

ANNUAL REPORT 2023



simtex

*Largest Bangladeshi
Sewing Thread Manufacturer*

www.simtexgroup.com

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LETTER OF TRANSMITTAL

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

Subject: Annual Report for the year ended 30th June 2023.

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 2023, 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 2023 along with notes thereon of Simtex Industries Limited for your kind information and record.

Thanking you

Sincerely Yours'



Md. Saddam Hossin
Company Secretary (CC)



Simtex Industries Limited

Khagan, Birulia, Savar, Dhaka-1341

NOTICE OF THE 16TH ANNUAL GENERAL MEETING

Notice is hereby given to all the Shareholders of Simtex Industries Limited, that the 16th Annual General Meeting (AGM) of the Company will be held on Thursday, 28th December 2023 at 11:00 a.m. The AGM will be held virtually using the help of 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 2023, 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 the appointment of Independent Director 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 fix the remuneration of the Managing Director of the Company.

By order of the Board

Md. Saddam Hossin
Company Secretary (CC)

Dated, Dhaka
December 06, 2023

Note:

01. The Shareholders whose names will appear in the Depository Register of CDBL as on the Record Date i.e. November 23, 2023 will be eligible to attend the 16th Annual General Meeting (AGM) and qualify for dividend.
02. A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. 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.
03. The ensuing 16th 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 also 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-2023 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-2023 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 28, 2023. 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 +880 1404451251 in case any technical difficulties arise during accessing the virtual meeting.
07. Members are requested to update their respective BO Accounts 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 10 December 2023 with details of their margin loan holders entitled to Dividend for the year ended 30 June 2023. The statement should include Shareholders Name, BO ID 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 a vision to revolutionize the Sewing Thread industry.

Since its inception, Simtex has grown to become Bangladesh's largest national Sewing Thread manufacturer with huge production capacity in order to capture market and become a market leader.

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. The Company started its commercial operation in 2009. The growth rate in terms of both production capacity and its revenue has been exponential, with a slight exception in its recent years, due to after effects of the COVID-19 pandemic, followed by the Russia and Ukraine war.

VISION STATEMENT

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



MISSION STATEMENT

To meet the market needs through closer working relationship with business stakeholders, innovative manufacturing processes, in order to maintain the highest quality customer service





BOARD OF DIRECTORS AND MANAGEMENT OF THE COMPANY

Board of Directors

Major General (retd) Dr. Md Sarwar Hossain	Independent Director & Chairman
Mr. Neaz Rahman Shaqib	Managing Director
Mr. Sharif Shahidul Islam	Nominated Director, representing M/S Excel FARMGANIC Limited
Mr. Md. Hafizur Rahman	Nominated Director, representing M/S Excel FARMGANIC Limited
Mr. Md. Nazmus Sakeve Jugbhery	Nominated Director, representing M/S Arcturus Limited
Mr. Shah Md. Asad Ullah	Independent Director
Mr. Moinul Islam FCA	Independent Director (Appointed on 28 October 2023)

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. Md. Saddam Hossin Company Secretary (CC)	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. Md. Saddam Hossin Company Secretary (CC)	Member Secretary

Chief Financial Officer

Mr. Saikh Bin Abedin

Company Secretary (CC)

Mr. Md. Saddam Hossin





Corporate Overview

About Simtex Industries Limited

Simtex is the largest national Industrial Sewing Thread manufacturer in Bangladesh and a major player in the textiles crafts market. Simtex supplies to over 400 companies nationwide and to four continents around the world.

In 2000, Simtex started its long and prosperous journey in a small infrastructural mill in Mirpur, Dhaka with the dream of becoming the leading pioneer of sewing thread solution makers in Bangladesh.

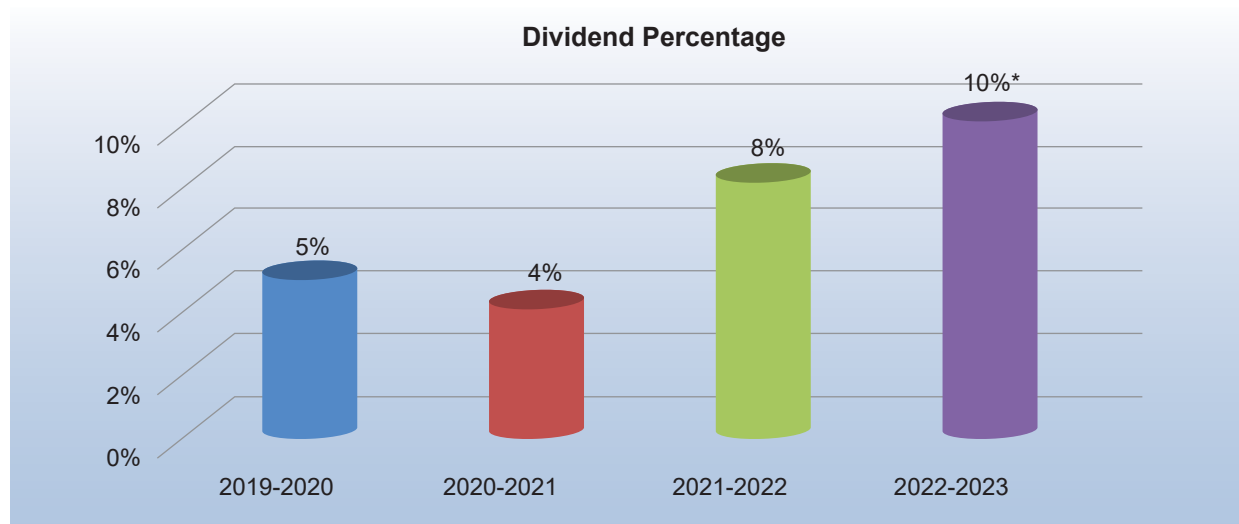
Going through immense growth in the past 20 years, Simtex caters an excellent and rewarding service in the apparel industry with its superior products & reliability in service.

Dividend history from Financial Year 2019-2020 to 2022-2023

Taka in million

Financial Year	Dividend Type	Dividend Percentage	Amount of Dividend
2022-2023	Cash	10% *	69.52
2021-2022	Cash	8%	63.68
2020-2021	Cash	4%	31.84
2019-2020	Cash	5%	27.58

*Note: In the financial year 2022-2023, the company declared 10% Cash Dividend for General Shareholders and 6% cash dividend for Sponsors and Directors.



Simtex Industries Limited always had an unwavering intent to deliver consistent value to stakeholders, aligned with our commitments.



PROFILE OF THE BOARD OF DIRECTORS



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

After completing his early education at Shaheen School Kurmitola and Adamjee Cantonment College, Major General (retd) Dr Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc, joined the Bangladesh Army in 1987. He later obtained a Master in Management Studies from Hyderabad University, India, and a PhD in History from Dhaka University.

Mr Sarwar has varied experience serving in the Bangladeshi Army, both within and outside the country. He participated in the United Nations peace-keeping missions in Kuwait and Ivory Coast. He has contributed to the 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, 17 and 4 East Bengal Regiments and commanded the 305 Infantry Brigade in Rangamati. Additionally, he also served as the Military Secretary to the Honorable President of Bangladesh.

He is a Faculty in the Department of History & Philosophy at North South University. Mr Sarwar is also the Chairman of AFC Health Ltd, and the Chief Advisor of Premium Sweets and Third House International.

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

Mr Sarwar has widely travelled to many countries in his official and personal capacities. His interests surround history, Chittagong Hill Tracts, the independence war of 1971, and research & development issues. His small family comprises his wife Niru Shamsun Nahar, daughter Anika and son Shahariar.

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. Mr. Shaqib completed his IGCSE's from Scholastica, where he also won the Daily Star Academic Award amongst the candidates who took exam from Bangladesh attaining grades with distinction. Later Mr. Shaqib completed the remainder of his high school studies at the United World College of the Atlantic in Wales, United Kingdom, where he attained the International Baccalaureate (IB) Diploma. In order to further his international exposure and knowledge, he later pursued his Undergraduate/Bachelor's (BA/BBA) from Boston University in the United States of America, with a major in Economics, and a double minor in Business Administration and Communications. Finally he completed his studies obtaining a Master's (MSc) in International Finance from Nova School of Business and Economics.



Mr. Shaqib is a young, energetic, and innovative businessman. He has been acquainted with the history and the management of Simtex from a young age, gathering knowledge alongside his father, the former Managing Director, and the Founder of the Company, providing him the necessary skills to lead the Company as and when needed. The stakeholders of the company entrusted upon him to lead Simtex Industries Limited to newer heights while keeping true to the company's mission statement.

Mr. Shaqib is a Member Director of the Bangladesh Apparels Youth Leadership Association (BAYLA), an association that aims to bring together all the youth leaders and owners of businesses in the apparels industry, in order to foster a sustainable growth in the RMG sector of the country. He is also a General Body Member of the Federation Bangladesh Chamber Commerce Institute (FBCCI). During his spare time, he contributes to society through his time at the Rotary Club Altruist Dhaka. He is also a permanent member of Uttara Club Limited. Furthermore, he is also associated with some international social and humanitarian organizations, namely Amnesty International, and is also one of the Founding Members 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, pursuing 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 as the Head of the Department of English Faculty in different English medium schools in Dhaka. Currently, Mr. Md. Hafizur Rahman is serving as the Principal of a school he founded, Radius International School, in 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 Business Studies and Commerce graduate, and is currently engaged in his own business ventures in the Construction sector, with good reputation. He also involves himself with different social and charitable organizations during his spare time.





Mr. Md. Nazmus Sakeve Jugbhery
Nominated Director

Mr. Md. Nazmus Sakeve Jugbhery joined Simtex Industries Limited as a Director in the Board of Simtex Industries Limited on December 22, 2022, in the company's 15th Annual General Meeting, being nominated by M/S Arcturus Limited, a shareholder of Simtex Industries Limited. Mr. Jugbhery has a brilliant academic career, who served in the Bangladeshi military as well retiring as a Major. He is currently residing in Canada, and serving as a Commercial Pilot for United Airways in the USA, flying to international destinations. He has many hobbies.

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 Honor's and Master's degrees in Philosophy from the University of Dhaka. Afterwards, he also obtained the LLB from Dhaka University. His professional career includes a long successful career for over 30 years in banking with Janata Bank Limited a state owned bank where he rose to the position of General Manager. Mr. Asadullah earned his professional qualification from Diplomaed Associates of the Institute of Bankers Bangladesh (DAIBB) from the Institute of Bankers Bangladesh.

He spends most of his retired days working with different social and humanitarian organizations and associations, giving back to the society and the underprivileged.



Mr. Moinul Islam, FCA
Independent Director

Mr. Moinul Islam, FCA joined the Board of Simtex Industries Ltd. as an Independent Director on October 28, 2023. Mr. Moinul Islam is an Associate Member of the Institute of Chartered Accountants of Bangladesh (ICAB) Enrollment number: 1785 and has been conferred as a Fellow Member in the year 2021. He has completed his Articleship under the supervision of Abdur Razzaque Mollah FCA at Razzaque & Co. Chartered Accountants. Mr. Islam has been serving as a partner with M/S Mollah Quadir Yusuf & Co., Chartered Accountants from 07th November 2022 to till date. Before Joining Mollah & Co., he worked as DGM-Accounts with Development Design Consultants Ltd. from February 2021 to 06th November 2022. He also worked as Head of Accounts for 01 years from December 2019 to February 2021 with Amanat Sha Group and 03 years as Manager-Finance & Accounts from 2018 to 2019 with TUV Rheinland Bangladesh Private Ltd. He completed both BBS (hons) and MBS (hons) major in Accounting from Dhaka college under National University in the year 2008 and 2009 respectively.



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 16th 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, 2023 along with our business performance.

You are aware that our products i.e. sewing thread are consume by only export oriented RMG Industries. As a result our production and sales depend on the RMG sector of the country. You are also aware that the RMG export of the country still showing down trend for reasons impact of Covid 19 followed by Russia Ukraine war. Western markets and others like Japan, Australia are still in tough-grief recessions which is likely to continue for some time more.

For reason explain above our sales in quantity during the year 2022-2023 has fallen in proportion to market situation, While our sales-revenue has shown sustainable positive result as we derive our self our 100% sales revenue in USD which has gain much .



I am delighted to mention that considering the performance of the Company the Board of Directors has recommended 10% cash dividend for general shareholders and 6% cash dividend for Sponsors and Directors for the year 2022-2023.

At this occasion, I would like to thank the employees, without whose 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,

Assalamualaikum and Good Morning.

It is my great pleasure and privilege to attend this 16th 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 faced downward sales in quantity and profitability due to effects of Covid-19, for three successive years. Just when it was recovering, the Company was exposed to further international economic turmoil and recessions that followed due to the Russia and Ukraine war, like all other players in the sector, which offset our profitability. It is pertinent to mention here that we drive revenue from sales in USD which has gain all through the current year as against Taka resulting rise of our Taka revenue offsetting fall sales in quantity. We look forward and pray for improvements of the global economic situation in the upcoming years, and hope for growth and higher economic activities in the RMG industry and its products.

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 as before, for which we have a R&D department who is constantly monitoring and overseeing technological developments and lacunas in the process if any.



In the meantime, we have addressed almost all the compliance parameters in order to be able to compete against the multinational companies (MNCs) operating in our country. In regards to installed capacity, we have large potentiality and we are working with the new zeal to attain our goals in respect to production, sales, and revenue to become a market leader, at the earliest.

An examination of the operating performance would reveal that although the Company's turnover increased by 7.97% compared to its previous year, gas bill has increased by 31% compared to last year, due to the recent 100% increase in gas rate by the SRO, which was effective from February 2023. Operating expenses have increased by 13.01% compared to last year, while financial expenses, and tax expenses have increased in high proportions as well. As a result, both "Net profit After Tax and Earning Per Share (EPS)" saw a decrease of 15.51%, compared to previous year. Considering the interest of the shareholders, the Board of Directors proposed a 10% Cash Dividend for General Shareholders, and 6% Cash Dividend for Sponsors and Directors for the year 2022-2023.

I believe that the dedication and commitment of all our employees towards our customers have been the main driving force behind our successful performance. Accordingly, I would thank our devoted workforce and would expect their similar dedication in the future. At the same time, I would also like to thank all the members of the Board of Directors for their continued support to the Management of the Company. I also acknowledge with gratitude, the relentlessness, 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 16th Annual General Meeting. It is a pleasure to present you the Audited Financial Statements of the Company for the year ended June 30, 2023, 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 (IFRS), International Accounting Standards (IAS), 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 was 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 Tk. 795.95 million.

Revenue

You are aware that the Company is a 100% deemed exporter, engaged solely in the business of manufacturing of Sewing Thread used in the export-oriented garments industry. The turnover of the Company saw a 7.97% rise as compared to the previous year, with its value standing at Tk. 149.19 crore and showing net profit after tax 6.52 crore for the year ended on 30 June 2023.

The operating financial results of the Company for the year 2022-2023 as compared to previous year are summarized hereunder:

Particulars	2022-2023	2021-2022
Turnover	1,491,911,950	1,387,655,587
Gross Profit	255,395,401	248,933,094
Financial Expenses	76,878,322	71,763,594
Other Income	1,848,644	1,912,855
Net Profit Before Tax (NPBT)	82,509,443	92,038,554
Provision for Taxation	17,246,402	14,792,085
Net Profit After Tax (NPAT)	65,263,041	77,246,469
Gross Margin (Turnover)	17.12%	17.94%
Net Margin Before Tax	5.53%	6.63%
Net Margin After Tax	4.37%	5.57%
Earnings Per Share (EPS) BDT.	0.82	0.97
Number of Shares used to compute EPS	79,595,381	79,595,381

The company has been operating in the market for a long time with reputation and commitment. With long experience in sewing thread manufacturing, we are confident in our belief that we can retain our reputation as a quality manufacturer and one of the market leaders in this field.



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 hikes of raw materials due to changes in strategies in the international market, or politics, may lead to higher manufacturing expenses, and reduction in 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 we expect 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.

