

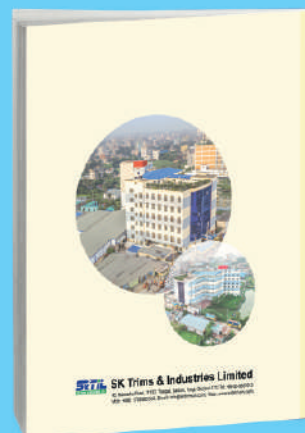
# ANNUAL REPORT

2023 - 2024



**SK TRIMS & INDUSTRIES LIMITED**

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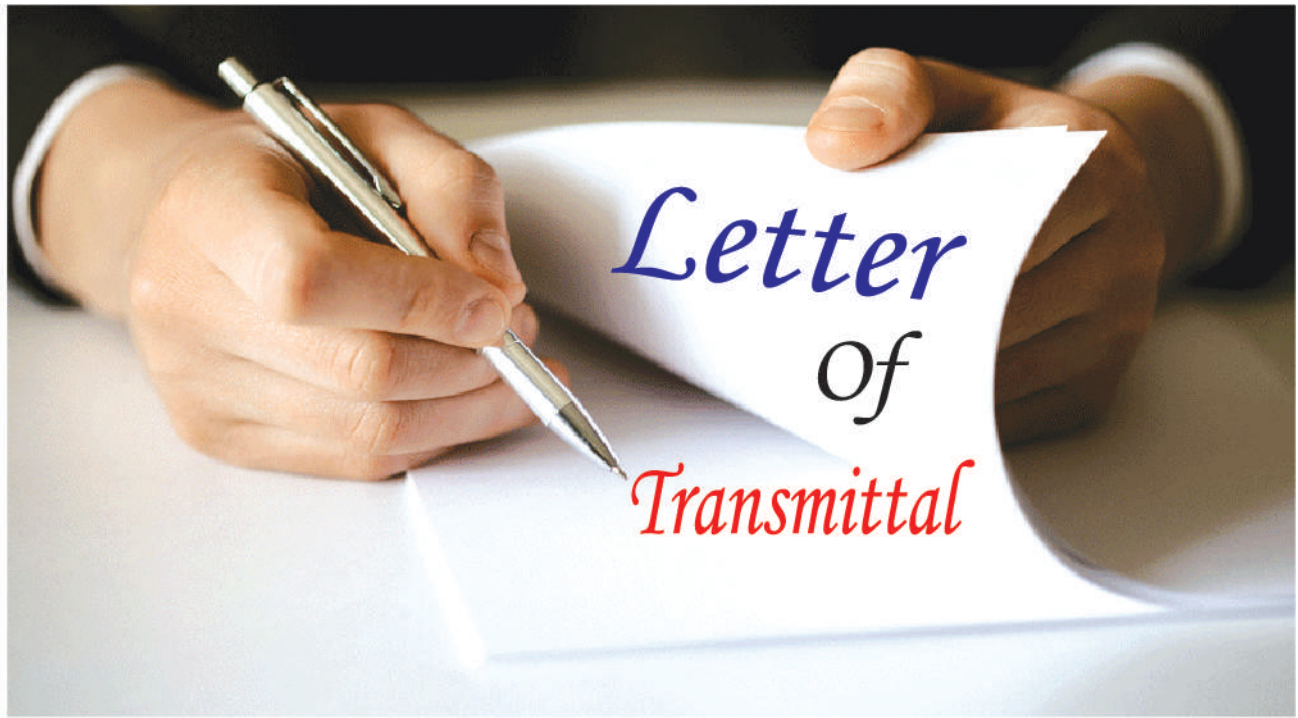


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All Shareholders,  
Bangladesh Securities and Exchanges Commission,  
Registrar of Joint Stock Companies & Firms,  
Dhaka Stock Exchange Limited,  
Chittagong Stock Exchange Limited.

**Subject: Annual Report for the year ended 30<sup>th</sup> June, 2024.**

Dear Sir/Madam,

Enclosed please find a copy of Annual Report together with the Audited Financial Statements including Statement of Financial Position as at 30<sup>th</sup> June 2024 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30<sup>th</sup> June 2024 along with notes to thereon of SK Trims & Industries Limited for your kind information and records.

Thanking you

Sincerely yours,

Md. Riaz Haider  
Company Secretary





## NOTICE OF THE 10TH ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting (AGM) of SK Trims & Industries Limited will be held on Sunday, December 29, 2024 at 11:30 A.M at factory premises, 45, Madrasa Road, 111/33 Tilargati, Sataish, Tongi, Gazipur Bangladesh & digital presence through the AGM link: <https://sktrims10thagm.hybridagmbd.net> to transact the following business:

### AGENDA

1. To received, consider and adopt the Audited Financial Statements of the company for the year ended 30 June 2024 together with the Auditors' Report and the Directors' Report thereon.
2. To approve the dividend as recommended by the Board of Directors.
3. To elect/re-elect the directors of the Company as per Articles of Association of the Company.
4. To appoint External Auditor of the Company to the audit of the financial statements for the year 2024-2025 and fix their remuneration.
5. To appoint Compliance Auditor and fix their remuneration.
6. To transact any other business with permission of the Chair.

Dated: December 07, 2024

By order of the Board

Md. Riaz Haider  
Company Secretary

### Notes:

1. The Shareholders whose name will be appeared in the share register of the company or in the depository register on the record date, i.e., December 12, 2024 will be entitled to attend the AGM and to receive the dividend.
2. Pursuant to the Bangladesh Securities & Exchange Commission's Order No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021, the AGM will be held by Hybrid System in combination of physical and digital presence. The shareholders will join the Hybrid system AGM of SKTRIMS at factory premises, 45, Madrasa Road, 111/33 Tilargati, Sataish, Tongi, Gazipur Bangladesh & digital presence through the AGM link: <https://sktrims10thagm.hybridagmbd.net> prior to 24 hours of the meeting. The shareholders will be able to registration, comments and vote before commencement of the AGM and during the AGM. The link also sent/be sent to the email addresses of the respective shareholders and available in the website of the company i.e. [www.sktrimsin.com](http://www.sktrimsin.com).
3. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend the meeting and vote on his/her behalf. The Proxy Form duly completed, must be affixed with a revenue stamps of BDT 20/- and must be submitted to the E-mail address: [info.sktil@gmail.com](mailto:info.sktil@gmail.com) not less than 48 hours before the time fixed for the AGM.
4. Pursuant to the Bangladesh Securities & Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, the soft copy of the Annual Report- 2023-2024 is being sent to the email addresses of the members available in their Beneficiary Owner accounts maintained with Depository. The annual report and proxy form shall also be available in the website of the company i.e. [www.sktrimsin.com](http://www.sktrimsin.com).

The Members are requested to update their respective email address, mobile number & BO IDs with 12-Digit Taxpayer's Identification Number (e-TIN) and address through their Depository Participant (DP). The soft copy of the Annual Report will also be available on the Company's website at [www.sktrimsin.com](http://www.sktrimsin.com).

**Special Note:** No benefit or gift in cash or kind shall be given to the Shareholders for attending the 10th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated: October 24, 2013.





## ATTENDANCE PROCEDURE FOR JOINING AGM BY VIRTUALLY

Pursuant to the Bangladesh Securities & Exchange Commission's Order No. SEC/SRMIC/94-231/91 dated 31 March 2021, to avoid mass gathering to ensure health safety of all the valuable shareholders/members, staff and others who plan to attend the AGM of SK Trims & Industries limited forgather its 10th AGM using the digital platform on Sunday, 29th December 2024 at 11:30 am.

The Digital Platform is hoped to make sure Members attendance & take part/giving vote from any places around the world.

### LOGIN PROCEDURE:

Step-1: Please check whether you are a shareholder / member of SK Trims & Industries Limited as on 12th December 2024.

Step-2: Please visit <https://sktrims10thagm.hybridagmbd.net> from your laptop, desktop, tab and smartphone.

Step-3: Please put your 16 digit BO-ID number and other credential as a proof of your identity to login the system.

### SEGMENT OF THE AGM WEBSITE:

<b>Live Streaming</b>	This section will show the webcast of the AGM by using digital platform.
<b>Register your questions or Comments</b>	This section will record your questions or comments before commencement of the AGM.
<b>Download</b>	This Section will allow you to download "Annual Report-2023-2024" and related notice & Forms in PDF format.
<b>Attendance with Shareholding</b>	This section will show the total attendance of present members and shareholdings at their possession.
<b>Agenda</b>	This section will show agenda for the meeting and options for preceding, seconding agreeing or disagreeing with the same.



