	(13,911,853)	(12,189,221)		
Net Cash Generated from Operating Activities	(21,129,321)	249,987,776		
38.00 RELATED PARTY TRANSACTIONS				
During the year, the Company has entered into transactions that fall within the definition of related party as contained in IAS-24 " Related Party Disclosures"				
Particulars	Opening Balance	During the Year	Payment	Closing Balance
Advance to Director (Mr. Lt. Col. Md. Anisur Rahman)		50,30,000		50,30,000
Total		50,30,000		50,30,000



Simtex Industries Limited
Schedule of Property, Plant & Equipment
 As at 30 June 2022
Schedule-A/1
 Amount in Taka

Particulars	Cost Value			Rate	Depreciation			W. D. V as on 30.06.2022
	Opening Balance as on 01.07.2021	Addition during the Year	Disposal		Closing Balance as on 30.06.2022	Charged during the Year	Disposal	
Factory:								
Land & Development	229,327,961	-	-	229,327,961	0%	-	-	229,327,961
Building & Fabricated Shade	462,901,823	5,921,962	-	468,823,785	10%	26,560,586	229,179,629	239,644,156
Plant and Machinery	906,331,408	20,636,097	-	926,967,505	10%	52,866,837	435,934,443	491,033,062
Trolley	154,158	-	-	154,158	10%	8,776	75,177	78,981
Gas and Electrical Line	9,154,080	-	-	9,154,080	10%	552,096	4,185,217	4,968,863
Electrical Equipment	86,269,247	2,005,842	-	88,275,089	10%	5,099,460	41,024,744	47,250,345
Spare Parts & Tools	42,128,564	-	-	42,128,564	10%	2,093,633	23,285,868	18,842,696
Fire Hydrant System	35,430,077	799,783	-	36,229,860	10%	3,156,973	7,228,110	29,001,750
Furniture and Fixture	9,286,890	-	-	9,286,890	10%	613,684	3,763,738	5,523,152
Sub Total	1,780,984,208	29,363,684	-	1,810,347,892		90,952,045	744,676,926	1,065,670,966
Office:								
Transport & Vehicles	54,924,244	3,022,115	3,501,835	54,444,524	10%	2,809,020	1,614,082	28,798,874
Office Equipment	24,361,613	636,808	-	24,998,421	10%	1,516,305	10,993,762	14,004,659
Furniture and Fixture	17,837,454	-	-	17,837,454	10%	940,009	9,377,372	8,460,082
Shade Book	177,000	-	-	177,000	15%	6,691	139,086	37,914
Int. Pantion Book	84,500	-	-	84,500	15%	1,747	74,602	9,898
Air Condition & Humidification	22,289,207	-	-	22,289,207	10%	1,654,607	7,397,749	14,891,458
Crockeries	235,872	8,610	-	244,482	10%	12,111	130,539	113,943
Software	872,144	150,000	-	1,022,144	20%	52,152	738,536	283,608
Sub Total	120,782,034	3,817,533	3,501,835	121,097,732		6,992,642	1,614,082	66,600,436
Revaluation Surplus :								
Cost Value								
Particulars	Opening Balance as on 01.07.2021	Addition during the Year	Disposal	Closing Balance as on 30.06.2022	Rate	Charged during the Year	Disposal	W. D. V as on 30.06.2022
Land & Development	103,668,899	-	-	103,668,899	0%	-	-	103,668,899
Sub Total	103,668,899	-	-	103,668,899		-	-	103,668,899
GRAND TOTAL	2,005,435,141	33,181,217	3,501,835	2,035,114,523		97,944,687	1,614,082	1,235,940,301



Simtex Industries Limited
Notes to the Financial Statement
As on 30 June 2022
Schedule-B/1

Schedule of FDR (Trust Bank Ltd)