While recessions in the western countries and other markets of RMG arising out of Covid-19 pandemic and war is being continued and likely to prolong. As such hope for improvement is yet to be sighted in the near future. Under the circumstances our sustainability will depend on attaining efficiency and controlling cost. Alongside, the company will strive for new customers and markets.

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

Profit from Operation	2022-2023		2021-2022	
	Amount	Percentage	Amount	Percentage
Turnover	1,491,911,950	100%	1,387,655,587	100%
Cost of Goods Sold	1,236,516,549	82.88%	1,138,722,493	82.06%
Gross Profit	255,395,401	17.12%	248,933,094	17.94%
Net Profit for the year	65,263,041	4.37%	77,246,469	5.57%

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. 38 of the notes to the financial statements.

Significant variance of financial statements

The overall situation in the global business and economy is still suffering in the aftermath of the COVID-19 pandemic and Russia and Ukraine War. The RMG industry and related businesses are suffering due to low consumer demand in the global RMG market. Although the Company saw a fall in its sale quantity during the financial year 2022-2023 compared to its previous year 2021-2022, the financial statements showing an increase in the Sales/Revenue, standing at Tk. 1,491,911,950 compared to previous financial year's revenue of Tk. 1,387,655,587 which is due to depreciation of Taka as against US dollar.

Investment Planning

Company is pursuing with a prudent plan for investment in capital assets and working capital very cautiously in the best interest of the company only.

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 7 (Seven) including Three Independent Directors in line with notification given by BSEC.



Independent Directors

According to the terms of the provision under CGC, the Board of Directors appointed Mr. Shah Md Asad Ullah, Major General (ret'd) Dr. Md Sarwar Hossain and Mr. Moinul Islam FCA as Independent Directors of the company for a period of 3 (three) years which will expire on 6th October 2024, 16th August, 2025, and 27th October, 2026 respectively.

Qualification of Independent Directors

Major General (ret'd) Dr. Md Sarwar Hossain has obtained Master's in Management Studies from Hyderabad University, India, and also obtained Phd from University of Dhaka. He has varied experience serving in the Armed force of Bangladesh within and outside the country. After retirement, General Sarwar joined as a Faculty in the History & Philosophy department at NSU. He is also 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 as "Diplomayed Associate" from the Institute of Bankers Bangladesh (IBB). Mr. Shah Md Asad Ullah retired as a General Manager from Janata Bank Limited.

Mr. Moinul Islam, FCA is an associate member of the Institute of Chartered Accountants of Bangladesh (ICAB) and became a Fellow Member in 2021. Being an FCA he is adequately qualified and gained extensive experience in different corporations in Finance and Accounts. He will be able to contribute to the Company through Board of Directors in many ways like compliance and planning business strategies.

Chief Financial Officer, Company Secretary (CC), Head of Internal Audit

As per Corporate Governance Code of BSEC, the company has allocated the responsibilities to the officials as follows:

Chief Financial Officer	: Mr. Saikh Bin Abedin
Company Secretary (CC)	: Mr. Md. Saddam Hossin
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 (CC) acts as Secretary to the Audit Committee. This committee assists the Board of the Company in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company. Audit Committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The roles and functions of the Audit Committee have been stated in the annual audit committee report which 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 play roles as Chairman of the Committee. The Company Secretary (CC) 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 exchanges.

Subsidiary Company

The company has no subsidiary company whatsoever.



Duties of CEO and CFO

The provisions of BSEC regulations have been complied as reflected in the Annual Report.

Directors' Appointment and Re-Appointment

With regard to the appointment, retirement and re-appointment of directors, the company is governed by its Articles of Association, the Companies Act, 1994 and other related regulation. Accordingly, the following Director(s) of the Board will retire at the next Annual General Meeting, and they will be eligible for re-appointment through re-election in the Board:

- 1) Mr. Sharif Shahidul Islam Director
- 2) Mr. Md. Hafizur Rahman Director

Shareholding pattern

The shareholding of directors at the end of 30 June, 2023 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: Major General (ret'd) Dr. Md Sarwar Hossain	Independent Director & Chairman	Nil	Nil
	Mr. Neaz Rahman Shaqib	Managing Director	5,420,955	6.81%
	M/S Excel Farmganic Limited (Represented by: Mr. Sharif Shahidul Islam and Mr. Md. Hafizur Rahman)	Nominated Director	3,184,000	4.00%
	M/S Arcturus Limited (Represented by: Mr. Md. Nazmus Sakeve Jugbhery)	Nominated Director	1,601,000	2.01%
	Mr. Shah Md. Asad Ullah	Independent Director	Nil	Nil
	Mr. Moinul Islam FCA	Independent Director	Nil	Nil
	Mr. Saikh Bin Abedin	Chief Financial Officer	Nil	Nil
	Mr. Md. Saddam Hossin	Company Secretary (CC)	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	Major General (ret'd) Dr. Md Sarwar Hossain	Independent Director & Chairman	-	-
2	Mr. Neaz Rahman Shaqib	Managing Director	-	-
3	Mr. Sharif Shahidul Islam	Nominated Director	-	-
4	Mr. Md. Hafizur Rahman	Nominated Director	-	-
5	Mr. Md. Nazmus Sakeve Jugbhery	Nominated Director	-	-
6	Mr. Shah Md. Asad Ullah	Independent Director	-	-
7	Mr. Moinul Islam FCA	Independent Director	-	-



Board Meeting and Attendance

10 (Ten) 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
Major General (retd) Dr. Md Sarwar Hossain	10	9
Mr. Neaz Rahman Shaqib	10	10
Mr. Sharif Shahidul Islam	10	10
Mr. Md. Hafizur Rahman	10	10
Mr. Md. Nazmus Sakeve Jugbhery	5	5
Mr. Shah Md. Asad Ullah	10	10
Mr. Md. Akram Hossain	1	1

Directors' remuneration

Directors' remuneration is shown in the note no. 25 and 38 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:

- 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.
- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in the preparation of the financial statements.
- 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.
- The system of internal control is sound and being implemented and monitored effectively.
- No bonus shares or stock dividend has been or shall be declared as interim dividend.
- 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 given at Page No.
- The key operating and financial data for the last five years given at Page No.

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 a foreseeable period. Directors are convinced and have a reasonable expectation that the Company has adequate resources to continue its operation consistently for the foreseeable future. Therefore, the Company adopted the going concern basis in preparing the financial statements.

Significant deviation of Operating Result

During the year 01 July 2022 to 30 June 2023 there has been growth in operational revenue while operational expenses, financial expenses, and tax expenses have increased in high proportion, which has resulted in decreased "Net Profit After Tax and Earnings Per Share (EPS)" as compared to the previous year in 2021-2022.

During the year 2022-2023 under-report sales has increased considerably while the pace of cash collection has also been comparatively better than the same period of the previous year resulting "Net operating cash flows per share (NOCPs)" moved towards positive direction significantly.



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 Sintex 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 unrealized 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 final dividend for the shareholders on the basis of annual audited financial statements and declare to 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 10% cash dividend for General Shareholders and 6% cash dividend for Sponsors and Directors.

Particulars	2022-2023	2021-2022
Profit available for appropriation:	Amount in Taka	Amount in Taka
Profit/loss after Tax	65,263,041	77,246,469
Un-appropriated profit brought forward from previous year	518,910,695	505,312,738
Prior Adjustment	-	27,793
Total Amount available for appropriation	584,173,735	582,586,999
Appropriation	-	-
Closing Retained Earning at year end (Before proposed final dividend)	584,173,735	582,586,999
Proposed Dividend for the year 2023 (10% cash dividend for General Shareholders and 6% cash dividend for Sponsors and Directors.) and in 2022 (8% cash for all ordinary shareholders including Directors and Sponsors)	54,402,286 15,115,857	63,676,305
Retained Earnings after proposed dividend	514,655,592	518,910,695



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 2023. They were appointed as Statutory Auditor in 15th AGM. As per regulation 15 (2) & (3) of DSE and CSE (listing) regulations, 2015 existing auditor is not eligible for re-appointment. Accordingly the Board of Directors has recommended to appoint M/S Habib Sarwar Bhuiyan & Co, Chartered Accountants, Eastern commercial complex, 73 Kakrail, 7th floor, Chamber 704 & 705 Dhaka-1000 as Auditor for the year 2023-2024. Accordingly, a proposal is being placed for Shareholder's approval and fixation of their fees, in the upcoming AGM to be held on 28 December 2023.

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 Reporting on Compliance of Governance Code for the year 2023-2024 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 16th AGM.

Acknowledgment

The Company expresses its sincere thanks and gratitude to the respected shareholders, valued clients, banks and well-wishers home and aboard 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 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 COVID-19 epidemic has caused the globe to experience its most difficult period in history. Meanwhile, the conflict between Russia and Ukraine has also been observed, which has had a significant effect on the global financial situation. Following the recent improvement in the Covid situation, we have encountered yet another back-to-back predicament. In spite of this, Bangladesh's export revenue reached \$55.56 billion in the fiscal year 2022–2023. Bangladesh's exports increased by 6.67% percent in one fiscal year. From July 2022 to June 2023, Bangladesh exported goods worth \$55.55 billion in a total of 12 months, of which \$46.99 billion was from ready-made garments, which accounted for 84.59 percent of total exports in the just-ended fiscal year. In the previous fiscal year, apparel exports were worth \$42.61 billion. The diversification of export destinations was the primary factor in the RMG sector's success in Bangladesh during the most recent fiscal year.

In terms of our business, sales increased moderately over the course of the previous five fiscal years. In the years 2017–2018 and 2018–2019, our sales and net profit after taxes were strong; however, the COVID pandemic adversely impacted the year 2019–2020. Since then, we have been working hard to get out of the situation and have managed to maintain positive sales and net profit after taxes up to this point. In the years to come, we hope to continue improving these numbers. Due to Covid issue our collections from the receivables increased and the management are giving their best efforts to overcome from the situation and develop the net operating cash flows in a better position. We anticipate that things will get better once more because, as you can see, our overall financial key indicators are getting better every year following Covid.

In terms of risks, Simtex Industries Limited is exposed to inflation and foreign exchange risk. We are both an Importer and an Exporter. As such, foreign exchange is well mitigated for us, while the risk of inflation in the economy on the other hand, is managed by adjustment of prices of products and other strategies.

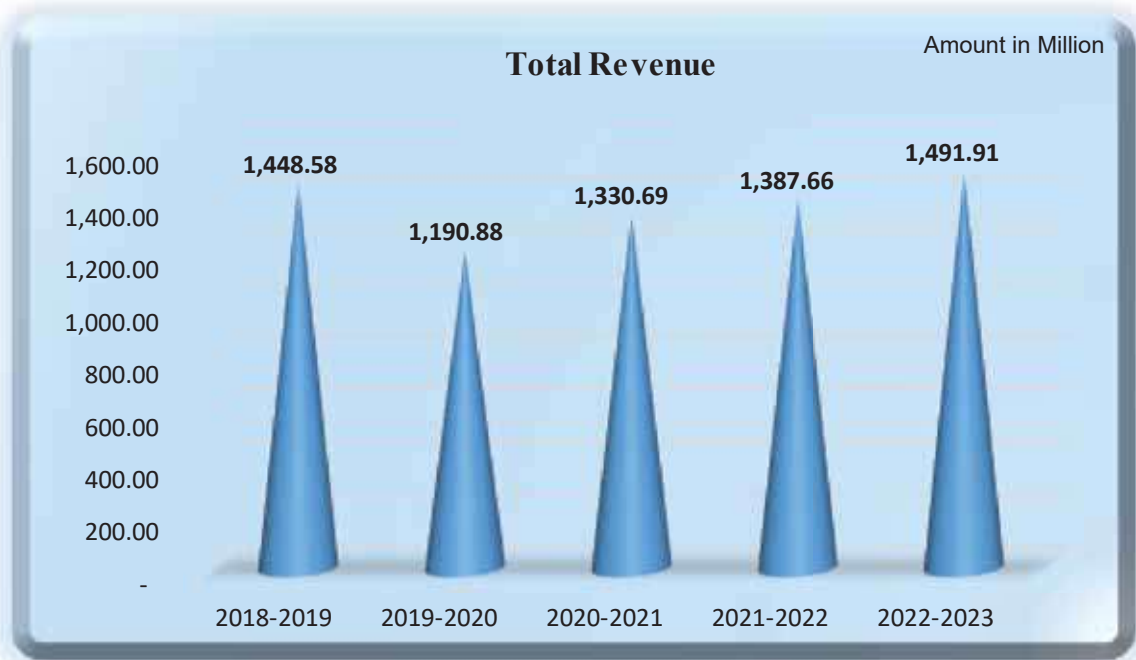
Neaz Rahman Shaqib
Managing Director

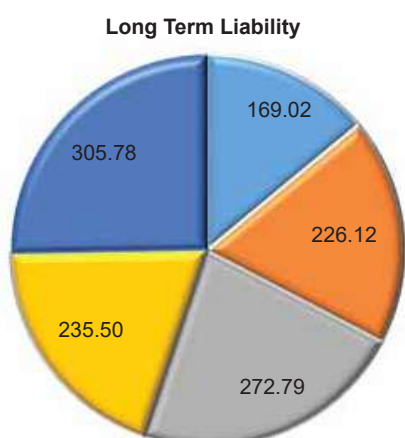
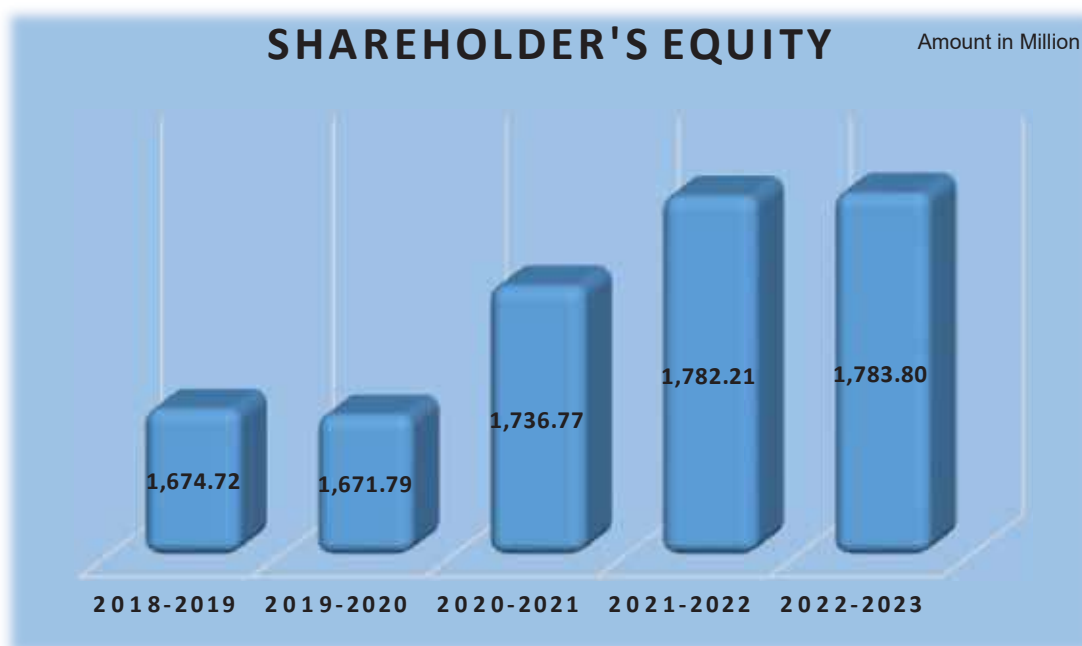