## VISION

To be the most admired company in the garments accessories of Bangladesh by producing and supplying high quality products to customers at competitive prices while following ethical business processes so that the stakeholders and society at large are benefited.



## MISSION

- \* To gain market leadership in the garments accessories manufacturing industry.
- \* Use innovation and speed as the driving factor for progress
- \* To provide various products and services of high and consistent quality, ensuring value for money to our customers.
- \* Attain a high level of productivity in all our operations through effective utilization of time and adoption of appropriate technology.
- \* To be a good corporate citizen.
- \* Ensure environment friendly and ethical process flow

## OUR OBJECTIVES

- \* To achieve highest standards in quality, delivery and compliance.
- \* To achieve high efficiency measures in production units.
- \* To protect the interest of all shareholders
- \* To work hard to optimize profit through conduction of transparent business operations.
- \* To contribute significantly to the national economy.



## OUR VALUES

- \* Highest Compliance Standard
- \* Increase in production capacity
- \* Experienced Management & Production team
- \* Committed work force, Quality Product, Design and Consistent growth
- \* Safety First
- \* Continuous Improvement
- \* Customer Focus
- \* Transparent Business
- \* Fairness





## CHAIRMAN'S STATEMENT

Dear Valued Shareholders  
Assalamualaikum,

It is a great pleasure for me to be here with you at the 10th Annual General Meeting. On behalf of the Board of Directors I express my heartfelt thanks and profound gratitude to you for your support and trust. It is my privilege to present to you the Annual Report for the period of 1st July, 2023 to 30th June, 2024.

### **Story of the Company:**

The Company started its commercial operation on 01 June 2014 and the company was converted to public limited from private Limited in the year 2017 after that in 2018 we were listed both the stock exchanges. SK Trims & Industries Limited has engaged in manufacturing, of all kinds of Swing Thread, Elastic, Poly, Carton, Photo Card, Back Board, Bar Code, Hangtag, Tissue Paper, Gum Tape etc. for export oriented garments industry which makes significant contribution in RMG sector by our quality and product variation.

### **Business Highlights**

I would like to share few of our business indicators in the financial year of July 2023 to June 2024 SK Trims & Industries Limited. We are pleased to report that the company's revenue for the year ended June 30, 2024 is Tk. 1110.27 million. Our revenue has increased 25.09% compare to previous year. Net Profit after tax for the year is Tk. 45.59 million and Earnings per Share (EPS) is Tk. 0.54. The board of Director has recommended 1.75% cash dividend for the year ended 30th June, 2024. The Board of Directors of the Company is committed to delivering good Governance and exercise best suited in all respects.

## Business Progress:

As you know SKTRIMS has started commercial operation of various bag and luggage from the beginning of the month of November, 2022 and day to day exporting of bag has increased. While we facing any problem on business, we quickly try to mitigate that problem. Our efforts to bring more innovation in operation and new product creation will be continuing and we will focus to remain the market leader in the industry with our strong growth policy. During the year company has increased its production capacity from 83,27,000 ((Kg, Bar, Pcs, gm, Feet, Box, etc.) to 89,17,000 (Kg, Bar, Pcs, gm, Feet, Box, etc.). We wish we will become one of the best manufacturer and exporter in Bangladesh.

I would like to thank to our employees and managements for their commitment to SK TRIMS. It is their dedication and hard work that enables us to deliver on our promises and achieve our target. I also want to thanks to the valued shareholders for the having the confidence on the Board of the company throughout the year. I am also grateful to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies & Firms, and Central Depository Bangladesh Limited, Banks and Financial Institutions, Bangladesh Commerce and Finance Ministry and other stakeholders for their support and patronage extended towards the company from time to time.

May Almighty Allah in his infinite mercy guide us for our continuous growth, prosperity and wellbeing in the days ahead.

Ameen

Thanking you  
On behalf of the Board



Md. Tafazzal Hossain Forhad  
Chairman







## MANAGING DIRECTOR'S MESSAGE

Dear valued shareholders,  
Assalamualaikum,

I have the pleasure to welcome you all to this 10th Annual General Meeting of your Company for the year ended 30th June, 2024. I am delighted to place before you the “Annual Report 2023-2024” along with the Audited Financial Statements, the Auditors’ Report & the Directors’ Report thereon for the year ended 30th June, 2024.

Throughout 2023-2024, we faced a difficult situation with record-high cargo rates and container shortages. Many brands favored near shoring countries to ensure the fastest delivery. In accordance with the global trend, production costs increased significantly in our sector as well. Diesel and other utility prices had been increased to balance with the current world trend, which put significant pressure on the manufacturers.

The sales team has also adopted innovative sales and promotional activities which we feel will benefit us greatly in the long run. We are confident that by expanding our marketing efforts to raise consumer awareness about our products, we will be able to increase sales and reach a larger market area.

Nevertheless, it would not be an exaggeration to say that we have completed yet another successful year despite all the odds. We believe that our efficient management and skilled labor are the backbone of the company. The company will continue to hold the sustainable and steady growth and profits in the coming years with bringing good returns to all the stakeholders. In spite of the increasing challenges and various obstacle in the industry and across the globe, we continued to grow our business in 2023-2024. Our annual export revenue has increased compare to the previous year.

In this regards, we thank our shareholders and business partners for their continued good wishes and request for your uninterrupted support and patronization in all our future endeavors.

With warm regards

  
M. A. Kayum Howlader  
Managing Director



# 9TH AGM

## PHOTO GALLERY





## CHILD CARE & CANTEEN





## HEALTH CARE





## FIRE & SAFETY TRAINING



## INSPECTION & LAB ROOM





## STORE & PACKING





# PRODUCTION UNIT





## PRODUCTION UNITE





## PRODUCTION UNITE





## PRODUCTION UNITE





## PRODUCTION UNITE





# PICNIC 2023





# PICNIC 2023





# MANAGEMENT APPARATUS

## Board of Directors

Md. Tafazzal Hossain Forhad	:	Chairman
M. A. Kayum Howlader	:	Managing Director
Md. Mosaddiq Hossain Raivee	:	Nominee Director of Global Shoes Limited
Abdur Razzak	:	Nominee Director of Global Max Packaging Industries Limited
Mr. Md. Aynul Kabir	:	Independent Director

## Audit Committee

Mr. Md. Aynul Kabir	:	Chairman
Abdur Razzak	:	Member
Md. Mosaddiq Hossain Raivee	:	Member
Md. Riaz Haider	:	Member Secretary

## Nomination & Remuneration Committee

Mr. Md. Aynul Kabir	:	Chairman
Md. Tafazzal Hossain Forhad	:	Member
Abdur Razzak	:	Member
Md. Riaz Haider	:	Member Secretary

## CS,CFO & HIAC

Company Secretary	:	Md. Riaz Haider
Chief Financial Officer	:	Md. Nazmul Hossain
Head of Internal Audit	:	Mr. Md. Jakir Hossain

## Auditor

Statutory Auditor	:	Shafiq Basak & Co. Chartered Accountants House-42(1st Floor), Road-1, Block-A Niketon, Gulshan, Dhaka-1212.
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## Corporate Governance Compliance

Huda Hossain & Co.,  
Chartered Accountants  
5/A-4, Level, 27, 2 Topkhana Road,  
Dhaka 1000

## Banker

One Bank PLC  
Al-Arafa Islami Bank PLC  
Sonali Bank PLC.  
SIBL  
Bengal Commercial Bank PLC.

## Legal Adviser

## Insurer

## Head Office

## Registered & Office Factory

## E-mail

## Website

Reckon Associates  
Eastern Insurance Co. Limited.  
Floor-03, House-25, Road-111, Sector-10, Uttara, Dhaka  
45, Madrasa Road, 111/33 Tilargati, Sataish, Tongi, Gazipur  
Bangladesh.  
[info.sktil@gmail.com](mailto:info.sktil@gmail.com), [info@sktrimsin.com](mailto:info@sktrimsin.com)  
[www.sktrimsin.com](http://www.sktrimsin.com)

# THE BOARD OF DIRECTORS



**Md. Tafazzal Hossain Forhad**

Chairman, SK Trims & Industries Ltd



**M. A. Kayum Howlader**

Managing Director, SK Trims & Industries Ltd



**Abdur Razzak**

(Nominee Director of Global Max Packaging Limited)  
Director, SK Trims & Industries Ltd.