SL No.	Particulars	Issue Date	Opening Balance	TRF From 151	TRF From 118	Interest	TRF To 118	TRF To Bai Muajjal	Tax	Bank Charge	Closing Balance
1	7022-0331015182	4-Dec-16	251,747	-	-	2,995	-	253,942	300	500	-
2	7022-0331021022	21-Sep-17	1,207,649	-	-	14,367	-	1,220,579	1,437	-	-
3	7022-0331027188	3-Jun-18	467,341	-	-	5,559	-	472,344	556	-	-
4	7022-0331027240	3-Jun-18	2,213,750	-	-	26,335	-	2,237,452	2,633	-	-
5	7022-0331028561	15-Jul-18	34,535	-	-	738	35,199	-	74	-	-
6	7022-0331028589	15-Jul-18	57,558	-	-	1,818	-	-	183	-	59,193
7	7022-0331030889	16-Sep-18	487,523	-	-	5,800	-	492,743	580	-	-
8	7022-0331031011	24-Sep-19	57,431	-	-	1,630	-	-	163	-	58,898
9	7022-0331031155	30-Sep-18	493,439	-	-	4,940	-	497,885	494	-	-
10	7022-0331031593	10-Oct-18	493,626	-	-	9,920	-	502,403	993	150	-
11	7022-0331032047	28-Oct-18	498,201	-	-	9,380	-	506,493	938	150	-
12	7022-0331032458	11-Nov-18	502,746	-	-	9,149	-	510,830	915	150	-
13	7022-0331032789	22-Nov-18	509,170	-	-	9,266	-	517,360	926	150	-
14	7022-0331033233	12-Dec-18	514,840	-	-	6,125	-	520,202	613	150	-
15	7022-0331034054	7-Jan-19	514,716	-	-	10,345	-	524,027	1,034	-	-
16	7022-0331034465	16-Jan-19	520,318	-	-	10,457	-	529,730	1,045	-	-
17	7022-0331034821	30-Jan-19	523,585	-	-	9,858	-	532,457	986	-	-
18	7022-0331035197	14-Feb-19	528,793	-	-	9,622	-	537,452	963	-	-
19	7022-0331035491	3-Mar-19	446,826	-	-	5,315	-	451,609	532	-	-
20	7022-0331035679	13-Mar-19	452,410	-	-	5,382	-	457,254	538	-	-
21	7022-0331035820	24-Mar-19	458,009	-	-	5,449	-	462,913	545	-	-
22	7022-0331035964	31-Mar-19	463,600	-	-	4,641	-	467,777	464	-	-
23	7022-0331036052	7-Apr-19	463,972	-	-	9,326	-	472,365	933	-	-
24	7022-0331036267	18-Apr-19	469,494	-	-	9,437	-	477,986	945	-	-
25	7022-0331036650	5-May-19	472,918	-	-	8,904	-	480,931	891	-	-
26	7022-0331036703	6-May-19	478,424	-	-	8,705	-	486,258	871	-	-
27	7022-0331036892	16-May-19	484,999	-	-	8,827	-	492,943	883	-	-
28	7022-0331037060	27-May-19	490,522	-	-	5,836	-	495,774	584	-	-
29	7022-0331037435	13-Jun-19	496,031	-	-	5,901	-	501,342	590	-	-
30	7022-0331037597	20-Jun-19	501,549	-	-	5,966	-	506,919	596	-	-
31	7022-0331037962	2-Jul-19	502,470	-	-	10,041	-	511,507	1,004	-	-
32	7022-0331038443	14-Jul-19	506,533	-	-	10,181	-	515,697	1,017	-	-
33	7022-0331038603	24-Jul-19	511,984	-	-	10,291	-	521,246	1,029	-	-
34	7022-0331039086	6-Aug-19	515,146	-	-	9,373	-	523,582	937	-	-
35	7022-0331039497	25-Aug-19	434,030	-	-	7,899	-	441,139	790	-	-
36	7022-0331039577	29-Aug-19	439,459	-	-	5,228	-	444,164	523	-	-
37	7022-0331039933	8-Sep-19	444,890	-	-	5,293	-	449,654	529	-	-
38	7022-0331040047	12-Sep-19	450,323	-	-	5,357	-	455,144	536	-	-
39	7022-0331040396	24-Sep-19	455,753	-	-	5,422	-	460,633	542	-	-
40	7022-0331040645	30-Sep-19	216,781	-	-	6,016	-	-	602	150	222,045
41	7022-0331040958	6-Oct-19	456,216	-	-	9,170	-	464,319	917	150	-
42	7022-0331041377	20-Oct-19	461,585	-	-	9,278	-	469,784	929	150	-
43	7022-0331041760	28-Oct-19	465,920	-	-	8,772	-	473,665	877	150	-
44	7022-0331042214	7-Nov-19	470,225	-	-	8,556	-	477,775	856	150	-
45	7022-0331042607	19-Nov-19	475,577	-	-	8,655	-	483,216	866	150	-
46	7022-0331043473	15-Dec-19	480,920	-	-	5,721	-	485,919	572	150	-
47	7022-0331044070	23-Dec-19	427,452	-	-	5,085	-	431,878	509	150	-
48	7022-0331045079	9-Jan-20	427,988	-	-	8,600	-	435,728	860	-	-
49	7022-0331045284	20-Jan-20	433,275	-	-	8,709	-	441,113	871	-	-
50	7022-0331045935	2-Feb-20	436,613	-	-	8,221	-	444,012	822	-	-
51	7022-0331046505	13-Feb-20	441,878	-	-	8,042	-	449,116	804	-	-
52	7022-0331047040	27-Feb-20	588,556	-	-	18,207	-	-	1,821	500	604,442
53	7022-0331047102	1-Mar-20	447,144	-	-	5,319	-	451,931	532	-	-