FINANCIAL HIGHLIGHTS

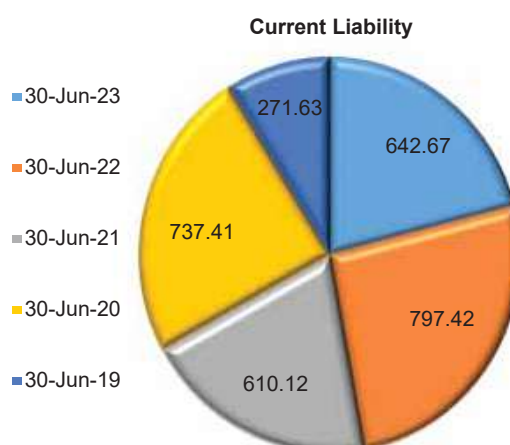
Operational Result	Amount in Taka				
	30 June 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Turnover	1,491,911,950	1,387,655,587	1,330,609,019	1,190,877,276	1,448,580,502
Gross Profit	255,395,401	248,933,094	222,035,767	199,902,681	313,844,087
Profit from Operation	161,239,577	165,614,133	141,978,102	134,525,411	237,184,015
Net Profit before tax	82,509,443	92,038,554	79,295,297	63,646,636	172,735,170
Net Profit after Tax	65,263,041	77,246,469	73,067,444	44,468,281	152,063,469
Net Operating Cash Flow per Share	4.94	(0.27)	3.14	(0.98)	2.30
Financial Position					
Non-Current Assets	1,189,763,715	1,239,925,141	1,306,629,587	1,346,853,549	1,252,610,395
Current Assets	1,405,727,948	1,565,818,044	1,313,055,913	1,297,847,163	999,517,585
Shareholder's Equity	1,783,796,444	1,782,209,708	1,736,773,599	1,671,789,042	1,674,721,052
Current Liability	642,674,535	797,416,538	610,123,566	737,409,924	271,631,356
Long Term Liability	169,020,684	226,116,939	272,788,335	235,501,746	305,775,572
Key Financial Ratio					
Current Ratio	2.19	1.96	2.15	1.76	3.67
Quick Ratio	1.47	1.27	1.44	1.15	2.42
Debt to Equity Ratio	0.46	0.57	0.45	0.48	0.26
Net Income Ratio (%)	4.37%	5.57%	5.49%	3.73%	10.50%
Return on Equity (%)	3.66%	4.33%	4.29%	2.66%	9.41%
Earnings Per Share	0.82	0.97	0.92	0.56	2.01

FINANCIAL HIGHLIGHTS IN THE FORM OF GRAPHICAL REPRESENTATION

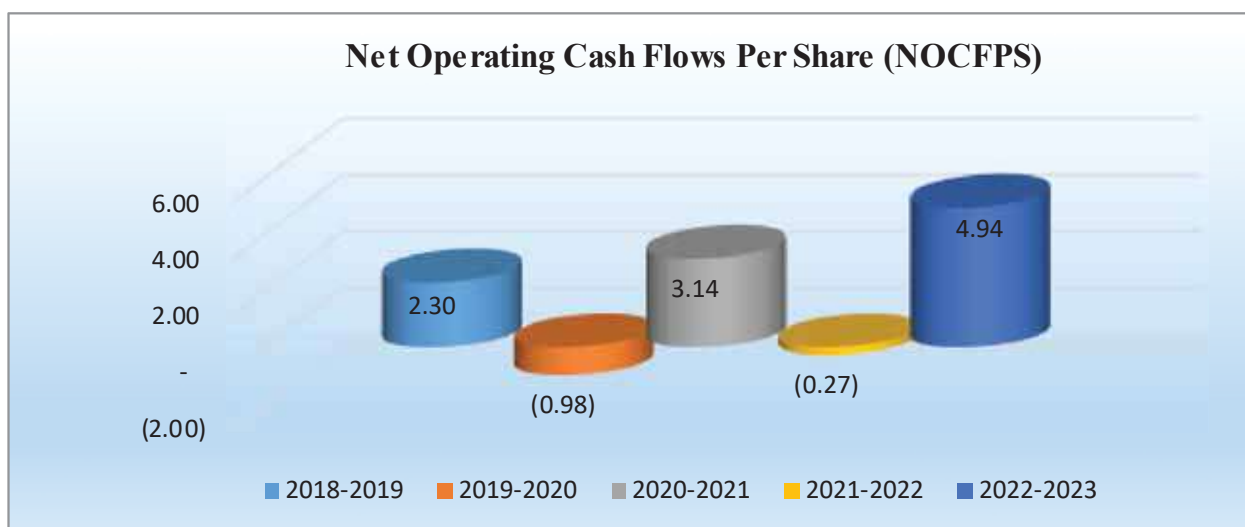




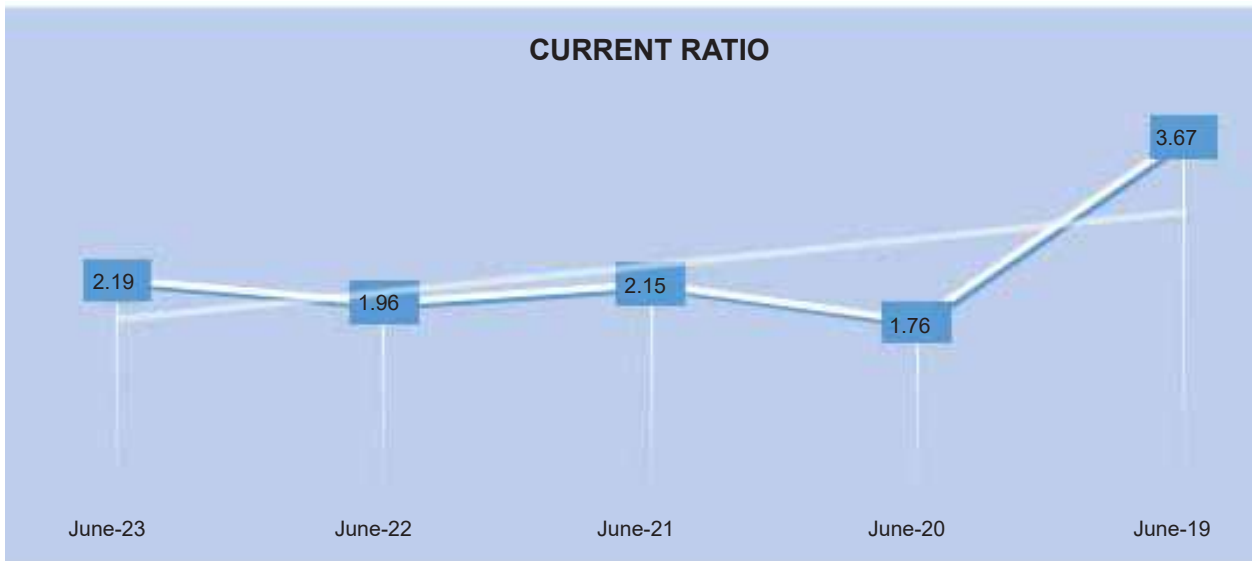
- 30-Jun-23
- 30-Jun-22
- 30-Jun-21
- 30-Jun-20
- 30-Jun-19



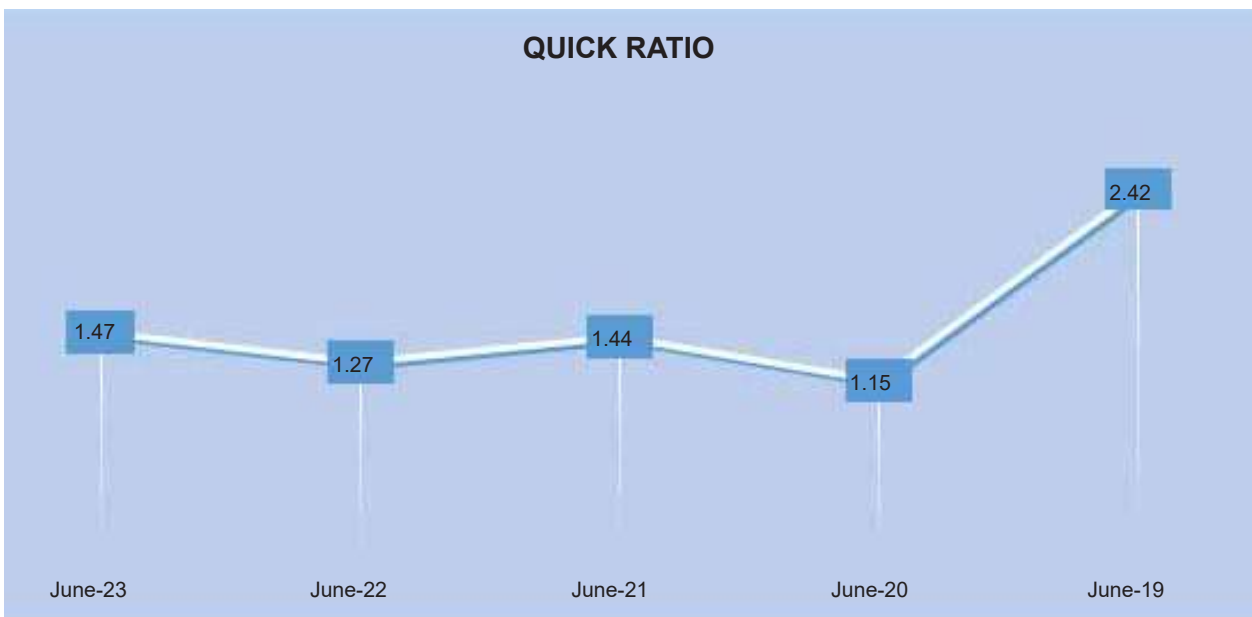
- 30-Jun-23
- 30-Jun-22
- 30-Jun-21
- 30-Jun-20
- 30-Jun-19



CURRENT RATIO



QUICK RATIO





GLIMPSE OF AGM



15th Annual General Meeting



GLIMPSE OF ACHIEVEMENTS



BGAPMEA EXPORT TROPHY- 2021

BGAPMEA EXPORT TROPHY- 2019



BGAPMEA EXPORT TROPHY- 2018

Training Glimpse

Simtex has organized multiple training sessions to enhance the skills and knowledge of our employees. Sharing knowledge through seminars, workshops, and training has significantly improved the depth of knowledge and skills of our employees, including organizational, decision-making, and time-management abilities, while also ensuring consistent compliance with applicable laws.



The CFO of Simtex Industries Limited conducted training on the rules, regulations, codes, guidelines, notifications, etc. that are circulated by the Financial Reporting Council (FRC).



At our registered office in Savar, Simtex Industries Limited held an exclusive training on the subject of "Basics and Beyond: TDS & VDS."

The accounting and finance professionals of Simtex Industries Limited were the target audience for this information-packed session.



Workshop on Corporate Governance Code, 2018



Album of Annual Picnic-2023





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

DECLARATION BY CEO AND CFO

Date: 28.10.2023

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

Subject: Declaration on Financial Statement for the year ended on 30 June 2023.

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 2023 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 2023 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

Saikh Bin Abedin
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, 2023. 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 20, 2023

For Podder & Associates

Jayanta Kumar 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 2023

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 members of a company's Board of Directors (hereinafter referred to as "Board") shall not to 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; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√	-	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);	√	-	Another One Independent Director has appointed on 28.10.2023 by the Board of Directors and to be placed before the shareholders for approval in the 16th 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	√	-	
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√	-	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√	-	

Condition No.	Title	Complied	Not Complied	Remarks (If any)
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√	-	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√	-	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√	-	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	-	
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as 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)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	-	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	The Board of Directors has recommended 10% cash dividend for General shareholders and 6% cash dividend for the Sponsors and Directors for the year ended on June 30, 2023
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			
		SIL does not have any 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: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√	-	
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO 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 of Directors 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): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the 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: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√	-	
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; and	√	-	
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 reportable incidence 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.	√	-	No such reportable incidence arose
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;	√	-	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√	-	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee 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 occurrence happen 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 case 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; and	√	-	
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 2023.
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)

S/N	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	IAS-1	Applied
2	Inventories	IAS-2	Applied
3	Statement of Cash Flows	IAS-7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
5	Events after the Reporting Period	IAS-10	Applied
6	Income Taxes	IAS-12	Applied
7	Property, Plant and Equipment	IAS-16	Applied
8	Employee Benefits	IAS-19	Applied
9	The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
10	Borrowing Costs	IAS-23	Applied
11	Related Party Disclosures	IAS-24	Applied
12	Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
13	Investment in Associates and Joint Ventures	IAS-28	Not Applicable
14	Financial Reporting in Hyperinflationary Economics	IAS-29	Not Applicable
15	Financial Instruments: Presentation	IAS-32	Applied
16	Earnings Per Share	IAS-33	Applied
17	Interim Financial Reporting	IAS-34	Applied
18	Impairment of Assets	IAS-36	Applied
19	Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
20	Intangible Assets	IAS-38	Not Applicable
21	Investment Property	IAS-40	Not Applicable
22	Agriculture	IAS-41	Not Applicable

S/N	Name of IFRSs	IFRSs No.	Status
1	First time adoption of International Financial Reporting Standards	IFRS 1	Not Applicable
2	Shares based Payment	IFRS 2	Not Applicable
3	Business Combinations	IFRS 3	Not Applicable
4	Insurance Contract	IFRS 4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	IFRS 6	Not Applicable
7	Financial Instruments: Disclosure	IFRS 7	Applied
8	Operating Segments	IFRS 8	Not Applicable
9	Financial Instruments	IFRS 9	Applied
10	Consolidated Financial Statements	IFRS 10	Not Applicable
11	Joint Arrangement	IFRS 11	Not Applicable
12	Disclosure of Interest in other entities	IFRS 12	Not Applicable
13	Fair Value Measurement	IFRS 13	Applied
14	Regulatory deferral accounts	IFRS 14	Not Applicable
15	Revenue from Contracts with Customers	IFRS 15	Applied
16	Leases	IFRS 16	Not Applicable



REPORT OF THE AUDIT COMMITTEE

(For the year ended on 30 June 2023)

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. Md. Saddam Hossin Company Secretary (CC)	Member Secretary

Audit Committee Meeting Attendance record of the Members

Name	Meeting Held During His/Her Duration	Attended
Mr. Sharif Shahidul Islam	6	6
Mr. Md. Hafizur Rahman	6	6
Mr. Shah Md. Asad Ullah	6	6

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 03 June 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 Six 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, 2023. This review incorporated the accounting policies and key judgments and estimates under pinning 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

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. Md. Saddam Hossin 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 1 (One) 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. Shah Md. Asad Ullah	Chairman	1	1
Mr. Sharif Shahidul Islam	Member	1	1
Mr. Md. Saddam Hossin	Secretary Member	0	0

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

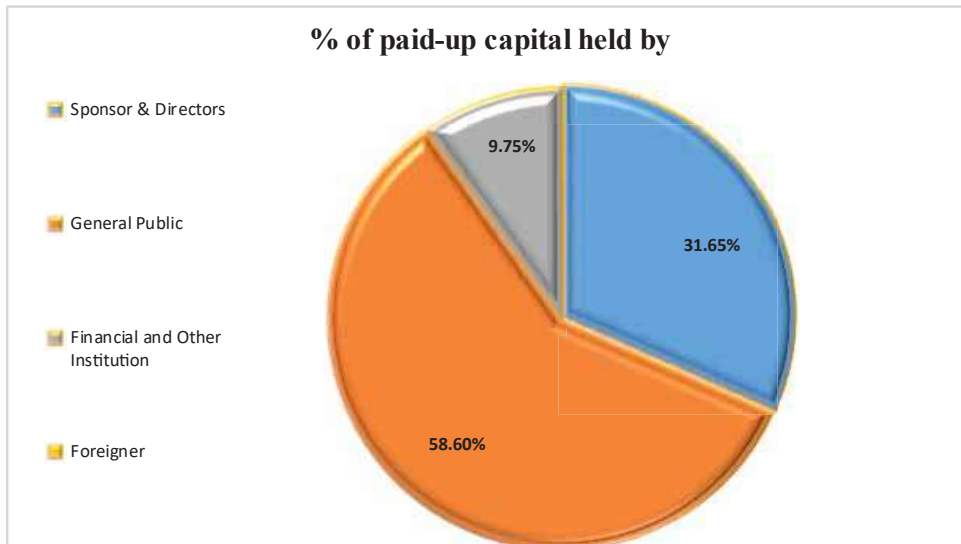
Chairman of
Nomination and Remuneration Committee
& Independent Director



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	: 25,191,938	31.65%
General Public	: 46,642,893	58.60%
Financial and Other Institution	: 7,760,550	9.75%
Foreigner	: -	-
	<u>795,953,810/-</u>	<u>100%</u>



The Range of Shareholding as on 30 June, 2023:

Particulars of Investors	Number of Shareholders	Number of Shares	Percentage of Shareholders %
1 to 100 Shares	708	19,395	0.02%
101 to 500 Shares	1,767	630,319	0.79%
501 to 1,000 shares	460	390,613	0.49%
1,001 to 10,000 shares	1,152	4,319,944	5.43%
10,001 to 20,000 shares	198	2,929,293	3.68%
20,001 to 50,000 shares	143	4,591,359	5.77%
50,001 to 1,00,000 shares	67	4,931,290	6.20%
1,00,001 to 10,00,000 shares	58	18,649,176	23.43%
10,00,001 to 50,00,000 shares	12	22,934,041	28.81%
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	4,567	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, 2022, Bank liability position as on 31 March, 2023 and other available information up to the date of rating declaration. The date of rating was on 17 April, 2023. The outlook on the rating is Stable.