**Md. Mosaddiq Hossain Raivee**

(Nominee Director of Global Shoes Limited)  
Director, SK Trims & Industries Ltd.



**Mr. Md. Aynul Kabir**

Independent Director, SK Trims & Industries Ltd.



# PRODUCTS AND MARKET

We have the leading Garments Accessories manufacturing equipment in the industry. Our company is one of the leading industry & **OEKO TEX CERTIFIED** Garments Accessories manufacturer of all Kinds of Sewing Thread, Poly Bag, Woven Label, Zipper Puller, Lace Label, Printed Label, Printing Black Satin Label, Printing Cotton Fabric Label, Canvas Label, Twill tape, Elastic, Heat Transfer Sticker, Hangtag, Waist tag, Price tag, Photo inlay, PVC Hangtag, Sticker, Transferring Sticker, Barcode Sticker, Poly Bag Sticker, Semi Auto carton, Packaging Tape etc. We also started production of new product named **Backpack, Duffle bag, Tote bag & Luggage**. We integrate design, research, manufacture, sale and service to ensure the highest level of quality and customer satisfaction. Being a professional manufacturer with more than 20 years of experience, our products are widely recognized and trusted by industrial customers all over the World.

## Major Buyer of Accessories

Client	Buyer
 ACCENTURE FOOTWEAR & LEATHER PRODUCTS LTD	ROSETTI, JNY
 EUROTUX KNITWEAR LTD.	MATALAN, KIK
 HBS APPARELS LTD.	KIK, RIPLEY, KAYBEE, WING FAT, GIVOVA, ASIATEX
 PENGNUO	ATOZ, INDITEX, ZARA, DAYTONA, REWASH
 ENVOY	TIPTOP GLOBAL, ATLANTCS, CLOUD VEIL, SWIMS
 BARAKA	MARK-H, BLOWFA/PETER WENTH, NXT
 AMANTEX LTD.	JACK&JONES, ZLABELS (PIER.ONE), BESTSELLER
 T.J. SWEATERS LTD.	V.N.C, TAKIHYO, RELIANCE, TOYOSHIMA, SANWA JAPAN
 ABC GARMENTS LTD.	H&M, S.OLIVER
 THE DELTA COMPOSITE KNITTING IND. LTD.	ZXY, NEW YORKER
 REEDISHA KNITEX LTD.	ZARA, PULL&BEAR, LEFTIES, BERSHKA
 RAGADI TEXTILE LTD.	ZARA, SFERA
 GENETIC FASHION LTD.	JHK, SELA
 TRUST KNITWEAR INDUSTRIES LTD.	ROLY, RELIANCE, DAMO FASHION
 HANDZ CLOTHING BD LTD.	HFG, ROLY, ZOYA USA
 PREMIER FOOTWEAR	PRIMTEX
 DEWAN FASHION LTD.	J.H.K, KIK, WOOLWORTH, SANDRYDS
 PINAKI GROUP LTD.	N.M WILLIAMS, OSTIN, RELIANCE, JC PENNY
 GRAMTECH COMPOSITE LTD.	NEW YORKER
 GRAMEEN KNIT WEAR LTD.	ZXY
 MASCOT COMPOSITE LTD.	WALMART
 WEST KNIT WEAR LTD	KIK, PIAZZA ITALIA

Major Buyer of Backpack & Luggage



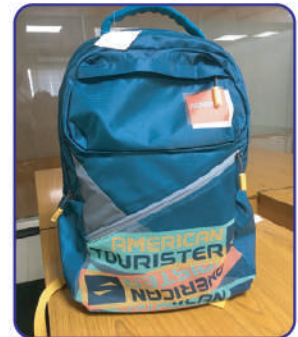
**WOOLWORTH®**



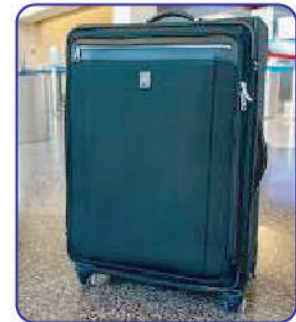
**M & P  
Japan**



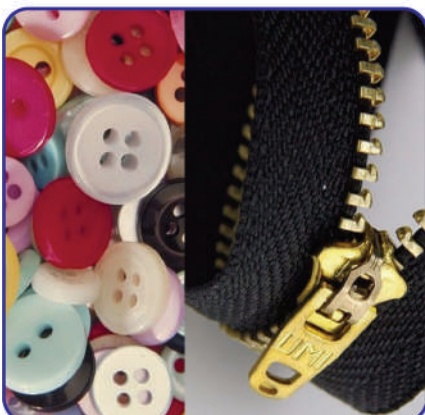
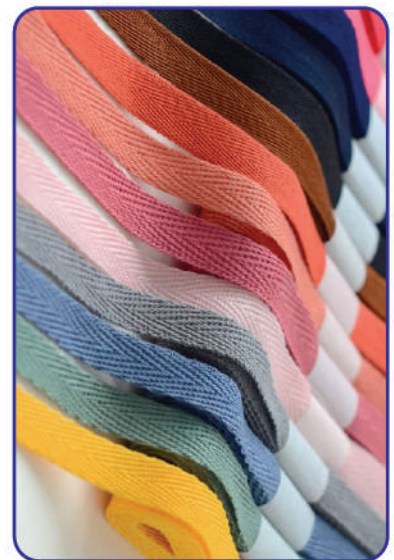
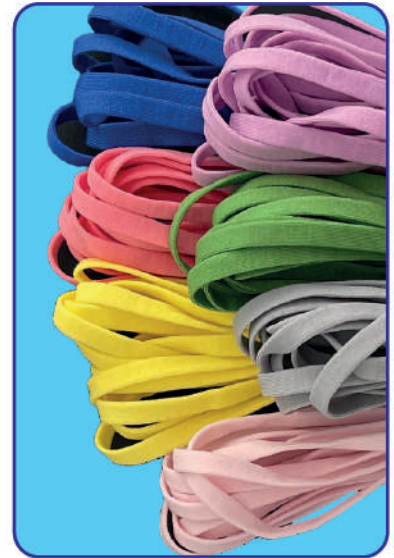
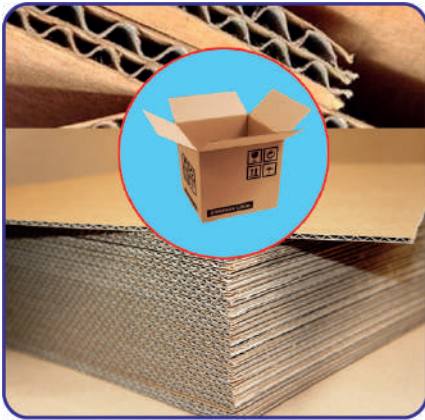
OUR MAJOR PRODUCT















Some sweet memories of SKTIL's with some officials of Dhaka Stock Exchange PLC when they have visited our factory premises.

























## DIRECTOR'S REPORT 2024

**Dear Shareholders,**

Assalamualaikum,

It is the pleasure of the Board of Directors to present our Directors' Report, Auditors Report' and the Audited Financial Statements of the Company for the year ended June 30, 2024, along with Company's performance and other matters in terms of the Companies ACT 1994, International Accounting Standards, the guideline issued by Bangladesh Securities and Exchange Commission, listing regulations of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and other applicable rules and regulations.

### Background

SK Trims & Industries Limited was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of incorporation bearing no. C-116347/14 dated on June 01, 2014 by the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh. Later on, April 25, 2016, the name of the Company was changed to SK Trims & Industries Limited. The Company Converted into public Limited company on August 13, 2017.

The Company started its commercial operation on 01 June 2014. SK Trims & Industries Limited has engaged in manufacturing, of all kinds of Swing Thread, Elastic, Poly, Carton, Photo Card, Back Board, Bar Code, Hangtag, Tissue Paper, Gum Tape etc. for export oriented garments industry.

The Company has started commercial operation of various bag and backpack from the beginning of the month of November, 2022 and day to day exporting of bag has increased. Now we are engaged in manufacturing of backpack, tote bag, Duffle bag, police bag, shopping bag and travel bag for foreign buyers.