54	7022-0331047139	1-Mar-20	783,329	-	-	22,236	-	-	2,224	500	802,841
55	7022-0331047148	1-Mar-20	804,384	-	-	22,833	-	-	2,283	500	824,434
56	7022-0331047157	1-Mar-20	983,366	-	-	27,899	-	-	2,790	3,000	1,005,475
57	7022-0331047237	3-Mar-20	362,916	-	-	10,301	-	-	1,030	150	372,037
58	7022-0331047246	3-Mar-20	299,747	-	-	8,509	-	-	851	150	307,255
59	7022-0331047602	11-Mar-20	452,407	-	-	5,382	-	457,251	538	-	-
60	7022-0331047871	18-Mar-20	457,668	-	-	5,444	-	462,568	544	-	-
61	7022-0331048709	17-May-20	456,766	-	-	8,312	-	464,247	831	-	-
62	7022-0331049020	3-Jun-20	461,961	-	-	5,496	-	466,907	550	-	-
63	7022-0331049093	4-Jun-20	467,154	-	-	5,557	-	472,155	556	-	-
64	7022-0331049208	9-Jun-20	415,215	-	-	4,940	-	419,661	494	-	-
65	7022-0331049253	10-Jun-20	420,410	-	-	5,001	-	424,911	500	-	-
66	7022-0331049477	16-Jun-20	425,603	-	-	5,063	-	430,160	506	-	-
67	7022-0331049888	25-Jun-20	430,798	-	-	5,124	-	435,409	513	-	-
68	7022-0331050376	6-Jul-20	432,100	-	-	8,685	-	439,917	868	-	-
69	7022-0331050830	14-Jul-20	437,248	-	-	8,788	-	445,157	879	-	-
70	7022-0331051240	26-Jul-20	483,577	-	-	15,269	-	-	1,527	150	497,169
71	7022-0331051571	30-Jul-20	441,731	-	-	8,317	-	449,216	832	-	-
72	7022-0331051884	9-Aug-20	435,564	-	-	13,474	-	-	1,347	150	447,541
73	7022-0331052347	24-Aug-20	559,242	-	-	17,300	-	-	1,729	500	574,313
74	7022-0331052490	26-Aug-20	446,872	-	-	5,316	-	451,656	532	-	-
75	7022-0331052856	10-Sep-20	392,348	-	-	11,138	-	-	1,114	150	402,222
76	7022-0331052865	10-Sep-20	473,550	-	-	13,442	-	-	1,344	150	485,498
77	7022-0331052874	13-Sep-20	473,550	-	-	13,443	-	-	1,344	150	485,499
78	7022-0331052883	13-Sep-20	385,152	-	-	10,934	-	-	1,093	150	394,843
79	7022-0331052936	14-Sep-20	392,348	-	-	11,138	-	-	1,114	150	402,222
80	7022-0331052945	14-Sep-20	392,348	-	-	11,138	-	-	1,114	150	402,222
81	7022-0331053060	16-Sep-20	451,964	-	-	5,376	-	456,802	538	-	-
82	7022-0331053668	1-Oct-20	407,081	-	-	8,135	-	414,252	814	150	-
83	7022-0331053784	5-Oct-20	211,609	-	-	6,585	-	-	658	150	217,386