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

Setting global standard at national level

CRISL/CER/1688/23

Simtex Industries Limited

RATING SPECIFICS

Date of Rating: April 17, 2023		Valid up to: April 16, 2024	
		Long Term	Short Term
Entity Rating	A		ST-3
Outlook	Stable		
Bank Facilities Rating			
Bank/FI	Mode of Exposures (Figures in million)		Bank Loan Rating
Trust Bank Limited	*TLO-Tk.208.84		bir A
	**WCLL-Tk.1,385.00		
	***WCLO-Tk.35.00		

*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 status, 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, exposure 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.

Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information & Services Limited

CREDIT RATING REPORT - RATIONALE

Nakshi Homes (1st, 4th & 5th Floor)
6/7/A, Segunbagicha, Dhaka-1000, Bangladesh
Tel: 88-02-95319991/3, Fax: 88-02-9330995
E-mail: info@crislbdd.com



CERTIFICATE





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



Hohenstein Textile Testing Institute
GmbH & Co. KG
74357 Bönningheim
Germany

Certificate

OEKO-TEX® STANDARD 100

Simtex Industries Limited
is granted the OEKO-TEX® STANDARD 100 certification
and the right to use the trademark.

SCOPE

Sewing, embroidery and filament thread made of 100 % polyester and 100 % polyamide, white, disperse and acid dyed (including neon green); partly produced by using material certified according to OEKO-TEX® STANDARD 100.

PRODUCT CLASS

I (baby articles) - Annex 6



STANDARD
100



07.KA.53099
HOHENSTEIN HTTI

This certificate 07.KA.53099 is valid until
31.10.2024.

SUPPORTING DOCUMENTS

- ✓ Test report : 23.1054587
- ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- ✓ OEKO-TEX® Terms of Use (ToU)

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

Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq.

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

Bönningheim, 2023-11-08

OEKO-TEX Service GmbH Genferstrasse 23, CH-8002 Zurich





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



Hohenstein Textile Testing Institute
GmbH & Co. KG
74357 Bönningheim
Germany

Certificate

OEKO-TEX® STANDARD 100

Simtex Industries Limited

is granted the OEKO-TEX® STANDARD 100 certification
and the right to use the trademark.

SCOPE

Sewing, embroidery and filament thread made of 100 % recycled polyester (recycled content 100 %: from post-consumer PET bottles), white, disperse dyed; partly produced by using material certified according to OEKO-TEX® STANDARD 100.

PRODUCT CLASS

I (baby articles) - Annex 6



This certificate 21.HBD.75506 is valid until
30.11.2024.

SUPPORTING DOCUMENTS

- ✓ Test report : 23.1054613
- ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- ✓ OEKO-TEX® Terms of Use (ToU)

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

Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on [oeko-tex.com/en/faq](https://www.oeko-tex.com/en/faq).

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

Boennigheim, 2023-11-09

OEKO-TEX Service GmbH Genferstrasse 23, CH-8002 Zurich





BGAPMEA

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

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

273/3, West Manikdi (3rd FL), ECB Chatter - Mapur DOHS Link Road, Dhaka Cantonment, Dhaka-1206, Bangladesh. Regd. No.:C.T.O. 290(02)/91

Mobile : 01817564993, 01768676037 Email : bgapmea@gmail.com, info@bgapmea.org. Web : www.bgapmea.org

Regional Office: Tohya Tower (4th FL), 335 CIA Avenue, M/A Al Road, Litchin Bazar, Chittogram. Email: bgapmeaorganic@gmail.com

Certificate no. 236/2023

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 2023.*

22-01-2023

Date



President



GSCS International Ltd.
Rokeya Palace, House 75, Road 19, Sector 11, Uttara, Dhaka -1230, Bangladesh
Tel: +88 02 5508 6965; info@gscsbd.com , Web: www.gscsintl.com

Scope Certificate

Scope Certificate Number GSS-GRS-20210673

GSCS International Ltd.
certifies that

Simtex Industries Limited

License Number TE-20200056

Khagan, Birulia, Savar, 1341, Dhaka, BD-C, Bangladesh, BD
has been audited and found to be in conformity with the

Global Recycled Standard (GRS) (Version 4.0)

Product categories mentioned below (and further specified in the product appendix) conform with the standard(s):

Functional accessories (PC0017)

Process categories carried out under responsibility of the above mentioned organization for the certified products cover:

Warehousing, distribution (PR0031), Preparatory (PR0022), Dyeing (PR0008), Finishing (PR0012), Packing (PR0020), Trading (PR0030)

*The processes marked with an asterisk may be carried out by subcontractors.

This Certificate is valid until: 2024-08-20

Audit criteria: Global Recycled Standard (GRS) 4.0; Content Claim Standard V3.1 ; Textile Exchange Standards Claims Policy V1.1

Place and Date of Issue
Dhaka, 2023-08-29
Last Updated: 2023-08-29

Certification Body

Standard

Name of the Authorized Person
Abdul Mottaleb



Certification Body Licensed by: Textile Exchange; Licensing Code: CB-GSS
Certification Body Accredited by: IOAS Inc. ; Accreditation Number: 136
Inspection Body: GSCS International Ltd.
Auditor(s): N/A

This scope certificate provides no proof that any goods delivered by its holder are Global Recycled Standard (GRS) 4.0 certified. Proof of Global Recycled Standard (GRS) 4.0 certification of goods delivered is provided by a valid transaction certificate (TC) or equivalent covering them.
The issuing body may withdraw this certificate before it expires if the declared conformity is no longer guaranteed.
To authenticate this certificate, please visit www.TextileExchange.org.

This electronically issued document is the valid original version
License No. TE-20200056



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 2023 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 2023 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 2023 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.

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.

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. 1,189,461,647.00 as at 30 June, 2023.</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.



	<ul style="list-style-type: none"> 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. 1,491,911,950.00</p> <p>All of the Company's sales are made under sales invoice, delivery challan. It's 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. 871,034,659.00 as at 30 June 2023.</p> <p>Accounts receivable of the company comprise mainly receivables regarding the sale of yarns which is secured by Letter of Credit (L/C).</p> <p>See note no. 5 for details.</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; 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. 402,621,723.00 as at 30 June 2023 which amounted to 15.51% 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>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;



<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>	<ul style="list-style-type: none"> • 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. 560,282.00 as at 30 June, 2023.</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 494,058,012.00 & 113,012,241.00 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 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.</p> <p>See note no. 17 & 13 for details.</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. • 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.

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: 31 October 2023

DVC: 2310310151AS763154

Pinaki Das, FCA

Senior Partner

Enrollment Number: 151

Pinaki & Company

Chartered Accountants



Simtex Industries Limited
Statement of Financial Position
As at 30 June 2023

PARTICULARS	Notes	Amount in BDT	
		30.06.2023	30.06.2022
ASSETS			
A : NON-CURRENT ASSETS		1,189,763,715	1,239,925,141
Property, plant & equipment	3	1,189,461,647	1,235,940,301
Capital work in progress	4	302,068	3,984,840
B: CURRENT ASSETS		1,405,727,948	1,565,818,044
Accounts receivable	5	758,331,300	820,256,669
Advances, deposits & prepayments	6	93,241,344	78,119,489
Inventory	8	402,621,723	423,705,508
Goods in transit	9	55,342,820	132,826,576
Investment in FDR	10	68,273,125	52,512,674
Cash & cash equivalent	11	27,917,636	58,397,128
TOTAL ASSETS (A+B)		2,595,491,663	2,805,743,185
SHAREHOLDERS EQUITY & LIABILITIES			
C : SHAREHOLDERS EQUITY		1,783,796,444	1,782,209,708
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		584,173,735	582,586,999
D : NON-CURRENT LIABILITIES		169,020,684	226,116,939
Long term loan net off current portion	13	113,012,241	170,668,778
Deferred tax	15	56,008,443	55,448,161
E : CURRENT LIABILITIES		642,674,535	797,416,538
Accounts payable	16	1,319,750	1,162,200
Short term loan	17	494,058,012	666,830,000
Current portion of long term loan	18	80,388,959	78,448,000
Liabilities for expenses	19	24,214,350	20,501,197
Dividend payable	20	2,307,194	431,713
Unclaimed dividend account	21	2,121,192	8,464,471
Provision for income tax	22	38,265,078	21,578,957
TOTAL EQUITY & LIABILITIES (C+D+E)		2,595,491,663	2,805,743,185
Net Assets Value (NAV) Per Share	36	22.41	22.39

The annexed notes (1-40) form an integral part of these financial statements.


Chairman

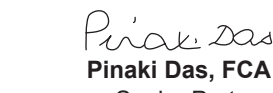

Managing Director


Director


Chief Financial Officer


Company Secretary

Signed as per our annexed report of even date.


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

Dated: 31 October 2023
Dhaka
DVC: 2310310151AS763154



Simtex Industries Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2023

PARTICULARS	Notes	Amount in BDT	
		01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
(A) Turnover	23	1,491,911,950	1,387,655,587
(B) Cost of goods sold	24	1,236,516,549	1,138,722,493
(C) Gross Profit (A - B)		255,395,401	248,933,094
(D) Operating Expenses		94,155,824	83,318,961
Administrative expenses	25	77,963,073	71,139,939
Selling & distribution expenses	26	16,192,751	12,179,022
(E) Profit from Operation(C-D)		161,239,577	165,614,133
(F) Financial expenses	27	76,878,322	71,763,594
(G) Foreign exchange gain/(loss)		425,016	877,087
(H) Other income/(loss)	28	1,848,644	1,912,855
(I) Net Profit Before WPPF(E-F+G+H)		86,634,915	96,640,482
(J) Workers profit participation fund		4,125,472	4,601,928
(K) Net Profit Before Tax(I-J)		82,509,443	92,038,554
Less: Provision for Tax:		17,246,402	14,792,085
Current tax	29	16,686,121	13,489,035
Deferred tax	30	560,282	1,303,051
Net Profit After Tax		65,263,041	77,246,469
Other comprehensive income		-	-
Total Comprehensive Income		65,263,041	77,246,469
Earnings Per Share (EPS)	34	0.82	0.97

The annexed notes (1-40) form an integral part of these financial statements.

Chairman

Managing Director

Director

Chief Financial Officer

Company Secretary

Signed as per our annexed report of even date.

Pinaki Das, FCA

Senior Partner

Enrollment Number: 151

Pinaki & Company

Chartered Accountants

Dated: 31 October 2023

Dhaka

DVC: 2310310151AS763154



Simtex Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2023

PARTICULARS	Amount in BDT				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2022	795,953,810	300,000,000	103,668,899	582,586,999	1,782,209,708
Cash dividend issued (8%)	-	-	-	(63,676,305)	(63,676,305)
Net profit during the year	-	-	-	65,263,041	65,263,041
Balance as on 30.06.2023	795,953,810	300,000,000	103,668,899	584,173,735	1,783,796,444

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

PARTICULARS	Amount in BDT				
	Share Capital	Share Premium	Revaluation Reserve	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

The annexed notes (1-40) form an integral part of these financial statements.


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

Signed as per our annexed report of even date.



Simtex Industries Limited
Statement of Cash Flows
For the year ended 30 June 2023

PARTICULARS	Amount in BDT	
	01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
Cash Flow from Operating Activities:		
Cash collection from turnover & others	31.00 1,553,837,319	1,255,277,699
Cash paid to suppliers, employee & others	32.00 (1,140,183,218)	(1,262,495,167)
Cash Generated from Operation	413,654,101	(7,217,468)
Income tax paid	33.00 (20,626,325)	(13,911,853)
Net Cash Flow from Operating Activities: (A)	393,027,776	(21,129,321)
Cash Flows from Investing Activities:		
Investment in FDR	(15,760,451)	8,810,146
Received from interest and dividend income	1,848,644	1,700,608
Receive from disposal of property plant & equipment	-	2,100,000
Payment for acquisition of property, plant & equipment	(40,927,713)	(29,143,154)
Advance for acquisition of property, plant & equipment	5,863,935	1,023,111
Payment for capital work in progress	(1,446,709)	(3,984,840)
Net Cash Used in Investing Activities: (B)	(50,422,294)	(19,494,128)
Cash Flow from Financing Activities:		
Payment of cash dividend	(68,144,103)	(38,602,212)
Payment of IPO subscription fund	-	(317,366)
Payment of interest	(76,878,322)	(75,609,922)
Lease payments	-	(292,215)
Net long term loan received/(payment)	(55,715,578)	(60,065,383)
Net short term loan received/(payment)	(172,771,988)	200,637,109
Net Cash Flow from Financing Activities: (C)	(373,509,990)	25,750,010
Net Increase/(Decrease) in Cash & Cash Equivalents:(A+B+C)	(30,904,508)	(14,873,439)
Cash & cash equivalents at the beginning of the year	58,397,128	72,393,480
Foreign exchange gain/(loss)	425,016	877,087
Closing Cash & Cash Equivalents at the End of the Year	27,917,636	58,397,128
Net Operating Cash Flows Per Share (NOCFPS)	35.00 4.94	(0.27)

The annexed notes (1-40) form an integral part of these financial statements.


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

Signed as per our annexed report of even date.



Simtex Industries Limited

Notes, Comprising a Summary of Significant Accounting Policies And Other Explanatory Information

As at and for the year ended 30 June 2023

1. INCORPORATION AND BUSINESS ACTIVITIES:

1.01 Reporting Entity:

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 Address of Registered office and factory 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 and conning/Winding of sewing thread. Simtex Industries Limited is a 100% export oriented Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

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 Standards (IFRSs), and other relevant rules and regulations.

Other regulatory compliance

In addition to the above, **Simtex Industries Limited** is also required to comply and has complied with the following laws and regulations:

- Financial Reporting Act, 2015;
- The Income Tax Act 2023;
- The Value Added Tax and Supplementary Duty Act 2012;
- The Value Added Tax and Supplementary Duty Rules, 2016;
- The Bangladesh Labor (Amendment) Act 2013;
- Customs Act 1969;
- Sale of Goods Act 1930;
- Negotiable Instrument Act 1881; and
- The Securities and Exchange Ordinance, 1969;
- The Securities and Exchange Rules, 1987; and
- Other applicable rules and regulations.