SK Trims & Industries Limited is a 100% deemed export oriented company. Its products are marketed based on buyer's requirement. It exports Swing Thread, Elastic, Poly, Carton, Photo Card, Back Board, Bar Code, Hangtag, Tissue Paper, Gum Tape etc. against L/C. It supplies to export oriented garments industry against Back to Back L/C. All 100% export oriented garments industries are the main buyer. It works as a deemed exporter.

The Authorized capital of the company is Tk. 1,000.00 million and paid up capital 847.00 million. The company was listed to DSE and CSE on 2018.

## Industry outlook and possible future developments in the industry

The company is 100% deemed exporter, mainly engaged in the business of manufacturing of all kinds of Carton, Elastic, Photo Card, Twill tape, Back board, Gum tape, Tissue Paper, Poly, Swing Thread, Sticker, Photo inlay, Bar code, Hangtag etc. for use in export oriented garments. Competitive wage rate together with easily trainable workforce, entrepreneurial skill, expanding supply side capacity, and government policy support helped to transform the comparative advantages into competitive advantages for this industry. The core strength of the accessories sector is its backward linkage.

### Current Development Programs:

During the year company has increased its production capacity from 83,27,000 ((Kg, Bar, Pcs, gm, Feet, Box, etc.) to 89,17,000 (Kg, Bar, Pcs, gm, Feet, Box, etc.). We wish we will become one of the best manufacturer and exporter in Bangladesh .

### Future Development Programs:

Company already started manufacturing of new product namely Backpack, Duffle bag, Tote bag & Luggage. The Company has future plan to start production of luggage which will generate additional turnover and profit for the company.

### Segment Reporting

The company operates in one segment, which is the business of manufacturing.

### Revenue

As you are aware that the Company is 100% deemed exporter, mainly engaged in the business of manufacturing of all kinds of Sewing Thread, Elastic, Poly, Carton, Photo Card, Back Board, Bar Code, Hangtag, Tissue Paper, Gum Tape etc. and supply to the oriented garments Industries along with exporting Backpack, Duffle bag, Tote bag & Luggage. The revenue stood at 1110.27 million for the year 2023-2024 under BTB L/C along with direct export.

The operating financial results of the Company for the year ended June 30, 2024 as compared to previous year are summarized hereunder:





Particular	June 30, 2024	June 30, 2023
Revenue	1,110,271,926	88,7551,954
Gross Profit	130,610,378	146,774,098
Net Profit Before Tax	63,270,086	91,367,391
Current Tax	17,100,061	11,619,984
Net Profit After Tax	45,586,644	79,747,406
Gross Margin (Revenue)	11.76%	16.54%
Net Margin (BT)	05.65%	10.29%
Net Margin (AT)	04.11%	8.99%
Earnings Per Share-Basic (EPS) (Tk.)	0.54	0.94
Number of Shares	8,47,00,000	8,47,00,000

### Risk and concerns

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any price hike of raw materials due to change in policy in the international market might hamper the product price and profitability. Moreover, the performance of the company may be affected by the political and economic instability both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general. Similarly, risks and concern of the industry depends on the upcoming Government policy as well. However, garments being the major foreign currency earner have always enjoyed special consideration from all the successive Governments and expectation is that it will continue in the future.

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

Particulars	June 30, 2024	June 30, 2023
Cost of Goods Sold	88.24%	83.46%
Gross Profit	11.76%	16.54%
Net Profit for the year	04.11%	8.99%

### Market Exposure:

Throughout 2023-2024, we faced a difficult situation with record-high cargo rates and container shortages. Many brands favored near shoring countries to ensure the fastest delivery. In accordance with the global trend, production costs increased significantly in our sector as well. Diesel and other utility prices had been increased to balance with the current world trend, which put significant pressure on the manufacturers.

The sales team has also adopted innovative sales and promotional activities which we feel will benefit us greatly in the long run.

We are confident that by expanding our marketing efforts to raise consumer awareness about our products, we will be able to increase sales and reach a larger market area

## Discussion on continuity of extra-ordinary gain or loss

There is no significant extra-ordinary gain or loss during the financial year.

## Related party transactions

Related party transactions have been disclosed in note nos. 26.08 the notes to the financial statements.

## Significant variance of financial statements

The Earning per share (EPS) of the company as on June 30, 2024 stood at Tk. 0.54 against Tk. 0.94 compared to June 30, 2023. The EPS has decreased because of manufacturing cost, operating expenses and finance cost (due to increasing of interest rate) of the company has increased as well as wages, salaries and allowances of the company also increased 37% (Approx.) that's why Net Profit after Tax of the company has decreased compared to the previous year.

The Net Operating Cash Flow per share (NOCFPS) in current year is Tk. 0.90 as against Tk. 0.11 compared to the previous year of June 30, 2023 due to payment to employees and suppliers has increased.

## Board Size:

The number of members of the Board of Directors stands 5 (including one Independent Director) as per direction given by BSEC.

## Independent Directors

Mr. Md. Aynul Kabir was appointed as an Independent Director of the company on June 15, 2022 for a three year's term.

As per Bangladesh Securities and Exchange Commission notification no BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 Md. Aynul Kabir is eligible for appointment that is why the board of directors of the company appointed Md. Aynul Kabir as an Independent director of the company for three years term by getting approval by the shareholders of the company in the 8th AGM.

## Subsidiary Company

The Company has no subsidiary company

## Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)

As per corporate governance of BSEC, the company has allocated the responsibilities as follows:

Managing Director	: M.A. Kayum Howlader
Company Secretary	: Mr. Md. Riaz Haider
Chief Financial Officer	: Mr. Md. Nazmul Hossain
Head of Internal Audit	: Mr. Md. Jakir Hossain

## Duties of CEO & CFO

The provision of BSEC regulations has been compiled.

## Audit Committee

The Audit Committee, as a sub-committee of the Board of Directors, has been constituted of three members from the board of directors with one Independent director as a chairman. The company Secretary acts as Secretary to the Audit Committee. This committee assists the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company. The Audit Committee shall conduct at least its four meetings in a financial year. 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. Audit committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The role of the Audit Committee has been started in the annual audit committee report.



## Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC), as a sub-committee of the Board of Director has been constituted of three member from the board of directors with one Independent director as a chairman. The company Secretary acts as Secretary to the Nomination and Remuneration 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 executive as well as a policy for formal process of considering remuneration of directors, top level executive of the company. NRC is responsible to the Board of Directors and its roles and responsibilities are clearly set forth.

The Board has created code of conduct for nomination and remuneration committee. Nomination and remuneration committee will be compiled with in stipulated time.

## External Statutory Auditors

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

## Maintaining a website

The company maintains an official website, **www.sktrimsin.com**, which is linked with the website of the stock exchange.

Reporting and Compliance of Corporate Governance

Requirement of the above are being complied with and is shown as **Annexure-B**

## Directors' Appointment and Re-Appointment

In accordance with the Articles of Association of the Company, one third of the total number of Directors is to retire by rotation in every year. In the forthcoming Annual General Meeting the following two Directors will retire and being eligible, offer themselves for re-appointment:

- i) Mr. Abdur Razzak (Nominee Director of Global Max Packaging Industries Limited)
- ii) Md. Mosaddiq Hossain Raivee (Nominee Director of Global Shoes Limited)

Board of Directors' in its meeting held on 21 November 2024 proposed their appointment and it will be presented in the upcoming AGM for getting approval from the shareholder. The short bio-data of the said Directors are enclosed in the section of Director's Profile.

Involvement with other company and Shareholding of Directors of the company

Directors involved in other companies are shown as **Annexure-G** of this report.

The shareholding of directors at the end of 30th June, 2024 is shown as **Annexure-H** of this report.

## Board Meeting and Attendance

09 (Nine) Board Meetings were held during the year and Director's Board Meeting fees shown in the note no. 26.08 of the notes to the Financial Statements. Details discloser of board meetings are shown in **Annexure-I**

## Statement of Directors on Financial Reports

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

- a) No fund raised through public issues, right issues and/or any other instruments during the year.
- b) The company did not give any offer for IPO, RPO, Right Share Offer, Direct Listing etc. during the year
- c) There were no significant variance quarterly financial performances and annual financial statements
- d) Remuneration paid to Managing Directors.
- e) Financial statements prepared, present fairly, its state of affairs, the result of its operations, cash flows and changes in equity.