84	7022-0331053882	11-Oct-20	110,819	-	-	3,497	-	-	350	150	113,816
85	7022-0331053926	12-Oct-20	453,913	-	-	14,331	-	-	1,434	150	466,660
86	7022-0331054014	14-Oct-20	407,082	-	-	8,181	-	414,295	818	150	-
87	7022-0331054050	15-Oct-20	136,271	-	-	4,302	-	-	430	150	139,993
88	7022-0331054130	19-Oct-20	373,485	-	-	11,792	-	-	1,180	150	383,947
89	7022-0331054149	19-Oct-20	461,039	-	-	14,556	-	-	1,456	150	473,989
90	7022-0331054345	25-Oct-20	412,171	-	-	8,285	-	419,478	828	150	-
91	7022-0331054443	29-Oct-20	417,261	-	-	7,857	-	424,183	785	150	-
92	7022-0331054612	3-Nov-20	164,778	-	-	5,202	-	-	520	150	169,310
93	7022-0331054872	11-Nov-20	422,352	-	-	7,687	-	429,120	769	150	-
94	7022-0331054989	12-Nov-20	252,333	-	-	7,807	-	-	781	150	259,209
95	7022-0331054998	12-Nov-20	182,085	-	-	5,633	-	-	564	150	187,004
96	7022-0331055004	12-Nov-20	355,159	-	-	10,988	-	-	1,099	150	364,898
97	7022-0331055013	12-Nov-20	482,419	-	-	14,925	-	-	1,492	150	495,702
98	7022-0331055068	15-Nov-20	223,826	-	-	6,924	-	-	692	150	229,908
99	7022-0331055077	15-Nov-20	223,826	-	-	6,924	-	-	692	150	229,908
100	7022-0331055120	16-Nov-20	230,953	-	-	7,144	-	-	715	150	237,232
101	7022-0331055255	23-Nov-20	255,387	-	-	7,900	-	-	789	150	262,348
102	7022-0331055273	24-Nov-20	405,045	-	-	12,531	-	-	1,253	150	416,173
103	7022-0331055282	24-Nov-20	50,905	-	-	1,574	-	-	158	-	52,321
104	7022-0331055344	26-Nov-20	427,442	-	-	6,162	-	432,837	617	150	-
105	7022-0331055406	30-Nov-20	750,839	-	-	23,226	-	-	2,323	500	771,242
106	7022-0331055522	6-Dec-20	394,864	-	-	11,210	-	-	1,121	150	404,803
107	7022-0331055531	6-Dec-20	379,593	-	-	10,776	-	-	1,078	150	389,141
108	7022-0331055540	6-Dec-20	394,864	-	-	11,210	-	-	1,121	150	404,803
109	7022-0331055559	6-Dec-20	229,935	-	-	6,527	-	-	653	150	235,659
110	7022-0331055568	6-Dec-20	137,290	-	-	3,896	-	-	390	150	140,646
111	7022-0331055639	7-Dec-20	131,181	-	-	3,723	-	-	373	150	134,381
112	7022-0331055648	8-Dec-20	437,623	-	-	5,206	-	442,159	520	150	-
113	7022-0331055791	14-Dec-20	239,098	-	-	6,787	-	-	679	150	245,056