2.02 Basis of Preparation of Financial Statements

The Company's Financial Statements 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:

S/N	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	IAS-1	Applied
2	Inventories	IAS-2	Applied
3	Statement of Cash Flows	IAS-7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied



5	Events after the Reporting Period	IAS-10	Applied
6	Income Taxes	IAS-12	Applied
7	Property, Plant and Equipment	IAS-16	Applied
8	Employee Benefits	IAS-19	Applied
9	The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
10	Borrowing Costs	IAS-23	Applied
11	Related Party Disclosures	IAS-24	Applied
12	Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
13	Investment in Associates and Joint Ventures	IAS-28	Not Applicable
14	Financial Reporting in Hyperinflationary Economics	IAS-29	Not Applicable
15	Financial Instruments: Presentation	IAS-32	Applied
16	Earnings Per Share	IAS-33	Applied
17	Interim Financial Reporting	IAS-34	Applied
18	Impairment of Assets	IAS-36	Applied
19	Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
20	Intangible Assets	IAS-38	Not Applicable
21	Investment Property	IAS-40	Not Applicable
22	Agriculture	IAS-41	Not Applicable

S/N	Name of IFRSs	IFRSs No.	Status
1	First time adoption of International Financial Reporting Standards	IFRS 1	Not Applicable
2	Shares based Payment	IFRS 2	Not Applicable
3	Business Combinations	IFRS 3	Not Applicable
4	Insurance Contract	IFRS 4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	IFRS 6	Not Applicable
7	Financial Instruments: Disclosure	IFRS 7	Applied
8	Operating Segments	IFRS 8	Not Applicable
9	Financial Instruments	IFRS 9	Applied
10	Consolidated Financial Statements	IFRS 10	Not Applicable
11	Joint Arrangement	IFRS 11	Not Applicable
12	Disclosure of Interest in other entities	IFRS 12	Not Applicable
13	Fair Value Measurement	IFRS 13	Applied
14	Regulatory deferral accounts	IFRS 14	Not Applicable
15	Revenue from Contracts with Customers	IFRS 15	Applied
16	Leases	IFRS 16	Not Applicable

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 provide 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 requires 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.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources, Actual results may differ from these estimates.

In Particular, significant areas of estimation uncertainty and the critical judgment in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are income tax provision (Both current and deferred tax), depreciation, and other provisions.

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:

As per IAS-16, Property, plant and equipment are stated at their historical cost less accumulated depreciation. No depreciation has been charged on the Land and on the Capital work in progress. 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.

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.

Depreciation of an asset ceases at the earlier if the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) on accordance with IFRS-5 and the date that the assets are derecognized.

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%

**Subsequent Cost:**

The cost of replacing or upgrading part of an item of property, plant, and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant, and equipment are recognized in profit or loss.

Disposal of Fixed Assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of profit or loss, which is determined with reference to the net book value of the assets and net sales proceeds.

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 accordance with the provisions of the IFRS-15 "Revenue from Contracts with Customers"; revenue from contracts with customers represents the amount that reflects the considerations to which entity expects to be entitled in exchange for goods supplied and service provided to customers during the period. Revenue from contracts with customers is recognized in the statement of Profit or Loss and Other comprehensive income when the performance obligation (supply of promised goods and services) is satisfied. Performance obligation is satisfied at a point in time when customer obtains the control of goods and services.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c. The amount of revenue can be measured reliably;
- d. It is probable that the economic benefits associated with the transaction will flow to the company; and
- e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

2.11.1 Other Income:

It is recognized on accrual basis.

2.12 Impairment:

In accordance with the provision of "IAS-36" Impairment of Assets the carrying values of all non-current assets are reviewed for impairment, either on a stand-alone basis or as part of a larger cash generating unit, when there is an indication that the assets might be impaired. Any provision for impairment is charged to the profit or loss statement in the year concerned. No such indication of impairment has arisen till the date of audit.

2.13 Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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.

**Accounts payable and other payable:**

These liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

Cash and cash equivalents:

Cash and bank balances comprise cash in hand and cash at bank which are held and available for use by the company without any restriction.

Borrowings:

Interest bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Finance charges are accounted for on an accrual basis.

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".

Financial Risk Management:

The Company has exposures to the following risks its use of financial statements:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the group risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit Risk: Credit risk is the risk of financial loss to the group if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group receivable from customers and investment securities. The company sales are made to renowned RMG Exporting Company. Sales made to the entity are fully secured by Letters of Credit issued by local scheduled banks.

Liquidity Risk: Liquidity risk is the risk that the company will unable to meet its financial obligations as they fall due. The group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company reputation. In general, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. The Board also monitors dividend trend to ordinary shareholders.

Market Risk: Market Risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the company income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.



Money Laundering: The group considers prevention of money laundering risk not only as a compliance requirement imposed by the law of the country but also as one of its ethical business values.

2.13.1 Leases

Leases in terms of which the company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. The interest rate implicit in the lease has been used to calculate the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

As per IFRS- 16, the entity has no lease. So, there will be no implication regarding IFRS 16 in this financial year.

2.14 Valuation of Current Assets:

Inventories:

As per IAS 2, Inventories comprises of Raw Materials, Dyes, Chemical, Packing Materials, Work in Process, Finished Goods. 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.

Advances, deposits and prepayments:

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Profit or Loss and Other Comprehensive Income.

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:

Provident Fund:

The Company has Contributory Provident Fund plan which contribute both employer & employee an equal amount. It is approved by NBR. A board of trustees wholly administers the fund. No part of the fund is included in the asset of the group.

Group Insurance:

The Company has a Group Insurance schemes for its permanent employees, premium for which is being charged to statement of Comprehensive Income.

Worker's Profit & Participation Fund:

The company makes a regular allocation of Workers Profit Participation and Welfare Fund (WPPF) for the employees and made provision @ 5% on net profit before Tax as per provision of Labor Law 2006 Chapter-15.

2.17 Number of Employees:

During the year under review, the number of employees stands at 672 and each Employee has been receiving minimum remuneration of Tk. 7,000/- 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.

2.18.1 Capacity Utilization:

Particulars	2022-2023	2021-2022
Total Production Capacity in Cones	43,200,000	43,200,000
Capacity Utilization in Cones	20,607,451	25,300,966
Capacity Utilization for the year	47.70%	54.19%

2.18.2 Capital Work in Progress:

Capital work in progress consists of cost incurred for acquisition of new plant and machinery, which were not ready for use till reporting date.

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.

2.20 Event after the Balance Sheet Date:

As per IAS-10 "Event after the Reporting Period" 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 28, 2023 recommend 10% cash dividend for General shareholders and 6% cash dividend for Sponsors and Directors held at record date for the year ended 30 June 2023. The dividend proposal is subject to shareholders' approval at the forthcoming Annual General Meeting.

2.21 Foreign Currency Transaction:

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:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

Current Tax is higher of (i) Regular Tax, (ii) Minimum Tax, (iii) Advance tax deducted by the bank from export proceed as per section 123 of Income Tax Act 2023. Provision for current income tax has been made at the rate of 15% on business income as per SRO 159/2022 and tax provision on other income as prescribed in the Income Tax Act, 2023 on the accounting profit made by the Company in compliance with IAS-12 "Income Taxes". The Company liability for current tax is calculated using tax rates that have been enacted on date of Statement of Financial Position.

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.

Deferred tax has been recognized in accordance with the provision of IAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets / liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income / expense is recognized in the statement of profit or loss and other comprehensive income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

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

Diluted 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 28, 2023.

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;
- b) Statement of Profit or Loss and other Comprehensive Income;
- c) Statement of Changes in Equity;
- d) Statement of Cash Flows and
- e) Notes comprising a summary of significant accounting policies and other explanatory information to the Financial Statements.

2.28 Comparative Information and Rearrangement

Comparative information and rearrangement thereof Comparative information has been disclosed in respect of the year ended on 30 June, 2022 as per IAS 1, paragraph 36 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for comparing of the current financial statements which has prepared for 12 months as per Note 2.29 (ii). Figures for earlier year have been re-arranged wherever considered necessary to ensure better comparability with the current year.

For the rearrangement in the year 2021-2022 under Note 25 Administrative expenses as the title "Audit and professional fees" Tk. 979,000 from these amounts "Credit rating fees" Tk. 107,500 are shown under separate line items and with current-year comparative figures in the year 2022-2023.



Under Note 25 in Administrative Expenses the Insurance is Tk. 1,990,873 shown in the year 2021-2022 now segregated as "Group insurance for employees" Tk. 71,390 and "Insurance" Tk. 1,919,483. The comparative figure for 2022-2023 is also shown separately.

In the Finance Expenses Note No. 27 of Tk.76,878,322 for the financial year 2021-2022 now presented separately from this amount Tk 3,846,328 shown as "Export Proceed Realization Charge" under Note No. 26 Selling and Distribution Expenses.

Advance to Mr. Lt. Col. (Retd.) Md. Anisur Rahman in the year 2021-2022 was included in Advances against expenses Tk. 25,686,612 in the notes no 6.00. For the year 2022-2023 Advance to Mr. Lt. Col. (Retd.) Md. Anisur Rahman is now shown in a separate line item.

2.28.1 Reporting Period:

These financial statements of the company cover a period of twelve months from 01 July 2022 to June 2023.

2.29 General:

- i. The figure has been rounded off to the nearest taka.
- ii. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or re-stated or reclassified whenever considered necessary to conform to current year presentation.



Simtex Industries Limited
Notes to the Financial Statement
For the year ended 30 June 2023

Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022
3.00	PROPERTY, PLANT AND EQUIPMENT: Tk. 1,189,461,647		
	Opening Balance (at cost)	2,035,114,523	2,005,435,141
	Add : Addition made during the year	46,057,194	33,181,217
	Less: Disposal	-	(3,501,835)
	Closing Balance	2,081,171,717	2,035,114,523
	Less : Accumulated Depreciation	891,710,069	799,174,222
	Written Down Value	1,189,461,647	1,235,940,301

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

4.00 CAPITAL WORK IN PROGRESS: Tk. 302,068

This is made up as follows:

Opening balance	3,984,840	4,038,063
Addition during the year	1,446,709	3,984,840
Transfer to Fixed Asset	(5,129,481)	(4,038,063)
	302,068	3,984,840

The amount Tk. 302,068 represents Import Duty and Others amount paid against LC of Plant & Machinery. It will be transferred to fixed asset when it is available for use. Details of Capital Wook in Progress are shown in the annexed **Schedule- B/1**.

5.00 ACCOUNTS RECEIVABLE: Tk. 758,331,300

This is made up as follows:

Particulars

Accounts Receivable	871,034,659	926,138,635
Less: Adjustment of Inland Bill Purchase	112,703,359	105,881,966
	758,331,300	820,256,669

Disclosures as per Schedule XI, Part I, Para (F) of the Companies Act 1994:

I. Debt considered good in respect of which the company is fully secured.

The debtors occurred in the ordinary course of business are considered good and secured against confirmed L/C.

II. Debt considered good for which the company hold no security other than the debtors' personal security.

There is no such debt in this respect as on 30 June 2023.

III. Debt considered doubtful or bad.

The company does not make any provision for doubtful debts as on 30 June 2023, because of the fact that sales/export are being made on 100% confirmed L/C basis with fixed maturity dates.

IV. Debt due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2023.

V. Debt due by Common Management

There are no amount due from sister company under common management as on 30 June 2023.

VI. The maximum amount due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2023.



Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022

Aging of Accounts Receivable

The aging of gross trade receivables as at the statement of financial position date was:

Dues within 0-90 days	416,624,635	374,016,922
Dues within 91-180 days	312,967,249	355,012,337
Dues within 181-365 days	52,327,466	129,373,075
Dues more than 365 days	89,115,308	67,736,302
	871,034,658	926,138,635

5.01 ADJUSTMENT OF INLAND BILL PURCHASE (Net off Assets & Liabilities) : Tk. 112,703,359

This is made up as follows:

Particulars

Trust Bank Limited Millennium Corporate Branch, Dhaka	112,703,359	105,881,966
	112,703,359	105,881,966

Details of Inland Bill Purchase are shown in the annexed **Schedule- C/1**.

6.00 ADVANCES, DEPOSITS & PREPAYMENTS: Tk. 93,241,344

This is made up as follows:

Particulars

<u>Advances, Deposit & Prepayments</u>	85,513,944	72,639,339
Advance Income Tax Note: 6.01	40,321,048	19,694,723
Advances against expenses	15,614,965	20,656,612
Advances against purchases	17,588,894	23,452,829
Prepaid insurance premium	1,264,396	1,264,395
Advance to Mr. Lt. Col. (Retd.) Md. Anisur Rahman	6,091,255	5,030,000
Advance against office rent	150,000	-
Others Advance	234,513	-
Advanced against salary	4,248,873	2,540,780
	7,727,400	5,480,150
<u>Deposit</u>		
Security Deposit Note: 6.02	7,727,400	5,480,150
	93,241,344	78,119,489

6.01 Advanced Income Tax: Tk. 40,321,048

This is made up as follows:

Particulars

Opening Balance	19,694,723	14,576,716
AIT from Export Proceeds (Addition during the year)	16,686,121	7,696,441
AIT from Others (Addition during the year)	746,900	-
AIT through payment order for assessment year 2023-2024	600,000	-
AIT through payment order for Assessment year 2022-2023	2,593,304	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
Adjustment during the year for assessment year 2020-2021	-	(8,793,847)
	40,321,048	19,694,723



Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022

6.02 SECURITY DEPOSIT: Tk. 7,727,400

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

Particulars

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.	5,997,600	3,750,350
	7,727,400	5,480,150

8.00 INVENTORY: Tk. 402,621,723

The above balance is made up as follows:

Particulars	30.06.2023		30.06.2022	
	Qty (Kgs/Pcs)	Taka	Qty (Kgs/Pcs)	Taka
Raw material of Yarn	1,106,200 Kgs	299,714,531	1,203,656 Kgs	310,824,514
Raw material of Dyes & Chemical	63,111 Kgs	54,595,415	71,505 Kgs	64,401,879
Packing Materials	55,770 Kgs & 2,752,209 Pcs	9,249,542	35,915 Kgs & 3,100,257 Pcs	7,407,375
Work-in-process	78,403 Kgs	18,387,248	74,083 Kgs & 115,420 Pcs	22,900,457
Finished goods	360,443 Cones	20,674,987	328,892 Cones	18,171,283
		402,621,723		423,705,508

9.00 GOODS IN TRANSIT: Tk. 55,342,820

The above balance is made up as follows:

Raw materials in transit	55,342,820	132,826,576
	55,342,820	132,826,576

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

10.00 INVESTMENT IN FDR: Tk. 68,273,125

The above balance is made up as follows:

Investment in FDR	68,273,125	52,512,674
	68,273,125	52,512,674

Details of Investment in FDR are shown in the annexed **Schedule- D/1**.

11.00 CASH & CASH EQUIVALENT: Tk. 27,917,636

This is made up as follows:

Cash in hand	6,970,714	6,816,979
Cash at bank	20,946,922	51,580,149
	27,917,636	58,397,128

Note: 11.01



Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022

11.01 CASH AT BANK: Tk. 20,946,922

The above has been made up as follows:

Particulars

Name of Bank	A/C NO.		
Trust Bank Ltd.	CD-118	3,236,881	861,793
Trust Bank Ltd.	SND-53	2,136,441	1,997,209
Trust Bank Ltd.	SND-384	413,214	427,389
Trust Bank Ltd.	SND 437	1,888,211	-
Trust Bank Ltd.	DAD-0031	12,553,814	46,814,700
Trust Bank Ltd.	DAD-0059	104,860	84,157
Trust Bank Ltd.	SND-151	313,731	237,343
Trust Bank Ltd.	ERQ-0029	5,992	14,431
Mercantile Bank Ltd.	CD-3997	282,890	284,650
Southeast Bank Ltd.	CD-8059	1,799	10,769
NCC Bank Ltd.	CD-20020	9,089	847,709
Mercantile Bank Ltd.	CD-7632	-	-
		20,946,922	51,580,149

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.