- f) Proper books and accounts of the company have been maintained.
- g) Appropriate accounting policies have been applied consistently in preparation of the Financial Statements and the accounting estimates are based on reasonable and prudent judgment.
- h) The International Financial Reporting standards, as applicable in Bangladesh, have been followed in the preparation of the financial statements.
- i) The Financial Statements prepared by the management of the issuer company present fairly its state of affairs, the results of its operation, cash flows and changes in equity.
- j) Internal control system is sound and has been implemented and monitored effectively.
- k) Minority shareholders have been protected from abusive actions by controlling shareholders acting either directly or indirectly.
- l) The company declared dividend which is mentioned in Annual report page no 41
- m) No bonus shares or stock dividend has been or shall be declared as interim dividend.
- n) Detail information of no. of Board meeting held during the year has been provided in page no 60
- o) The pattern of shareholding is provided in **Annexure-H** of the annual report.
- p) The key operating and financial data for the last five years are shown on page 39-41
- q) Brief resume of Directors of the Company in **annexure –F**.

### Internal Control

The Board has ultimate responsibilities to establish the effective system of internal control. To ensure internal control regarding risk management, financial control and compliance legislation, the company already has a strong internal audit department.

### Quality Policy and Control

Improving and maintaining the quality of product is an issue of huge importance for SKTIL and its Board of Directors. The company strictly controls the quality of all products by maintaining standard qualities, using modern equipment and hiring of competent, qualified and dedicated personnel.

### Key operating and financial data of preceding five years

A statement of key operating and financial data for the last five financial years has been given below

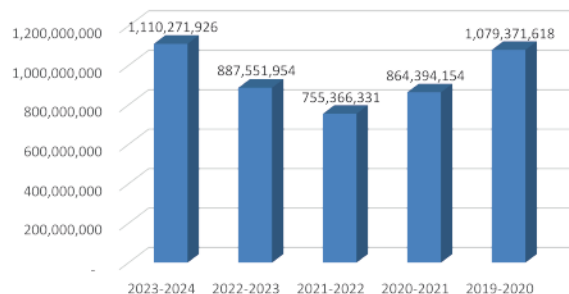
Operational Result	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21	30-Jun-20
Revenue	1,110,271,926	887,551,954	755,366,331	864,394,154	1,079,371,618
Gross Profit	130,610,378	146,774,098	142,704,144	151,801,846	207,871,730
Profit from Operation	71,900,048	100,708,391	102,024,422	118,145,970	169,539,137
Net Profit Before Tax	62,686,705	91,367,391	85,996,747	105,742,511	162,651,411
Net Profit After Tax	45,586,644	79,747,406	76,325,712	96,409,814	154,149,041
Net Cash Generated from Operating activities	75,871,847	8,916,922	24,130,822	217,692,200	158,365,439

Financial Position	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21	30-Jun-20
Non-Current Assets	844,962,157	791,222,056	788,145,984	810,812,295	659,478,271
Current Assets	863,127,796	838,794,807	725,644,801	635,465,306	763,371,335
Shareholder's Equity	1,325,599,425	1,318,762,849	1,291,010,229	1,194,096,529	1,168,823,944
Non-Current Liabilities	28,900,447	26,092,640	23,476,955	18,932,594	16,860,938

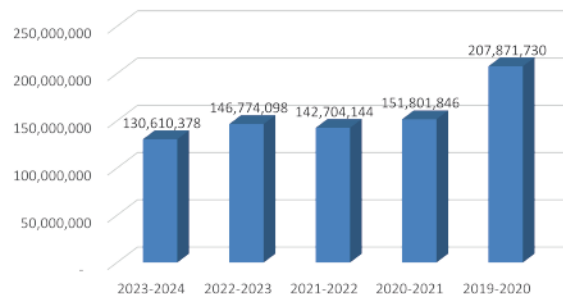
Key Financial Ratio	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21	30-Jun-20
Current Ratio	2.44	2.94	3.64	2.72	3.22
Quick Ratio	1.61	2.07	2.50	2.08	2.48
Debt to Equity Ratio	0.23	0.20	0.13	0.16	0.12
Net Income Ratio (%)	5.65%	10.29%	10.10%	11.15%	14.28%
Return on Equity (%)	3.44%	6.05%	9.77%	9.54%	13.19%
Earnings Per Share (Basic)	0.54	0.94	0.90	1.14	1.82
Earnings Per Share (Adjusted)	-	-	-	-	-



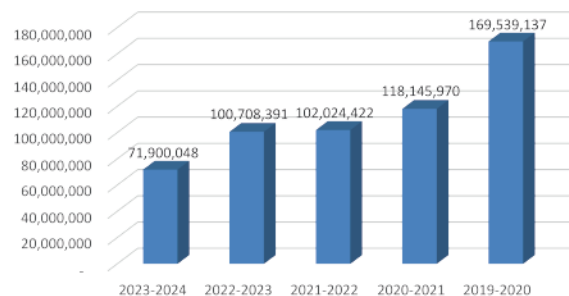
Revenue (In BDT)



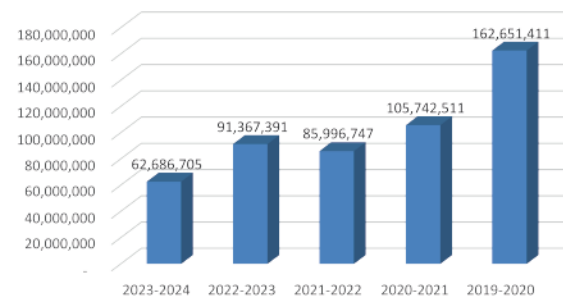
Gross Profit (In BDT)



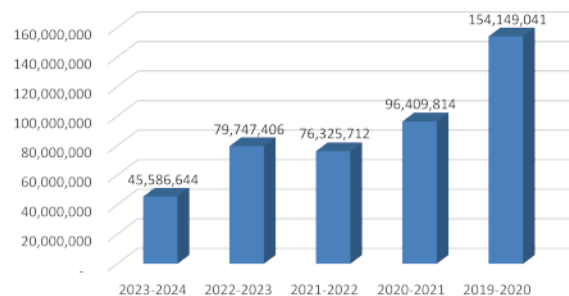
Profit from operation (In BDT)



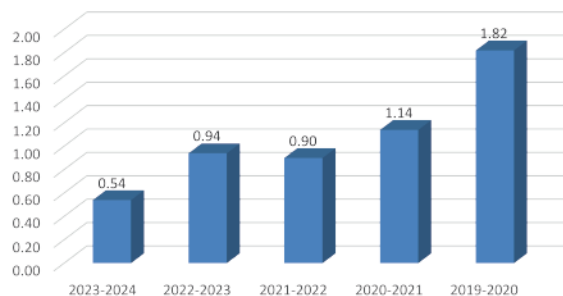
Profit before Income Tax (In BDT)



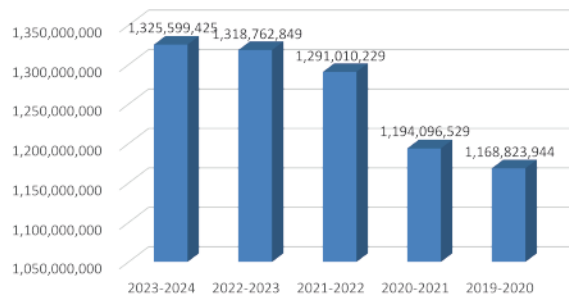
Profit after Income Tax (In BDT)



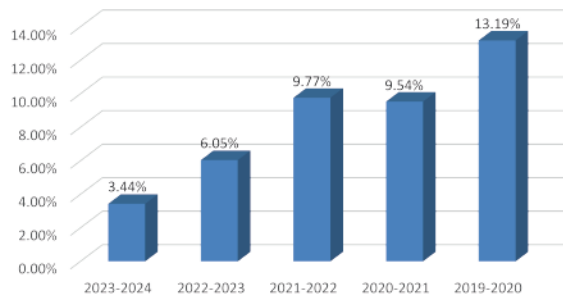
Earnings Per Share (In BDT)