114	7022-0331055942	23-Dec-20	442,714	-	-	5,266	-	447,303	527	150	-
115	7022-0331056058	29-Dec-20	130,163	-	-	3,612	-	-	361	150	133,264
116	7022-0331056334	6-Jan-21	408,495	-	-	8,211	-	415,884	822	-	-
117	7022-0331056398	10-Jan-21	45,405	-	-	1,434	-	-	143	-	46,696
118	7022-0331056594	13-Jan-21	55,495	-	-	1,753	-	-	175	-	57,073
119	7022-0331056601	13-Jan-21	464,999	-	-	14,681	-	-	1,469	150	478,061
120	7022-0331056709	17-Jan-21	474,080	-	-	9,530	-	482,657	953	-	-
121	7022-0331056745	19-Jan-21	417,576	-	-	13,185	-	-	1,319	150	429,292
122	7022-0331056754	19-Jan-21	499,964	-	-	15,784	-	-	1,578	500	513,670
123	7022-0331056978	27-Jan-21	420,603	-	-	13,279	-	-	1,328	150	432,404
124	7022-0331057226	3-Feb-21	499,305	-	-	9,401	-	507,766	940	-	-
125	7022-0331057584	17-Feb-21	428,675	-	-	7,802	-	435,697	780	-	-
126	7022-0331057815	25-Feb-21	108,822	-	-	3,365	-	-	336	150	111,701
127	7022-0331058010	2-Mar-21	433,720	-	-	5,159	-	438,363	516	-	-
128	7022-0331058083	7-Mar-21	582,702	-	-	16,540	-	-	1,653	500	597,089
129	7022-0331058225	11-Mar-21	428,675	-	-	5,099	-	433,264	510	-	-
130	7022-0331058323	16-Mar-21	245,037	-	-	6,955	-	-	695	150	251,147
131	7022-0331058332	16-Mar-21	906,591	-	-	25,733	-	-	2,574	500	929,250
132	7022-0331058350	18-Mar-21	385,288	-	-	10,937	-	-	1,093	150	394,982
133	7022-0331058538	24-Mar-21	378,225	-	-	4,500	-	382,275	450	-	-
134	7022-0331059037	11-Apr-21	400,000	-	-	8,038	-	407,084	804	150	-
135	7022-0031059046	11-Apr-21	608,000	-	-	19,184	-	-	1,918	1,000	624,266
136	7022-0331059153	13-Apr-21	433,000	-	-	13,669	-	-	1,367	300	445,002
137	7022-0331059340	22-Apr-21	475,000	-	-	9,545	-	483,441	954	150	-
138	7022-0331059582	5-May-21	420,000	-	-	7,907	-	426,966	791	150	-
139	7022-0331059911	20-May-21	742,000	-	-	13,498	-	753,648	1,350	500	-
140	7022-0331060150	6-Jun-21	420,000	-	-	4,996	-	424,346	500	150	-
141	7022-0331060374	17-Jun-21	440,000	-	-	5,234	-	444,560	524	150	-
142	7022-0331060712	5-Jul-21	-	440,000	-	4,404	-	443,814	440	150	-
143	7022-0331061024	18-Jul-21	-	435,000	-	4,354	-	438,768	436	150	-
144	7022-0331061239	5-Aug-21	-	440,000	-	3,850	-	443,315	385	150	-
145	7022-0331061462	19-Aug-21	-	430,000	-	3,763	-	433,237	376	150	-
146	7022-0331061837	1-Sep-21	-	425,000	-	8,010	-	-	801	300	431,909
147	7022-0331061999	5-Sep-21	-	-	1,023,000	19,233	-	-	1,923	6,000	1,034,310
148	7022-0331062541	15-Sep-21	-	430,000	-	8,106	-	-	811	300	436,995
149	7022-0331062658	16-Sep-21	-	-	269,000	5,069	-	-	507	300	273,262
150	7022-0331063068	26-Sep-21	-	435,000	-	8,199	-	-	820	300	442,079
151	7022-0331063059	26-Sep-21	-	-	645,000	12,152	-	-	1,215	1,000	654,937
152	7022-0331063693	5-Oct-21	-	-	1,095,000	13,708	-	-	1,370	3,000	1,104,338
153	7022-0331063737	6-Oct-21	-	-	2,905,000	36,396	-	-	3,640	3,000	2,934,756
154	7022-0331063782	7-Oct-21	-	420,000	-	5,264	-	-	527	150	424,587
155	7022-0331063880	10-Oct-21	-	-	2,500,000	31,319	-	-	3,131	3,000	2,525,188
156	7022-0331063933	11-Oct-21	-	-	1,965,000	24,613	-	-	2,461	3,000	1,984,152
157	7022-0331064030	12-Oct-21	-	-	1,330,000	16,654	-	-	1,665	3,000	1,341,989
158	7022-0331064227	17-Oct-21	-	-	990,000	12,407	-	-	1,241	500	1,000,666
159	7022-0331064334	21-Oct-21	-	425,000	-	5,326	-	-	533	150	429,643
160	7022-0331064450	24-Oct-21	-	-	1,111,000	13,908	-	-	1,390	3,000	1,120,518
161	7022-0331064512	25-Oct-21	-	-	1,696,000	21,241	-	-	2,124	3,000	1,712,117
162	7022-0331064898	4-Nov-21	-	430,000	-	5,390	-	-	539	150	434,701
163	7022-0331065744	24-Nov-21	-	435,000	-	5,452	-	-	545	150	439,757
164	7022-0331066118	1-Dec-21	-	-	32,000,000	40,000	32,021,000	-	4,000	15,000	-
165	7022-0331066181	2-Dec-21	-	440,000	-	5,515	-	-	551	150	444,814
166	7022-0331066494	13-Dec-21	-	-	1,538,000	19,261	-	-	1,926	3,000	1,552,335
167	7022-0331066841	21-Dec-21	-	-	735,000	9,210	-	-	921	500	742,789
168	7022-0331066985	23-Dec-21	-	405,000	-	5,076	-	-	507	150	409,419
169	7022-0331067055	26-Dec-21	-	-	1,154,000	14,447	-	-	1,444	3,000	1,164,003
170	7022-0331067626	9-Jan-22	-	410,000	-	2,563	-	-	256	150	412,157
171	7022-0331069740	9-Feb-22	-	420,000	-	2,625	-	-	263	150	422,212