The Distribution Schedule showing the number of Shareholders and corresponding holding percentage under DSE & CSE Listing Regulation 37 on June 30, 2023:

Particulars of Investors	Number of Shareholders	Number of Shares	Percentage of Shareholding (%)
1 to 100 Shares	708	19,395	0.02%
101 to 500 Shares	1,767	630,319	0.79%
501 to 1,000 shares	460	390,613	0.49%
1,001 to 10,000 shares	1,152	4,319,944	5.43%
10,001 to 20,000 shares	198	2,929,293	3.68%
20,001 to 50,000 shares	143	4,591,359	5.77%
50,001 to 100,000 shares	67	4,931,290	6.20%
100,001 to 1,000,000 shares	58	18,649,176	23.43%
1,000,001 to 5,000,000 shares	12	22,934,041	28.81%
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	4,567	79,595,381	100.00%



Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022

Composition of Shareholding

Particulars	2022-2023		2021-2022	
	No of Shares	%	No of Shares	%
Sponsors & Directors	25,191,938	31.65%	23,879,056	30.00%
General Public	46,642,893	58.60%	40,468,749	50.84%
Financial and Other Institutions	7,760,550	9.75%	15,247,171	19.16%
Foreign Investor	-	0.0000%	405	0.0005%
Total	79,595,381	100%	79,595,381	100%

13.00 LONG TERM LOAN FROM BANK Tk. 113,012,241

Particulars

Trust Bank Ltd.	193,401,200	249,116,778
Total Term Loan Outstanding	193,401,200	249,116,778
Less: Current Portion	80,388,959	78,448,000
	113,012,241	170,668,778

The loan sanctioned from Trust Bank Ltd against various Investment facilities through two BDT HPSM Loan bearing @9.00% interest and two USD Off-shore Loan bearing interest @7% and @7% . 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.

15.00 DEFERRED TAX : Tk. 56,008,443

Carrying Value	1,189,461,647	1,235,940,301
Tax Base	816,072,029	866,285,893
Temporary/(Deductible) Difference	373,389,619	369,654,408
Effective Tax Rate	15%	15%
Deferred Tax Liability/(Asset)	56,008,443	55,448,161

This represents tax liability payable in future due to accumulated taxable temporary differences (Above deferred tax balance create only from difference between accounting basis depreciation and tax basis depreciation on fixed assets). We don't have any other assets or liabilities except fixed assets for provision of Deferred Tax liabilities.

Details of Deferred Tax are shown in the Annexed **Schedule A/2**.

16.00 ACCOUNTS PAYABLE: Tk. 1,319,750

This is made up as follows:

Particulars

Shaan Packaging Industries Ltd.	372,000	213,500
Hawa Enterprise	295,850	280,000
Vision Carton & Accessories Ltd.	346,800	221,000
Artek Communication	305,100	241,500
Olympic Accessories	-	206,200
	1,319,750	1,162,200

This represents amount payable to regular suppliers of packing materials, and other services rendered to the Company. All suppliers were paid on a regular basis.

16.01 Disclosure for Accounts Payable

Maturity less than 6 months	1,319,750	1,162,200
Maturity more than 6 months	-	-
	1,319,750	1,162,200

Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022
17.00	SHORT TERM LOAN: Tk. 494,058,012		
	This is made up as follows:		
	Particulars		
	Cash Credit Loan (CC) Note: 17.01	40,917,917	70,850,000
	Trust Bank Ltd. (Stimulus Package)	35,377,748	-
	Deferred L/C	417,762,347	595,980,000
		494,058,012	666,830,000
17.01	CASH CREDIT LOAN (CC): Tk. 40,917,917		
	Name of Bank		
	Trust Bank Ltd. (Bai Muajjal WC)	-	45,780,000
	Trust Bank Bai Muajjal	40,917,917	25,070,000
		40,917,917	70,850,000
18.00	CURRENT PORTION OF LONG TERM LOAN: Tk. 80,388,959		
	This is made up as follows:		
	Particulars		
	Trust Bank Limited	80,388,959	78,448,000
		80,388,959	78,448,000
19.00	LIABILITY FOR EXPENSES: Tk. 24,214,350		
	This is made up as follows:		
	Particulars		
	Salary & wages	11,312,595	10,634,270
	Electricity bill	292,420	541,169
	Telephone and mobile bill	125,673	128,944
	Internet bill	61,401	43,634
	Provident fund	518,218	418,890
	Provision for WPPF	4,125,472	4,601,928
	Audit and professional fees	333,500	372,000
	Credit rating fee	90,000	-
	Security service	156,000	192,200
	Other payable	160,139	9,128
	Gas bill	7,038,932	3,559,035
		24,214,350	20,501,197
20.00	DIVIDEND PAYABLE: Tk. 2,307,194		
	This is made up as follows:		
	Particulars		
	Opening Balance	431,713	-
	Addition during the year	63,676,305	31,838,152
	Payment during the year	(61,800,823)	(31,406,440)
	Closing Balance	2,307,194	431,713

Year	No. of Shareholders	Amount
2020-21	583	426,250
2021-22	546	1,880,944
Total	1129	2,307,194



Notes	Particulars	Amount in Taka	
		30.06.2023	30.06.2022

21.00 UNCLAIMED DIVIDEND ACCOUNT: Tk. 2,121,192

This is made up as follows:

Particulars

Opening	8,464,471	15,660,244
Addition during the year	-	-
Adjustment of fraction share	-	-
Payment during the year	(6,343,279)	(7,195,772)
Closing Balance	2,121,192	8,464,471

Year	No. of Shareholders	Amount
2019-20	3408	2,121,192
Total	3408	2,121,192

22.00 PROVISION FOR INCOME TAX: Tk. 38,265,078

This is made up as follows:

Particulars

Opening Balance	21,578,957	16,883,770
Add: Provision for Current year tax	16,686,121	13,489,035
Less: Adjustment during the year for assessment year 2020-2021	-	(8,793,847)
Closing Balance	38,265,078	21,578,957



Simtex Industries Limited
Notes to the Financial Statement
For the year ended 30 June 2023

Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022

23.00 TURNOVER: Tk. 1,491,911,950

This is made up as follows:

Sales	Note: 23.01	1,491,911,950	1,387,655,587
		1,491,911,950	1,387,655,587

23.01 SALES

Particulars	01.07.2022 to 30.06.2023		01.07.2021 to 30.06.2022	
	Qty (Kgs)	Taka	Qty (Kgs)	Taka
Sewing Thread	2,305,835	1,400,516,214	2,880,554	1,333,327,675
Poly Poly Core Spun	6,860	9,530,800	5,447	6,583,680
Filament Thread	107,767	81,864,936	70,492	47,744,232
Total	2,420,462	1,491,911,950	2,956,493	1,387,655,587

24.00 COST OF GOODS SOLD: Tk. 1,236,516,549

Raw materials consumption	Note: 24.01	804,384,563	749,433,073
Dyes & chemical consumption	Note: 24.02	98,498,878	82,494,496
Packing materials consumption	Note: 24.03	73,801,697	70,357,792
Factory overhead	Note: 24.04	259,025,769	246,507,492
Cost of Production		1,235,710,908	1,148,792,853
		4,513,209	(2,592,371)
Opening work-in process		22,900,457	20,308,086
Closing work-in process		18,387,248	22,900,457
Cost of Goods Manufactured		(2,503,704)	(6,361,737)
Opening finished goods		18,171,283	11,809,546
Closing finished goods		20,674,987	18,171,283
Goods Available for Sale		1,237,720,413	1,139,838,746
Sample expense		(1,203,864)	(1,116,253)
Total Cost of Goods Sold		1,236,516,549	1,138,722,493

24.01 RAW MATERIALS CONSUMPTION: Tk. 804,384,563

Opening inventory	310,824,514	300,689,819
Add: Purchased during the year	793,274,580	759,567,768
Less: Closing inventory	299,714,531	310,824,514
	804,384,563	749,433,073

24.02 DYES & CHEMICAL CONSUMPTION: Tk. 98,498,878

Opening inventory	64,401,879	36,873,131
Add: Purchased during the year	88,692,414	110,023,244
Less: Closing inventory	54,595,415	64,401,879
	98,498,878	82,494,496

24.03 PACKING MATERIALS CONSUMPTION: Tk. 73,801,697

Opening inventory	7,407,375	10,499,024
Add: Purchased during the year	75,643,864	67,266,143
Less: Closing inventory	9,249,542	7,407,375
	73,801,697	70,357,792



Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2022 to 30.06.2023
24.04	FACTORY OVERHEAD: Tk. 259,025,769		
	This is made up as follows:		
	Particulars		
	Salary and wages	93,775,222	92,814,645
	Overtime	8,316,480	9,714,723
	Earned leave	2,515,466	-
	Production incentives	123,600	-
	Tiffin allowance	1,647,293	1,625,913
	Electricity bill	3,874,080	4,515,867
	Repair & maintenance	1,189,236	1,732,141
	Festival bonus	5,405,327	4,959,062
	Factory labor loading & unloading	563,753	407,501
	Factory gardening expenses	80,420	-
	Factory printing & stationary	421,600	-
	Fuel & lubricant	2,189,215	2,540,244
	Gas bill	52,755,613	36,544,147
	ETP. operating expense	772,100	701,204
	Depreciation	85,396,364	90,952,045
		259,025,769	246,507,492
25.00	ADMINISTRATIVE EXPENSES: Tk. 77,963,073		
	This is made up as follows:		
	Particulars		
	Salary & allowance	35,923,018	34,796,592
	Tours & travelling expenses	1,049,026	1,142,839
	Board meeting attendance fee	419,750	356,076
	Festival bonus	4,042,974	3,435,770
	Telephone and mobile bill	1,335,190	1,544,889
	Internet bill	701,077	529,837
	Electrical expenses	701,808	638,048
	Subscription and donation	108,200	110,890
	Audit and professional Fees	1,230,536	871,560
	Credit rating fee	107,500	107,500
	Legal and consultancy fees	3,109,991	-
	Provident fund	2,749,260	2,431,286
	Fees forms and renewal	1,543,998	2,339,654
	Entertainment	1,015,054	965,661
	Managing Director remuneration	960,000	960,000
	Laboratory test charge	664,232	78,072
	Interest charged for the Right-of-use Assets	-	1,629
	Depreciation charged for the Right-of-use Assets	-	31,660
	Canteen subsidy	746,068	731,438
	Medical expenses	1,096,977	1,277,233
	Group insurance for employees	73,370	71,390
	Insurance	1,896,596	1,919,483
	Office maintenance	735,746	692,250



Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2022 to 30.06.2023
	Miscellaneous expenses	720,348	650,477
	Staff uniform	339,915	765,392
	Car maintenance	930,549	1,049,547
	News papers & periodical	132,732	109,320
	Fuel & lubricant	1,531,726	1,545,966
	Conveyance	232,330	182,488
	Picnic	1,757,055	-
	Pick & drop facility	682,478	860,000
	Postage & courier	150,846	435,627
	Computer accessories expenses	168,280	-
	ERP software expenses	104,210	-
	AGM expenses	295,825	325,000
	Stationery expenses	1,268,650	1,702,450
	Staff welfare	125,870	23,950
	Security service	2,172,405	1,463,323
	Depreciation	7,139,483	6,992,642
		77,963,073	71,139,939

a) Auditors' Remuneration for audit during the year 2022-2023 TK 230,000 is included in "Audit and Professional Fees".

b. 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	960,000
Board Meeting fee	419,750	356,076

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) Ten (10) meeting of the Board of Directors and Six (06) meeting of the Audit Committee were held during the period.

26.00 SELLING & DISTRIBUTION EXPENSES: Tk. 16,192,751

This is made up as follows:

Particulars

Advertisement	724,069	373,376
Promotional expenses	1,952,917	628,009
Foreign travelling expenses	435,468	-
Conveyance	991,820	1,024,195
Food allowance	329,874	-
Collection and C & F charges	841,450	602,700
UP expenses	591,000	-
Expenses for product development	831,183	1,088,963
Sample expenses	1,203,864	1,116,253
Office rent	217,895	-
Fuel & lubricant for vehicle	1,869,838	1,889,733
Export realization charge	5,079,525	3,846,328
Vehicle tracking service	93,600	-
Vehicle running expenses	1,030,248	1,609,465
	16,192,751	12,179,022



Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
	The Rental Expenses (Office rent) incurred to use a floor spaces for an office with cancellable 9-month periods” (both parties three months notice period) contacts. The Contracts don’t offer any buying option or any assurance of post-use minimum market price for the used floors. Considering exemptions allowed in IFRS-16 (Shorter contact tenor and small amount of rental expenses) the rental agreement is not considered as finance lease.		
27.00	FINANCIAL EXPENSES: Tk. 76,878,322		
	This is made up as follows:		
	Interest expenses	61,332,052	61,336,688
	Bank charges, commission & brokerage fees	15,546,270	10,426,906
		76,878,322	71,763,594
	Interest expenses is derived from term loan and is recognized on an accrual basis. The finance cost includes no interest on any sort of borrowing from directors including managing director and managers		
28.00	OTHER INCOME: Tk. 1,848,644		
	This is made up as follows:		
	Particulars		
	Interest Income	1,752,644	1,642,481
	Other income from provident fund	-	58,127
	Other Income	96,000	-
	Gain/(Loss) on disposal of vehicle	-	212,247
		1,848,644	1,912,855
29.00	CURRENT YEAR TAX : TK. 16,686,121		
	i. REGULAR TAX: Tk. 11,954,783		
	This is made up as follows:		
	Particulars		
	Net profit before tax	82,509,443	92,038,554
	Add: Accounting depreciation	92,535,848	97,944,687
	Less: Tax depreciation	(96,271,058)	(106,751,688)
	Less: Profit other than business income	(1,848,644)	(1,912,855)
	Profit/(loss) from business	76,925,589	81,318,698
	Income tax on business income	11,538,838	12,197,805
	Income tax on other income	415,945	430,392
		11,954,783	12,628,197
	Add: Under provision for assessment year 2020-21	-	860,838
		11,954,783	13,489,035
	ii. MINIMUM TAX: Tk. 8,965,114		
	This is made up as follows:		
	Particulars		
	Gross receipt from turnover & others	1,491,911,950	1,387,655,587
	Foreign exchange gain/(loss)	425,016	877,087
	Other income	1,848,644	1,912,855
	Total gross receipts	1,494,185,610	1,390,445,529
	Minimum tax @ 0.60% on gross receipts	8,965,114	8,342,673
		8,965,114	8,342,673

Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022

iii. **ADVANCE TAX: Tk. 20,626,325**

This is made up as follows:

Particulars

AIT from export proceeds	16,686,121	7,696,441
AIT from others	746,900	-
AIT through payment order for assessment year 2023-2024	600,000	-
AIT through payment order for Assessment year 2022-2023	2,593,304	2,300,000
	20,626,325	9,996,441

Current Tax is higher of (i) Regular Tax, (ii) Minimum Tax, (iii) Advance tax deducted by the bank from export proceed as per section 123 of Income Tax Act 2023. Provision for current income tax has been made at the rate of 15% on business income as per SRO 159/2022. and tax provision on other income as prescribed in the Income Tax Act, 2023.