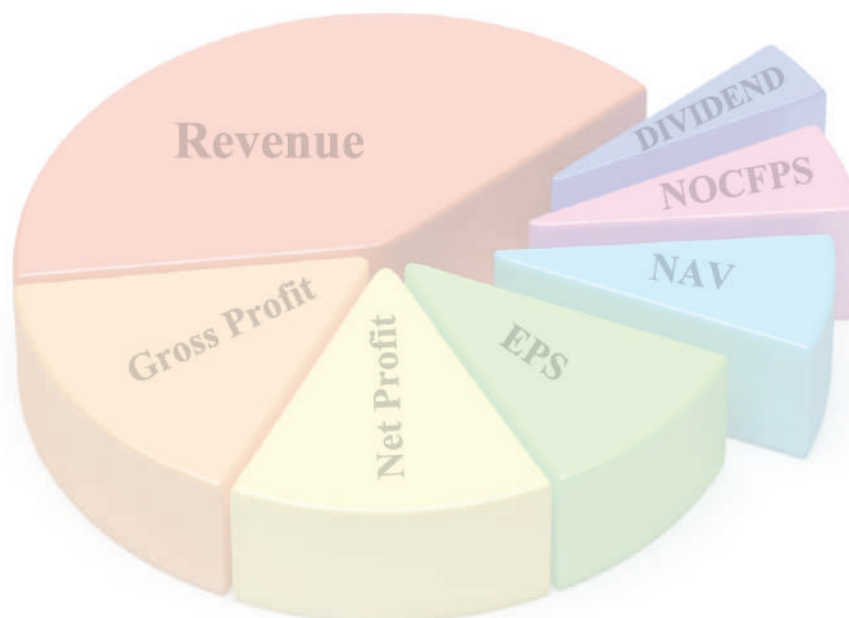
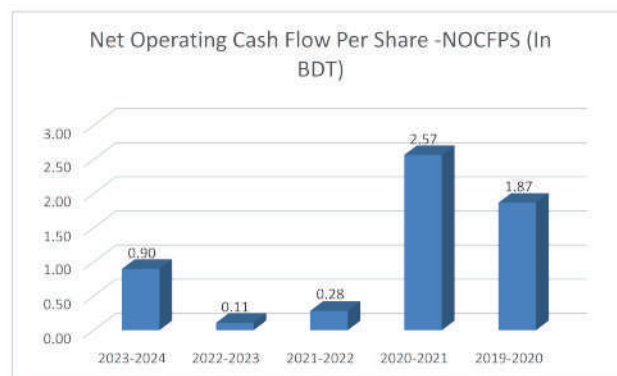


Shareholder's Equity (In BDT)



Return on Shareholder's Equity (%)





### Going Concern

While approving the Financial Statements, the directors have analyzed the Financials Statements, business operation 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.

### Dividend

The Board of Directors has recommended 1.75% Cash Dividend to the Shareholders for the year ended June 30, 2024, subject to the approval in the forthcoming AGM. The dividend will only be entitled to the shareholders whose names will be appeared in the share register of the company /Depository Register of CDBL on record date i.e. December 12, 2024



### Unclaimed or Undistributed or Unsettled Dividend

Bangladesh Securities and Exchange Commission issued a directive no. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 to transfer unclaimed or undistributed dividend to the capital market stabilization fund. In compliance with the circular, SK Trims & Industries Ltd. has deposited unclaimed IPO Subscription amount and unclaimed dividend amount for the year up to 2019-2020 to the Capital Market Stabilization Fund as on 30 June 2024. Remaining unclaimed dividends are as follows:

Unclaimed Dividend as on 30.06.2024		
Sl No.	Year	Amount in BDT.
1	2022-23	33,779.38
2	2021-22	2,96,548.50
3	2020-21	3,10,867.36
<b>Total</b>		<b>6,41,195.24</b>

Details break up of unclaimed/unpaid dividend including BO wise shareholders list are given in our website: [www.sktrimsin.com](http://www.sktrimsin.com).

### Statutory Auditors

Chartered Accountants firm, M/s Shafiq Basak & Co, House-42 (1st Floor), Road-1, Block-A, Niketan, Gulshan, Dhaka was appointed as External Auditor for the year 2023-2024 of the Company by the shareholders in 9th AGM held on December 28, 2023. M/s Shafiq Basak & Co, Chartered Accountants has carried out the audit for the year 2023-2024.

This is their 1st year audit in the Company and the firm is eligible for re-appointment for the year 2024-2025. Present auditor Shafiq Basak & Co., Chartered Accountants, House-42 (1st Floor), Road-1, Block-A, Niketan, Gulshan, Dhaka will retire in 10th AGM and as they are eligible for reappointment for the year 2024-2025. After review the panel and recommendation of the Audit Committee, Board in their meeting held on 21st November, 2024 recommended Shafiq Basak & Co., Chartered Accountants for reappointment as statutory auditor of the company for the period from 01 July, 2024 to 30 June, 2025 and conclusion of 11th AGM subject to the getting approval from the shareholder and fix their remuneration it will be presented to the shareholders in the 10th AGM.

Statutory Auditor's opinion in the Financial Statements  
Emphasis of matters

Without qualifying our opinion, we draw attention on the matters disclosed:

1. During the audit we noted that the company made some payments against expenses in cash instead of A/C payee cheque or bank transfer which indicates violation of Income tax Act 2023 & related government rules.
2. The company had an employee provident fund which was coming from previous years but the same has been discontinued from current year. [ Ref. note no. 2.14(c) ] Moreover, gratuity & other compensation benefit as per guideline of Bangladesh Labor Laws/Rules 2015 has not been maintained and such, no provision been made for this purpose, which is a non-compliance of Labor Law 2006 and rules thereof.

3. The company has not made any provision for WPPF as required by Section 232 of Labor Law 2006 reason of which been disclosed in note no. 2.14(b). It may be mentioned here that, there is no specific instruction in Labor Act for non-provision for WPPF for export-oriented industries.

Without modifying our opinion, we would like to advice the management to ensure compliance of the above immediately.

#### Professionals for Compliance of Corporate Governance Code

Present auditor M/s. Huda Hossain & Co. Chartered Accountants, having its office at 5/A-4, Level, 27, 2 Topkhana Road, Dhaka 1000 has retired to the Board of Directors in its meeting held on 21st November 2024. Upon the recommendation of the Audit Committee, the board of directors is proposing the appointment of Mollah Quadir Yusuf & Co., Chartered Accountants, 63/F, Lake Circus Rd, Dhaka 1209, Dhaka as the professional to certify on the compliance of corporate governance for the year 2024-2025 and conclusion of 11th AGM subject to the getting approval from the shareholder and fix their remuneration it will be presented to the shareholders in the 10th AGM.

#### Corporate Governance at SKTIL

SKTIL recognizes that corporate governance is a continuous process which is to be established, nurtured and excelled by means of concerted efforts of all. That is why the Company engages all its team in the process because good governance entails managing the business professionally, effectively and responsibly and in a way, which is transparent, ethical, law abiding and ensures accountability. And in that pursuit, the Company has ventured to comply with all the relevant provisions of the codes of corporate governance as outlined in the BSEC gazette notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The Company aspires to uphold its long-acclaimed standards of good governance by standing ever alert in its management exercises.

#### Acknowledgment

I would like to take this opportunity, on behalf of the Board of Directors, to express my heartfelt gratitude to the valued shareholders, clients, and well-wishers at home and abroad for their wholehearted co-operation and active support in discharging the responsibilities that lies on me and the Board during the year.

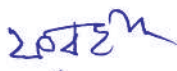
I would also like to thank Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Registrar of Joint Stock Companies (RJSC), Central Depository Bangladesh Ltd. (CDBL), Government and many others for their sincere support and wholehearted co-operation towards your company.

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

I now appeal to the magnanimity of valued shareholders to kindly accept and approve the Auditors' Report-2023-2024, Audited Financial Statements for the year 2023-2024 and Directors' Report placed before you.

Thanking you,

On behalf of the Board of Directors,



Md. Tafazzal Hossain Forhad  
Chairman





## **MD & CFO'S DECLARATION TO THE BOARD OF DIRECTORS**

Date: 21.11.2024  
The Board of Directors  
SK Trims & Industries Limited  
Registered Office: 45, Madrasa Road,  
111/33 Tilargati, Sataish, Tongi, Gazipur-1712

Subject: Declaration on Financial Statement for the year ended on 30 June 2024

Dear Gentlemen,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC-D/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 SK Trims & Industries Limited for the year ended on 30 June 2024 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 2024 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,

  
(Mr. M.A. Kayum Howlader)  
Managing Director

  
(Md. Nazmul Hossain)  
Chief Financial Officer



**CERTIFICATES: ON Process**





# CERTIFICATE ON CORPORATE GOVERNANCE



**HUDA HOSSAIN & CO.**  
CHARTERED ACCOUNTANTS

+88 02 4712 0593  
+88 0967 8800438  
info@hudahossain.com  
www.hudahossain.com



Ref: 12/24/155/1

## CORPORATE GOVERNANCE COMPLIANCE REPORT

### Annexure-B

*[Certificate as per condition No. 1(5) (xxvii)]*

Report to the Shareholders of SK Trims & Industries Ltd. on compliance of Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **SK Trims & Industries Ltd.** for the year ended on June 30, 2024. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 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 a 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 the 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:

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

Place: Dhaka  
Dated: December 12, 2024,



**MD AMINUL ISLAM FCA**  
ICAB Enrolment No. 1104  
Partner  
**HUDA HOSSAIN & CO.**  
CHARTERED ACCOUNTANTS

House # 27/5/A-4, Level-2, Topkhana Road  
Segunbagicha, Dhaka-1000.