172	7022-0331069759	9-Feb-22	-	415,000	-	2,594	-	-	259	150	417,185
173	7022-0331070318	16-Feb-22	-	425,000	-	2,656	-	-	266	150	427,240
174	7022-0331070596	24-Feb-22	-	430,000	-	2,688	-	-	269	150	432,269
175	7022-0331071282	13-Mar-22	-	-	555,000	3,469	-	-	347	500	557,622
176	7022-0331071291	13-Mar-22	-	435,000	-	2,719	-	-	272	150	437,297
177	7022-0331071568	21-Mar-22	-	440,000	-	2,750	-	-	275	150	442,325
178	7022-0331071880	28-Mar-22	-	445,000	-	2,781	-	-	278	150	447,353
179	7022-0331071899	28-Mar-22	-	-	30,000	188	-	-	19	-	30,169
180	7022-0331072478	10-Apr-22	-	450,000	-	-	-	-	-	-	450,000
181	7022-0331073011	20-Apr-22	-	400,000	-	-	-	-	-	-	400,000
182	7022-0331073502	9-May-22	-	405,000	-	-	-	-	-	-	405,000
183	7022-0331073753	16-May-22	-	410,000	-	-	-	-	-	-	410,000
184	7022-0331074083	22-May-22	-	415,000	-	-	-	-	-	-	415,000
185	7022-0331074412	29-May-22	-	420,000	-	-	-	-	-	-	420,000
186	7022-0331075519	14-Jun-22	-	425,000	-	-	-	-	-	-	425,000
187	7022-0331075617	15-Jun-22	-	430,000	-	-	-	-	-	-	430,000
188	7022-0331076054	23-Jun-22	-	435,000	-	-	-	-	-	-	435,000
189	7022-0331076509	30-Jun-22	-	440,000	-	-	-	-	-	-	440,000
Grand Total			61,322,820	13,240,000	51,541,000	1,638,424	32,056,199	42,935,921	163,850	73,600	52,512,674



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.....
 of as my/our
 proxy to attend and vote for me/us and on my/our behalf at the 15th Annual General Meeting (AGM) of the
 Company to be held through virtual participation on Thursday, December 22, 2022 at 11.00 a.m. under
 digital mode in view of the Corona Pandemic.

Signature of Shareholder



Signature of proxy

Dated.....2022

BO A/C No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares:

Note:

- 1) The Proxy Form duly filled, signed and stamped with a revenue stamp of Tk.20, must be deposited at the registered office of the Company or through e-mail at companysecretary@simtexgroup.com 48 hours before the time fixed for the meeting.
- 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 do hereby record my/our attendance at 15th Annual General Meeting (AGM) of Simtex Industries Limited to be held virtually under digital Participation Thursday, December 22, 2022 at 11.00 a.m.

Shareholder/ Proxy.....

BO ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Signature.....

Date.....

N.B.: Shareholders attending the meeting in person or by Proxy under virtual platform are requested to completed the Attendance slip and deposit same at the registered office of the Company before the meeting.



Factory & Share Office: Khagan, Birulia, Savar, Dhaka-1341, Bangladesh
Hotline: +88 01759 666 333, Email: info@simtexgroup.com