30.00 CURRENT YEAR DEFERRED TAX : Tk. 560,282

This is made up as follows:

Particulars

Total Deferred Tax	56,008,443	55,448,161
Less: Opening Balance	55,448,161	54,145,111
	560,282	1,303,051

Details of Deffered tax are shown in the annexed **Schedule A/2**

31.00 CASH COLLECTION FROM TURNOVER & OTHERS: Tk. 1,553,837,319

Revenue	1,491,911,950	1,387,655,587
Opening Accounts Receivable	820,256,669	687,878,781
Closing Accounts Receivable	(758,331,299)	(820,256,669)
	1,553,837,319	1,255,277,699

32.00 CASH PAID TO SUPPLIERS, EMPLOYEE & OTHERS: Tk. (1,140,183,218)

Cost of goods sold	(1,236,516,549)	(1,138,722,493)
Administrative expenses	(77,963,073)	(71,139,939)
Selling & distribution expenses	(16,192,751)	(8,332,694)
Depreciation	92,535,848	97,944,687
Advance deposit & prepayments	(359,465)	6,486,728
Inventory	21,083,785	(43,525,902)
Goods in transit	77,483,756	(102,183,312)
Accounts payable	157,550	(9,900)
Liabilities for expenses	4,189,609	919,134
WPPF	(4,601,928)	(3,964,765)
Adjustment for Right-of-use Assets	-	33,289
	(1,140,183,218)	(1,262,495,167)



Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
33.00	INCOME TAX PAID: Tk. (20,626,325)		
	AIT paid during the year	(17,433,021)	(7,696,441)
	AIT paid through payment order	(3,193,304)	(6,215,412)
	Tax paid when return submitted	-	-
	Tax paid after assessment	-	-
		(20,626,325)	(13,911,853)
34.00	EARNINGS PER SHARE		
	Net Profit after Taxes	65,263,041	77,246,469
	Number of Shares for respected year	79,595,381	79,595,381
	Earnings per share (Taka) (Basic)	0.82	0.97
	Net Profit after Taxes	65,263,041	77,246,469
	Weighted Average Number of Share	79,595,381	79,595,381
	Earnings per share (Taka) (Adjusted)	0.82	0.97
	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	393,027,776	(21,129,321)
	Number of Shares	79,595,381	79,595,381
	Net Operating Cash Flows per Share (NOCFPS)	4.94	(0.27)
36.00	NET ASSET VALUE PER SHARE (NAVPS)		
	Net Asset Value	1,783,796,444	1,782,209,708
	Number of Shares	79,595,381	79,595,381
	Net Asset Value per Share	22.41	22.39
37.00	RECONCILIATION OF NET INCOME WITH CASH FLOWS FROM OPERATING ACTIVITIES		
	Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:		
	Profit Before Tax	82,509,443	92,038,554
	Adjustment for:		
	Depreciation on Property, Plant and Equipment	92,535,848	97,944,687
	Depreciation charged for the Right-of-use Assets	-	31,660
	Other Income	(1,848,644)	(1,912,855)
	Workers Profit Participation Fund	4,125,472	4,601,928
	Foreign Exchange (Gain)/Loss	(425,016)	(877,087)
	Interest charged for the Right-of-use Assets	-	1,629
	Financial Expenses	76,878,322	75,609,922
		253,775,425	267,438,437



Notes	Particulars	Amount in Taka	
		01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
	Less: (Increase)/ Decrease in Accounts Receivable	61,925,369	(132,377,888)
	Less: (Increase)/ Decrease in Inventory	98,567,541	(145,709,213)
	Less: Increase/ (Decrease) in Trade and Other Payables	157,550	(9,900)
	Less: (Increase)/ Decrease in Advance, Deposit & Prepayments	(359,465)	6,486,728
	Less: Increase/ (Decrease) in Liabilities for Expenses	(412,319)	(3,045,631)
		413,654,101	(7,217,468)
	Less: Income Tax Paid	(20,626,325)	(13,911,853)
	Net Cash Generated from Operating Activities	393,027,776	(21,129,321)

38.00 RELATED PARTY TRANSACTIONS

During the year, the Company carried out a several number of transactions with key management personnel in the normal course of business. The names of the related parties and nature of these transactions have been disclosed in accordance with the provision of IAS-24.

The following related party transactions have appeared during the year.

NAME	TYPE OF TRANSACTION	AMOUNT (TK.)
Mr. Major General (ret'd) Dr. Md Sarwar Hossain	Board Meeting Fees	45,000
Mr. Neaz Rahman Shaqib	Remuneration and Board Meeting Fees	1,010,000
Mr. Md. Nazmus Sakeve Jugbhery	Board Meeting Fees	25,000
Mr. Sharif Shahidul Islam	Board Meeting Fees	80,000
Mr. Md. Hafizur Rahman	Board Meeting Fees	80,000
Mr. Md. Akram Hossain	Board Meeting Fees	5,000
Mr. Shah Md. Asad Ullah	Board Meeting Fees	80,000
Mr. Lt. Col. (Retd.) Md. Anisur Rahman	Advance	1,061,255

Mr. Lt. Col. (Retd.) Md. Anisur Rahman acted as Chairman of the Board till 17 August 2022.

39.00 REASON FOR SIGNIFICANT VARIANCE

"During the year 01 July 2022 to 30 June 2023 there has been growth in operational revenue while operational expenses, financial expenses, and tax expenses have increased in high proportion, which has resulted in decreased ""Net Profit After Tax and Earnings Per Share (EPS)"" as compared to the previous year in 2021-2022.

During the year 2022-2023 under-report sales has increased considerably while the pace of cash collection has also been comparatively better than the same period of the previous year resulting ""Net operating cash flows per share (NOCPS)"" moved towards positive direction significantly."

40.00 Date of Authorisation

The Board of directors has authorised these financial statements for issue on 28 October 2023.



Simtex Industries Limited
Schedule of Property, Plant & Equipment
As at 30 June 2023
Schedule-A/1
Amount in Taka

Particulars	Cost Value			Closing Balance as on 30.06.2023	Rate	Depreciation			W. D. V as on 30.06.2023	
	Opening Balance as on 01.07.2022	Addition during the Year	Disposal			Opening Balance as on 01.07.2022	Charged during the Year	Disposal		Closing Balance as on 30.06.2023
Factory:										
Land & Development	229,327,961	372,346	-	229,700,307	0%	-	-	-	229,700,307	
Building & Fabricated Shade	468,823,785	5,076,525	-	473,900,310	10%	24,393,507	-	253,573,136	220,327,174	
Plant and Machinery	926,967,505	25,657,691	-	952,625,196	10%	50,001,181	-	485,935,624	466,689,573	
Trolley	154,158	-	-	154,158	10%	75,177	-	83,075	71,083	
Gas and Electrical Line	9,154,080	105,000	-	9,259,080	10%	4,185,217	-	4,687,353	4,571,727	
Electrical Equipment	88,275,089	1,241,975	-	89,517,064	10%	4,102,744	-	45,814,806	43,702,258	
Spare Parts & Tools	42,128,564	4,831,284	-	46,959,848	10%	23,285,868	-	25,502,144	21,457,704	
Fire Hydrant System	36,229,860	548,500	-	36,778,360	10%	7,228,110	-	10,160,243	26,618,117	
Furniture and Fixture	9,286,890	11,400	-	9,298,290	10%	3,763,738	-	4,316,909	4,981,381	
Sub Total	1,810,347,892	37,844,722	-	1,848,192,614		744,676,926	-	830,073,291	1,018,119,323	
Office:										
Transport & Vehicles	54,444,524	6,250,000	-	60,694,524	10%	3,203,137	-	28,848,787	31,845,737	
Office Equipment	24,998,421	1,603,302	-	26,601,723	10%	1,513,231	-	12,506,993	14,094,730	
Furniture and Fixture	17,837,454	214,600	-	18,052,054	10%	9,377,372	-	10,228,745	7,823,309	
Shade Book	177,000	-	-	177,000	15%	139,086	-	144,773	32,227	
Int. Pantion Book	84,500	118,250	-	202,750	15%	74,602	-	81,903	120,847	
Air Condition & Humidification	22,289,207	-	-	22,289,207	10%	7,397,749	-	8,886,895	13,402,312	
Crockeries	244,482	26,320	-	270,802	10%	130,539	-	143,426	127,376	
Software	1,022,144	-	-	1,022,144	20%	738,536	-	795,257	226,887	
Sub Total	121,097,732	8,212,472	-	129,310,204		54,497,296	-	61,636,779	67,673,425	
Revaluation Surplus :										
Particulars	Opening Balance as on 01.07.2022	Addition during the Year	Disposal	Closing Balance as on 30.06.2023	Rate	Opening Balance as on 01.07.2022	Charged during the Year	Disposal	Closing Balance as on 30.06.2023	W. D. V as on 30.06.2023
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	2,035,114,523	46,057,194	-	2,081,171,717		799,174,222	92,535,848	-	891,710,069	1,189,461,647

Allocation of Depreciation Expenses

Factory overhead	85,396,364
Administrative expenses	7,139,483
Total	92,535,848

Simtex Industries Limited
Schedule of Property, Plant & Equipment
As at 30 June 2022
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		Closing Balance as on 30.06.2022	
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%	3,633,121	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%	9,477,457	10,993,762	14,004,659		
Furniture and Fixture	17,837,454	-	-	17,837,454	10%	8,437,363	940,009	8,460,082		
Shade Book	177,000	-	-	177,000	15%	132,395	6,691	139,086		
Int. Pantion Book	84,500	-	-	84,500	15%	72,855	1,747	74,602		
Air Condition & Humidification	22,289,207	-	-	22,289,207	10%	5,743,142	1,654,607	7,397,749		
Crockeries	235,872	8,610	-	244,482	10%	118,428	12,111	130,539		
Software	872,144	150,000	-	1,022,144	20%	686,384	52,152	738,536		
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 :										
Particulars	Opening Balance as on 01.07.2021	Addition during the Year	Disposal	Closing Balance as on 30.06.2022	Rate	Opening Balance as on 01.07.2021	Charged during the Year	Disposal	Closing Balance as on 30.06.2022	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		702,843,617	97,944,687	1,614,082	799,174,222	1,235,940,301



Simtex Industries Limited
Schedule of Fixed Assets
For the Year ended June 30, 2023
Schedule - A/2
Amount in Taka

Particulars	Tax Base			Cost Value			Rate			Depreciation				W. D. V As on 30.06.2023	
	Opening Balance As on 01.07.2022	Addition during the period	Revaluation Surplus	Disposal	Closing Balance As on 30.06.2023	Rate	Opening Balance As on 01.07.2022	Charged during the period	Disposal	Closing Balance As on 30.06.2023					
Factory:															
Land & Development	332,996,860	372,346	-	-	333,369,206	0%	-	-	-	-	-	-	-	333,369,206	
Building & Fabricated Shade	468,823,785	5,076,525	-	-	473,900,310	10%	307,352,962	16,654,735	-	324,007,697	-	-	-	149,892,613	
Plant and Machinery	926,967,505	25,657,691	-	-	952,625,196	20%	660,481,836	58,428,672	-	718,910,508	-	-	-	233,714,688	
Trolley	154,158	-	-	-	154,158	20%	104,605	9,911	-	114,516	-	-	-	39,642	
Gas and Electrical Line	9,154,080	105,000	-	-	9,259,080	20%	6,509,733	549,869	-	7,059,602	-	-	-	2,199,478	
Electrical Equipment	88,275,089	1,241,975	-	-	89,517,064	20%	62,830,287	5,337,355	-	68,167,642	-	-	-	21,349,422	
Spare Parts & Tools	42,128,564	4,831,284	-	-	46,959,848	20%	33,567,058	2,678,558	-	36,245,616	-	-	-	10,714,232	
Fire Hydrant System	36,229,860	548,500	-	-	36,778,360	20%	16,961,553	3,963,361	-	20,924,914	-	-	-	15,853,446	
Furniture and Fixture	9,286,890	11,400	-	-	9,298,290	10%	4,150,547	514,774	-	4,665,321	-	-	-	4,632,969	
Sub Total	1,914,016,791	37,844,722	-	-	1,951,861,513		1,091,958,583	88,137,235	-	1,180,095,818	-	-	-	771,765,695	
Office															
Transport & Vehicles	54,444,524	6,250,000	-	-	60,694,524	20%	40,664,737	4,005,957	-	44,670,694	-	-	-	16,023,830	
Office Equipment	24,998,421	1,603,302	-	-	26,601,723	10%	11,691,276	1,491,045	-	13,182,321	-	-	-	13,419,402	
Furniture and Fixture	17,837,454	214,600	-	-	18,052,054	10%	9,743,450	830,860	-	10,574,310	-	-	-	7,477,744	
Shade Book	177,000	-	-	-	177,000	10%	123,771	5,323	-	129,094	-	-	-	47,906	
Int Pantone Book	84,500	118,250	-	-	202,750	10%	67,944	13,481	-	81,425	-	-	-	121,325	
Air Condition & Humidification	22,289,207	-	-	-	22,289,207	20%	13,674,401	1,722,961	-	15,397,362	-	-	-	6,891,845	
Crockeries	244,482	26,320	-	-	270,802	10%	135,807	13,500	-	149,307	-	-	-	121,495	
Software	1,022,144	-	-	-	1,022,144	20%	768,662	50,696	-	819,358	-	-	-	202,786	
Sub Total	121,097,732	8,212,472	-	-	129,310,204		76,870,047	8,133,823	-	85,003,870	-	-	-	44,306,334	
GRAND TOTAL	2,035,114,523	46,057,194	-	-	2,081,171,717		1,168,828,630	96,271,058	-	1,265,099,688	-	-	-	816,072,029	

Deferred Tax	
Carrying value	1,189,461,647
Tax base	816,072,029
	<u>373,389,619</u>
Tax rate 15%	56,008,442.80
Total deferred tax	56,008,443
Less: Opening balance	<u>55,448,161</u>
Deferred tax expenses	560,282

Simtex Industries Ltd
Capital Wook in Progress
as at 30.06.2023
Schedule-B/1
Amount in Taka

SI. No.	LC no.	Value (USD)	Value (BDT)	Insurance	LC Commission	LC Amendment Charge	Swift & Other Charges	Total Value in BDT	Remarks
1	20008-23	-	-	51,117	106,564.02	-	17,884.13	175,565	Plant & Machinery
2	20024-23	-	-	41,625	80,877.76	750	3,250.00	126,503	Plant & Machinery
Total				92,742	187,442	750	21,134	302,068	





Simtex Industries Limited.
Schedule of Inland Bill Purchase
As at 30-Jun-2023
Schedule-C/1

SL	Date of IBP Purchase	Ref. No.	Amount (TK.)
1	19/01/2023	2439 Chantik Garments	1,171,395
2	13/02/2023	0092-23 Ultimate Fashion	2,052,886
3	19/02/2023	0100-23 Park Ster	1,319,836
4	27/02/2023	0319-23 Ultimate Fashion	1,530,124
5	07/03/2023	0313-23 Comptex Bangladesh	1,587,407
6	07/03/2023	0326-23 Denim Asia	2,384,993
7	07/05/2023	0272-23 Marma Composit	1,250,561
8	07/05/2023	0395-23 Park Ster	1,054,422
9	07/05/2023	0447-23 Denim Asia	1,253,188
10	07/05/2023	0461-23 Denim Asia	991,489
11	07/05/2023	0462-23 Denim Asia	1,089,530
12	07/05/2023	0508-23 Denim Asia	1,926,294
13	07/05/2023	0541-23 Arrival Fashion	1,732,962
14	07/05/2023	0560-23 Joy Auto G	1,613,010
15	07/05/2023	0567-23 Ultimate Fashion	1,596,918
16	07/05/2023	0578-23 Harry Fashion	1,401,229
17	07/05/2023	0598-23 Reedisha Group	1,786,265
18	07/05/2023	0601-23 Comptex Bangladesh	1,503,177
19	07/05/2023	0617-23 Ultimate Fashion	1,093,336
20	07/05/2023	0618-23 Ultimate Fashion	1,164,283
21	07/05/2023	0634-23 Arrival Fashion	1,165,787
22	07/05/2023	0642-23 Windy Group	2,273,636
23	07/05/2023	0650-23 Joy Auto Garments	1,146,143
24	07/05/2023	0655-23 Comptex Bangladesh	1,301,234
25	07/05/2023	0678-23 Texeurop Bd	1,001,169
26	07/05/2023	0683-23 Denim Asia	4,535,635
27	14/05/2023	0355-23 Ultimate Fashion	1,162,446
28	14/05/2023	0366-23 Natural Indigo	1,289,171
29	14/05/2023	0374-23 Park Ster	956,284
30	14/05/2023	0411-23 Comptex Bd	1,622,273
31	14/05/2023	0444-23 Majumder G	1,076,092
32	14/05/2023	0455-23 Park Ster	684,125
33	14/05/2023	0511-23 Park Ster	810,951
34	14/05/2023	0542-23 Newage Apparels	2,703,879
35	14/05/2023	0573-23 Integra Apparels	1,363,062
36	14/05/2023	0604-23 Park Ster	668,565
37	14/05/2023	0605-23 Park Ster	716,134
38	14/05/2023	0626-23 Jericho Imex	2,909,973