Keari Plaza (5th Floor), House-83  
Road-8/A, Dhanmondi, Dhaka-1209

1557 Agrabad Access Road,  
Agrabad C/A, Chattogram.



# REPORT OF CORPORATE GOVERNANCE COMPLIANCE GUIDELINES

**HUDA HOSSAIN & CO.**  
CHARTERED ACCOUNTANTS

As Per condition no.1(5)(xxvii)

## SK TRIMS & INDUSTRIES LTD.

Status of Compliance with the Corporate Governance Guideline (CGC)  
For the year ended June 30, 2024

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	Compliance Status (Put v in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors.-</b>			
<b>1(1)</b>	<b>Size of the Board of Directors</b>			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√	—	The Boards of Directors are comprised (05) Five Directors Including 01 (One) Independent Director.
<b>1(2)</b>	<b>Independent Directors</b>			
<b>1(2)(a)</b>	At least two (02) directors or 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);  Provided that the Board shall appoint at least 1(One) female independent director in the board of Directors of the Company.	√	—	There is 1 (One) male Independent Directors (ID) in the Board & the appointment of a female ID will be complied in due time
<b>1(2)(b)(i)</b>	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;	√	—	Do not hold any share of the company.
<b>1(2)(b)(ii)</b>	Who is not a sponsor of the company and 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 also shall not hold above mentioned shares in the company;	√	—	The Independent Director has declared their compliances.
<b>1(2)(b)(iii)</b>	Who has not been an executive of the company in immediately preceding 2( two) financial years;	√	—	
<b>1(2)(b)(iv)</b>	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√	—	
<b>1(2)(b)(v)</b>	Who is not a member or TREC ( Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	√	—	
<b>1(2)(b)(vi)</b>	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;	√	—	
<b>1(2)(b)(vii)</b>	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;	√	—	
<b>1(2)(b)(viii)</b>	Who is not an independent director in more than 5 (five) listed companies;	√	—	
<b>1(2)(b)(ix)</b>	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);	√	—	
<b>1(2)(b)(x)</b>	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 of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	—	Mr. Md Aynul Kabir in his first term and his appointment was approved at 8th AGM.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	✓		No such issue arose
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) term only.	✓	—	1st tenure of office of an Independent Director will be expired on 31st May, 2025
1(3)	<b>Qualification of Independent Director.-</b>			
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)	<b>Independent Director shall have following qualifications:</b>			
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; or	—	—	N/A
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓	—	He was an Additional Secretary of the Government
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	—	—	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(s) shall have at least 10( ten) years of experiences in any field mentioned in clause (b);	✓	—	do
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)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) 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;	✓	—	The Managing Director does 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)	<b>The Directors' Report to the Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓	—	



1(5)(ii)	The Segment-wise or product-wise performance;	✓	—	No such incident arose
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;	✓	—	Included in the annual report
1(5)(v)	A discussion on continuity of any extraordinary 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 through any others instruments;	—	—	No such issue arose
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;	✓	—	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	—	No remuneration paid to any Directors except Managing Director
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	—	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	—	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	—	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	—	do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	—	do
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;	✓	—	
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 1.75% cash dividend for the year ended 30th June, 2024
1(5)(xvi)	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 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)(xiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xiv)(a)	a brief resume of the director	✓	—	Included in the annual report
1(5)(xiv)(b)	nature of his/her expertise in specific functional areas;	✓	—	Included in the annual report
1(5)(xiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓	—	Included in the annual report
1(5)(xv)	A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:	—	—	Statement Included
1(5)(xv)(a)	accounting policies and estimation for preparation of financial statements;	✓	—	
1(5)(xv)(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;	—	—	N/A
1(5)(xv)(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)(xv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	—	
1(5)(xv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓	—	
1(5)(xv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	—	
1(5)(xv)(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)(xvi)	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	✓	—	Stated in the Director's Report
1(5)(xvii)	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.	✓	—	do
1(5)(xviii)	The Director's report to the shareholders does not require to include the business strategy or technical specification related to products or services. Which have business confidentiality.	✓	—	
1(6)	<b>Meetings of the Board of Directors</b>			
	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)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
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.	✓	—	The code of conduct as recommended by the NRC and approved by the board
2	<b>Governance of Board of Directors of Subsidiary Company:-</b>			<b>SKTIL does not have any Subsidiary Company</b>
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 of 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;	–	–	NA
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	–	–	NA
3.	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-</b>			
3(1)	<b>Appointment</b>			
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 a 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)	<b>Requirement to attend Board of Director's Meetings</b>			
	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)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
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	✓	–	
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 member;	✓	–	
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.	<b>Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee; and	✓	–	
4(ii)	Nomination and Remuneration Committee	✓	–	
5.	<b>Audit Committee.-</b>			
5(1)	<b>Responsibility to the Board of Directors.</b>			
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 Directors
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 members 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;	–	–	No such Incidence arose
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	–	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	–	
5(3) 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.	✓	–	
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.	✓	—	
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 purpose stated in relevant offer document or prospectus approved by the Commission:	—	—	Not Aplicable
5(6)	<b>Reporting of the Audit Committee</b>			
5(6)(a)	<b>Reporting to the Board of Directors</b>			
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 Incidence 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 Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	—	—	No such Incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	✓	—	
5(6)(b)	<b>Reporting to the Authorities:-</b>			
	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)	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 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.	<b>Nomination and remuneration Committee(NRC).-</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	—	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	—	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	—	
6(2)	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	—	NRC is comprised of 03 ( Three) members including an Independent Director
6(2)(b)	All member of the Committee shall be non-executive directors;	✓	—	All the NRC members are non-executive Directors including an Independent Director
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	—	The NRC members are duly appointed by the Board.
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	—	





6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	–	–	No such case arose
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 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.	✓	–	
<b>6(3) Chairperson of the NRC</b>				
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;	✓	–	
<b>6(4) Meeting of the NRC</b>				
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
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.	✓	–	
<b>6(5) Role of the NRC</b>				
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.	✓	—	
<b>7. External or Statutory Auditors</b>				
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:--			
7(1) (i)	appraisal or valuation services or fairness opinions;	✓	—	
7 (1) (ii)	financial information system 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 services 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 (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	—	
<b>8. Maintaining a website by the Company.-</b>				
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 regulations of the concerned stock exchange(s)	✓	—	
<b>9. Reporting and Compliance of Corporate Governance.-</b>				
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 Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	—	Required certification has been obtained from "HUDA HOSSAIN & CO." Chartered Accountants for the year ended 30th June 2024.
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 <b>Annexure-C</b> attached, in the directors' report whether the company has complied with these conditions or not.	✓	—	

M. A. Kayum Howlader  
Managing Director





## MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL POSITION AND PERFORMANCE

In the financial year 2023-24, SK Trims & Industries Limited generated sales amounting to tk. 1110.27 million, comparing to tk. 887.55 million in 2022-23. Net profit after tax in the financial year 2023-24 is Tk. 45.59 million comparing to tk. 79.75 million in financial year 2022-23. Debt to equity ratio has been very low that indicates company is financially solvent.

Accounting policy and estimation for preparing financial statements have been remained same as it was before. Hence, there is no effect in this regard.

The peer companies of SK Trims & Industries Limited, KDS Accessories Ltd. and Olympic Accessories Limited (OAL). The comparisons for the year ended 30th June 2024 are as follows:

Indicator	SK TRIMS	KDS	OAL
	30.06.2024 (12 Months)	30.06.2024 (12 Months)	30.06.2024 (12 Months)
Sales (Million Tk.)	1110.27	2530.68	19.82
Gross Profit (Million Tk.)	130.61	458.23	(83.14)
Gross Profit Ratio	11.76%	18.11%	(418.17%)
Net Profit Margin (Million Tk.)	45.59	153.80	(136.92)
Net Profit Ratio (AT)	4.11%	6.08%	(688.65%)
Net Cash Flow Per Share	0.90	11.38	(0.15)
EPS	0.54	2.16	(0.81)
NAV	15.65	27.29	10.25

As far as risks are concerned, SK Trims & Industries Limited is exposed to foreign exchange risk, inflation risk. Foreign exchange risk is trade-off between export and import. As we have to make less payment against export earning, foreign exchange risk is mitigated. In terms of inflation, this is adjusted in sales price. Hence, company can mitigate this risk as well.