SL	Date of IBP Purchase	Ref. No.	Amount (TK.)
39	14/05/2023	0629-23 Majumder Group	959,774
40	14/05/2023	0636-23 Novel Hurricane	1,067,814
41	14/05/2023	0643-23 Birds Rnr	1,533,862
42	14/05/2023	0648-23 Dip Knit	778,111
43	14/05/2023	0666-23 Reedisha G	609,004
44	14/05/2023	0669-23 Comptex Bd	1,237,156
45	14/05/2023	0684-23 Jk Group	524,289
46	14/05/2023	0691-23 Ayasha & Galeya	1,558,235
47	14/05/2023	0696-23 Renaissance App	1,388,663
48	14/05/2023	0704-23 Reedisha G	516,823
49	14/05/2023	0731-23 Mondol G	620,824
50	14/05/2023	0734-23 Texeurop Bd	503,914
51	14/05/2023	0738-23 Shad Fashion	751,756
52	14/05/2023	0740-23 Shasha G	575,837
53	14/05/2023	0752-23 Shagore Gar	572,601
54	14/05/2023	0761-23 Mbm Garments	1,706,545
55	14/05/2023	0765-23 Integra Appa	1,495,908
56	14/05/2023	0781-23 Texeurop Bd	806,776
57	14/05/2023	0818-23 Skyline Group	558,744
58	12/06/2023	0785-23 Windy Group	1,567,894
59	12/06/2023	0810-23 Radiance Knitwears	4,078,287
60	12/06/2023	0830-23 Sterling Creations	1,022,008
61	12/06/2023	0838-23 Reedisha Group	1,351,795
62	12/06/2023	0847-23 Integra Apparels	1,363,713
63	12/06/2023	0858-23 Arrival Fashion	2,511,367
64	12/06/2023	0869-23 Echotex Ltd	1,408,400
65	12/06/2023	0870-23 Comptex Bang	1,631,152
66	12/06/2023	0871-23 Comptex Bang	1,605,627
67	12/06/2023	0881-23 Park Ster	1,485,291
68	12/06/2023	0889-23 Mbm Garments	1,472,630
69	12/06/2023	0894-23 Northern Group	1,308,257
70	12/06/2023	0910-23 Integra Apparels	1,012,224
71	12/06/2023	0919-23 Pioneer Apparels	1,478,826
72	12/06/2023	0927-23 Denim Asia	1,000,868
73	12/06/2023	0941-23 Progress Apparels	2,617,523
74	12/06/2023	0944-23 Park Ster	1,231,911
75	12/06/2023	0955-23 Echotex Ltd	998,662
76	12/06/2023	0997-23 Sterling Creation	1,461,987
77	03/04/2023	0432-23 Zalo Kiniting	1,759,074
78	03/04/2023	0451-23 Comptex Bd	1,404,573
79	03/04/2023	0469-23 Radiance Knit	2,441,600
80	03/04/2023	0510-23 Laila Group	1,833,190
Total			112,703,359



Simtex Industries Limited.
Schedule of FDR (Trust Bank Ltd)
As at 30-Jun-2023
Schedule-D/1
Amount in BDT

Serial No.	Particulars	Issue Date	Opening Balance	Interest	AIT	Bank Charge	Closing Balance
1	7022-0331028589	15-Jul-18	59,193	1,744	311	-	60,626
2	7022-0331031011	24-Sep-19	58,898	1,731	347	-	60,282
3	7022-0331040645	30-Sep-19	222,045	5,028	1,006	150	225,916
4	7022-0331047040	27-Feb-20	604,442	17,670	3,534	500	618,078
5	7022-0331047139	1-Mar-20	802,841	23,474	4,695	500	821,120
6	7022-0331047148	1-Mar-20	824,434	24,105	4,821	500	843,218
7	7022-0331047157	1-Mar-20	1,005,475	29,382	5,877	3,000	1,025,980
8	7022-0331047237	3-Mar-20	372,037	10,934	2,187	150	380,634
9	7022-0331047246	3-Mar-20	307,255	9,028	1,806	150	314,327
10	7022-0331051240	26-Jul-20	497,169	14,649	2,620	500	508,698
11	7022-0331051884	9-Aug-20	447,541	13,091	2,339	150	458,143
12	7022-0331052347	24-Aug-20	574,313	16,781	3,715	500	586,879
13	7022-0331052856	10-Sep-20	402,222	11,821	2,364	150	411,528
14	7022-0331052865	10-Sep-20	485,498	14,269	2,854	150	496,764
15	7022-0331052874	13-Sep-20	485,499	14,270	2,854	150	496,765
16	7022-0331052883	13-Sep-20	394,843	11,605	2,321	150	403,977
17	7022-0331052936	14-Sep-20	402,222	11,821	2,364	150	411,528
18	7022-0331052945	14-Sep-20	402,222	11,821	2,364	150	411,528
19	7022-0331053784	5-Oct-20	217,386	6,407	1,146	150	222,497
20	7022-0331053882	11-Oct-20	113,816	3,354	600	150	116,420
21	7022-0331053926	12-Oct-20	466,660	13,753	2,460	150	477,803
22	7022-0331054050	15-Oct-20	139,993	4,125	738	150	143,230
23	7022-0331054130	19-Oct-20	383,947	11,316	2,023	150	393,089
24	7022-0331054149	19-Oct-20	473,989	13,969	2,498	150	485,310
25	7022-0331054612	3-Nov-20	169,310	4,952	885	150	173,227
26	7022-0331054989	12-Nov-20	259,209	7,573	1,677	150	264,956
27	7022-0331054998	12-Nov-20	187,004	5,464	1,210	150	191,108
28	7022-0331055004	12-Nov-20	364,898	10,663	2,360	150	373,050
29	7022-0331055013	12-Nov-20	495,702	14,484	3,206	500	506,480
30	7022-0331055068	15-Nov-20	229,908	6,718	1,487	150	234,989
31	7022-0331055077	15-Nov-20	229,908	6,718	1,487	150	234,989
32	7022-0331055120	16-Nov-20	237,232	6,933	1,535	150	242,480
33	7022-0331055255	23-Nov-20	262,348	7,666	1,697	150	268,167
34	7022-0331055273	24-Nov-20	416,173	12,162	2,692	150	425,493
35	7022-0331055282	24-Nov-20	52,321	1,529	339	-	53,512
36	7022-0331055406	30-Nov-20	771,242	22,549	4,509	500	788,781
37	7022-0331055522	6-Dec-20	404,803	11,902	2,127	150	414,428



Serial No.	Particulars	Issue Date	Opening Balance	Interest	AIT	Bank Charge	Closing Balance
38	7022-0331055531	6-Dec-20	389,141	11,441	2,045	150	398,387
39	7022-0331055540	6-Dec-20	404,803	11,902	2,127	150	414,428
40	7022-0331055559	6-Dec-20	235,659	6,928	1,238	150	241,199
41	7022-0331055568	6-Dec-20	140,646	4,135	739	150	143,892
42	7022-0331055639	7-Dec-20	134,381	3,949	791	150	137,389
43	7022-0331055791	14-Dec-20	245,056	7,203	1,440	150	250,669
44	7022-0331056058	29-Dec-20	133,264	2,900	580	150	135,434
45	7022-0331056398	10-Jan-21	46,696	1,376	246	-	47,826
46	7022-0331056594	13-Jan-21	57,073	1,682	301	-	58,454
47	7022-0331056601	13-Jan-21	478,061	14,089	2,520	150	489,480
48	7022-0331056745	19-Jan-21	429,292	12,652	2,262	150	439,532
49	7022-0331056754	19-Jan-21	513,670	15,136	2,707	500	525,599
50	7022-0331056978	27-Jan-21	432,404	12,744	2,279	150	442,719
51	7022-0331057815	25-Feb-21	111,701	3,264	722	150	114,094
52	7022-0331058083	7-Mar-21	597,089	17,546	3,508	500	610,627
53	7022-0331058323	16-Mar-21	251,147	7,380	1,476	150	256,901
54	7022-0331058332	16-Mar-21	929,250	27,309	5,462	500	950,597
55	7022-0331058350	18-Mar-21	394,982	11,608	2,322	150	404,119
56	7022-0031059046	11-Apr-21	624,266	18,395	3,290	500	638,872
57	7022-0331059153	13-Apr-21	445,002	13,115	2,344	150	455,623
58	7022-0331061837	1-Sep-21	431,909	12,629	2,526	150	441,862
59	7022-0331061999	5-Sep-21	1,034,310	30,393	5,432	3,000	1,056,271
60	7022-0331062541	15-Sep-21	436,995	12,842	2,569	150	447,118
61	7022-0331062658	16-Sep-21	273,262	8,030	1,606	150	279,536
62	7022-0331063068	26-Sep-21	442,079	12,993	2,599	150	452,323
63	7022-0331063059	26-Sep-21	654,937	19,247	3,850	500	669,834
64	7022-0331063693	5-Oct-21	1,104,338	32,525	5,814	3,000	1,128,049
65	7022-0331063737	6-Oct-21	2,934,756	86,470	15,459	3,000	3,002,767
66	7022-0331063782	7-Oct-21	424,587	12,512	2,237	150	434,712
67	7022-0331063880	10-Oct-21	2,525,188	87,316	15,885	6,000	(0)
68	7022-0331063933	11-Oct-21	1,984,152	58,456	10,451	3,000	2,029,157
69	7022-0331064030	12-Oct-21	1,341,989	39,530	7,068	3,000	1,371,451
70	7022-0331064227	17-Oct-21	1,000,666	29,470	5,268	3,000	1,021,868
71	7022-0331064334	21-Oct-21	429,643	12,662	2,264	150	439,891
72	7022-0331064450	24-Oct-21	1,120,518	33,004	5,901	3,000	1,144,621
73	7022-0331064512	25-Oct-21	1,712,117	50,442	9,017	3,000	1,750,541
74	7022-0331064898	4-Nov-21	434,701	12,714	2,271	150	444,994
75	7022-0331065744	24-Nov-21	439,757	12,851	2,845	150	449,613
76	7022-0331066181	2-Dec-21	444,814	13,071	2,615	150	455,120
77	7022-0331066494	13-Dec-21	1,552,335	45,605	9,121	3,000	1,585,819
78	7022-0331066841	21-Dec-21	742,789	21,829	4,367	500	759,751



Serial No.	Particulars	Issue Date	Opening Balance	Interest	AIT	Bank Charge	Closing Balance
79	7022-0331066985	23-Dec-21	409,419	12,032	2,407	150	418,894
80	7022-0331067055	26-Dec-21	1,164,003	34,192	6,839	3,000	1,188,356
81	7022-0331067626	9-Jan-22	412,157	11,961	2,135	150	421,833
82	7022-0331069740	9-Feb-22	422,212	12,192	2,174	150	432,079
83	7022-0331069759	9-Feb-22	417,185	12,046	2,149	150	426,932
84	7022-0331070318	16-Feb-22	427,240	12,326	2,731	150	436,685
85	7022-0331070596	24-Feb-22	432,269	12,470	2,765	150	441,824
86	7022-0331071282	13-Mar-22	557,622	16,166	3,234	500	570,054
87	7022-0331071291	13-Mar-22	437,297	12,680	2,536	150	447,291
88	7022-0331071568	21-Mar-22	442,325	12,826	2,566	150	452,435
89	7022-0331071880	28-Mar-22	447,353	12,971	2,593	150	457,581
90	7022-0331071899	28-Mar-22	30,169	875	175	-	30,869
91	7022-0331072478	10-Apr-22	450,000	12,853	2,288	300	460,265
92	7022-0331073011	20-Apr-22	400,000	11,425	2,035	300	409,090
93	7022-0331073502	9-May-22	405,000	11,599	2,067	300	414,232
94	7022-0331073753	16-May-22	410,000	11,731	2,604	300	418,827
95	7022-0331074083	22-May-22	415,000	11,875	2,634	300	423,941
96	7022-0331074412	29-May-22	420,000	12,024	2,404	300	429,320
97	7022-0331075519	14-Jun-22	425,000	12,320	2,463	300	434,557
98	7022-0331075617	15-Jun-22	430,000	12,465	2,494	300	439,671
99	7022-0331076054	23-Jun-22	435,000	12,610	2,522	300	444,788
100	7022-0331076509	30-Jun-22	440,000	9,565	1,913	300	447,352
101	7022-0331076992	7-Jul-22	445,000	9,708	1,942	300	452,465
102	7022-0331077535	24-Jul-22	450,000	9,817	1,963	300	457,554
103	7022-0331077866	31-Jul-22	400,000	8,726	1,745	300	406,681
104	7022-0331078187	4-Aug-22	405,000	8,836	1,767	300	411,769
105	7022-0331079104	23-Aug-22	410,000	8,945	1,789	300	416,856
106	7022-0331079239	24-Aug-22	415,000	9,055	1,811	300	421,943
107	7022-0331079757	4-Sep-22	420,000	9,504	1,901	300	427,303
108	7022-0331079935	7-Sep-22	425,000	9,618	1,924	300	432,394
109	7022-0331081306	22-Sep-22	430,000	9,730	1,946	300	437,484
110	7022-0331081548	27-Sep-22	435,000	9,844	1,969	300	442,575
111	7022-0331081780	2-Oct-22	440,000	6,619	1,324	150	445,145
112	7022-0331082172	11-Oct-22	445,000	6,694	1,339	150	450,205
113	7022-0331082921	23-Oct-22	450,000	6,769	1,354	150	455,265
114	7022-0331083653	1-Nov-22	400,000	6,017	1,203	150	404,664
115	7022-0331084063	8-Nov-22	405,000	6,093	1,219	150	409,724
116	7022-0331084492	15-Nov-22	410,000	6,167	1,233	150	414,784
117	7022-0331084830	24-Nov-22	415,000	6,243	1,249	150	419,844
118	7022-0331085688	11-Dec-22	420,000	6,318	1,264	150	424,904
119	7022-0331086374	21-Dec-22	425,000	6,394	1,279	150	429,965



Serial No.	Particulars	Issue Date	Opening Balance	Interest	AIT	Bank Charge	Closing Balance
120	7022-0331087060	3-Jan-23	430,000	3,225	645	150	432,430
121	7022-0331087471	9-Jan-23	435,000	3,263	653	150	437,460
122	7022-0331088498	22-Jan-23	440,000	3,300	660	150	442,490
123	7022-0331089068	29-Jan-23	445,000	3,338	668	150	447,520
124	7022-0331090234	9-Feb-23	450,000	3,375	675	150	452,550
125	7022-0331090770	20-Feb-23	400,000	3,000	600	150	402,250
126	7022-0331091368	2-Mar-23	405,000	3,038	608	150	407,280
127	7022-0331091699	7-Mar-23	410,000	3,075	615	150	412,310
128	7022-0331092018	14-Mar-23	415,000	3,113	623	150	417,340
129	7022-0331092303	27-Mar-23	420,000	3,150	630	150	422,370
130	7022-0331092732	3-Apr-23	425,000	3,117	-	-	428,117
131	7022-0331093268	12-Apr-23	430,000	2,831	-	-	432,831
132	7022-0331093811	25-Apr-23	435,000	2,393	-	-	437,393
133	7022-0331094338	3-May-23	440,000	2,127	-	-	442,127
134	7022-0331094632	11-May-23	445,000	1,854	-	-	446,854
135	7022-0331095060	18-May-23	450,000	1,613	-	-	451,613
136	7022-0331095471	30-May-23	400,000	1,033	-	-	401,033
137	7022-0331094436	8-May-23	450,000	1,988	-	-	451,988
138	7022-0331095748	6-Jun-23	405,000	810	-	-	405,810
139	7022-0331096238	14-Jun-23	410,000	547	-	-	410,547
140	7022-0331096729	22-Jun-23	415,000	277	-	-	415,277
Total			69,512,674	1,747,569	332,949	63,550	68,273,125



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 16th Annual General Meeting (AGM) of the
 Company to be held through virtual participation on Thursday, December 28, 2023 at 11:00 a.m. under
 virtual platform.

Signature of Shareholder

Revenue Stamp 20.00

Signature of proxy

Dated.....2023

BO A/C No.

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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 16th Annual General Meeting (AGM) of Simtex Industries Limited to be held virtually under digital Participation Thursday, December 28, 2023 at 11:00 a.m.

Shareholder/ Proxy.....

BO ID:

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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.



Share Office: Khagan, Birulia
Savar, Dhaka-1341, Bangladesh



Hotline: +88 01759 666 333



E-mail: info@simtexgroup.com