M. A. Kayum Howlader  
Managing Director

Annexure- E

## AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDED 2023-24

SK Trims & Industries Limited established an audit committee as a sub-committee of the Board of Directors. The committee supports the Board in fulfilling its oversight responsibilities.

**The audit committee of SK Trims & Industries Limited Consist of the following members:**

Sl No.	Name	Designation
01.	Mr. Md. Aynul Kabir	Chairman, Independent Director
02.	Mr. Abdur Razzak	Member & Non-Executive Director
03.	Md. Mosaddiq Hossain Raivee	Member & Non-Executive Director
04.	Md. Riaz Haider	Company Secretary, Member Secretary

### Meeting:

During the year ended June 30, 2024, 4 (four) Audit Committee Meetings was held. Proceeding of the Audit Committee Meetings was reported regularly to the Board of Directors. The Details of attendance of the Audit Committee Members have been shown as below:

SI No.	Name	Designation	No. of Meeting held	No. of Meeting Attended
01.	Mr. Md. Aynul Kabir	Chairman	4	4
02.	Mr. Abdur Razzak	Member	4	3
03.	Md. Mosaddiq Hossain Raivee	Member	4	4
04.	Md. Riaz Haider	Member Secretary	4	4

### The Roles and Responsibilities of the Audit Committee

The Role and Responsibilities of the Audit committee are clearly mentioned in the Compliance of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) 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 the Annual Financial Statements before submission to the board for approval.
- Review the quarterly and half yearly Financial Statements before submission to the Board for approval.
- Review the adequacy of internal Audit function.
- Review statement of significant related party transactions submitted by the management.
- Review Management letter/Letter of Internal Control weakness issued by statutory auditors.

### Activities carried out during the year

The committee reviewed the integrity of the quarterly and annual financial statements and recommended to the Board for consideration, The Committee had overseen, reviewed and approved the procedures and task of the internal audit, financial report preparation and the external audit report. The Committee found adequate arrangement to present a true and fair view of the financial status of the company and didn't find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

### Recommendation

The audit committee recommended to the Board of Directors that:

1. The Financial Statements for the year ended June 30, 2024 be approved.
2. Chartered Accountants firm , Shafiq Basak & Co. Chartered Accountants may be reappointed as the Auditor of the company for the year 2024-2025, subject to the approval of the 10th Annual General Meeting of the company.
3. Chartered Accountants firm, Mollah Quadir Yusuf & Co, Chartered Accountants may be appointed as professional for Report on Compliance of corporate Governance Codes of the Company for the year 2024-2025, subject to the approval of the 10th Annual General Meeting of the company.

On behalf of the Audit Committee



Mr. Md. Aynul Kabir  
Chairman  
Audit Committee



## BRIEF RESUME OF THE BOARD OF DIRECTORS

### **Md. Tafazzal Hossain Forhad** **Chairman, SK Trims & Industries Ltd.**

Md. Tafazzal Hossain Forhad was born in July 1, 1963 in an illustrious family of Noakhali. He was born and brought up in Noakhali by his beloved parents and later moved to Dhaka in pursue of his career. His father late Golam Moula was a school teacher and mother late Mohsena Khatun was a housewife. Mr. T.H Forhad lives in Bashundhara R/A with his wife Sultana Parvin and his 3 children. His residential address is: House# 463, Road# 7, Bashundhara R/A, Dhaka-1229. Md. Tafazzal Hossain Forhad obtained his M. Com from AIUB and is the Chairman of SK Trims & Industries Ltd.

### **M. A. Kayum Howlader** **Managing Director, SK Trims & Industries Ltd.**

M. A. Kayum Howlader was born in a renowned family of Barisal in the year 1974. His father M. A. Hakim Howlader was a symbol of inspiration for everyone and his mother Rezia Begum dedicated her life towards the upbringing of her family and children. Mr. Kayum Howlader lives in Uttara at House No#20, Road No#23 of sector 07. M. A. Kayum Howlader has a young son and a daughter and his spouse Ruma Kumkum is a diversely talented woman and is one of the family's main strength. He obtained his B.A from Babugunj Degree College, Barisal and has vast experience in the garments accessories sector for which he is the Managing Director and the Mastermind behind the success of SK Trims & Industries Ltd.

### **Abdur Razzak (Nominee Director of Global Max Packaging Industries Limited)** **Director, SK Trims & Industries Ltd.**

Mr. Abdur Razzak was born in November 02, 1967 in Barisal. His parents late. Abdur Satter Howlader and Khaleda Begum are the main reasons for his success and has always been a motivational figure in his life. His residential address is: Plot-A-94, A-95 & A-96, BSCIC I/E, Kalurghat (Extn.), PS- Chandgoan, Chittagong. PO: 4212. Mr. Abdur Razzak obtained his M.Sc. Engineering from Moscow Power Engineering Institute and has bundle of experience in the accessories industry. He is the Director and one of the key members of SK Trims & Industries Ltd.

### **Md. Mosaddiq Hossain Raivee (Nominee Director of Global Shoes Limited)** **Director, SK Trims & Industries Ltd.**

Md. Mosaddiq Hossain Raivee, the Director of SK Trims & Industries Ltd. was born in July 28, 1996 in an illustrious family of Noakhali. His father Md. Tafazzal Hossain Forhad and mother Sultana Parvin are both very respectable person in Noakhali. His residential address is: House# 463, Road# 7, Bashundhara R/A, Dhaka-1229. Md. Atiqur Rahman obtained his B.B.A Major in Finance from Independent University Bangladesh and Masters of Business (Risk Management) from Monash University, Australia and has immense knowledge in Finance & business development.

### **Mr. Md. Aynul Kabir** **Independent Director, SK Trims & Industries Ltd.**

Md. Aynul Kabir was born in 4 June, 1962 in an illustrious family of Chanpur. His father Md. Shamsul Huda, mother is Begum Fakhrunnesa. His residence address: House # 220" Flat# A-6, Outer Circular Road, Bara Moghbazar Dhaka-I 000, Bangladesh. Md. Aynul Kabir obtained his M. Com (Management) from University of Dhaka. He is retired Additional Secretary of the Government of Bangladesh. He is a professionally experienced and knowledgeable person. He is able to ensure compliance with financial laws, regulatory requirements and corporate law. He has more than 35 years professional experience in banking, accounting, company law and the corporate industry related affairs. Now Md. Aynul Kabir has been appointed as the Independent Director of SK Trims & Industries Ltd.

## COMPANIES OTHER THAN SK TRIMS & INDUSTRIES LIMITED IN WHICH SKTIL DIRECTORS HOLD DIRECTORSHIP

SL	Name	Designation in SKTIL	Directorship/Sponsorship/Ownership with other companies	Position
1	Md. Tafazzal Hossain Forhad	Chairman	-	-
2	M. A. Kayum Howlader	Managing Director	-	-
3	Mr. Md. Mosaddiq Hossain Raivee (Nominee Director of Global Shoes Ltd.)	Director	-	-
4	Mr. Abdur Razzak (Nominee Director of Global Max Packaging Ind. Ltd.)	Director	-	-
5	Mr. Md. Aynul Kabir	Independent Director	-	-

## REPORT ON PATTERN OF SHAREHOLDINGS

The shareholding of directors at the period end of 30 June, 2024 is shown as bellow:

Name of Directors	Position	30.06.2024	
		No of Share	% of Share
<b>1. Parent/Subsidiary/Associate companies and other related parties.</b>	-	-	-
<b>2.Directors, CEO, CS, CFO, HIA and their spouses and minor children:</b>			
<b>2.A. Directors</b>			
Md. Tafazzal Hossain Forhad	Chairman	1,694,000	2.00%
M. A. Kayum Howlader	Managing Director	12,691,690	14.98%
Mr. Md. Mosaddiq Hossain Raivee(Nominee Director of Global Shoes Ltd.)	Director	2,305,670	2.72%
Mr. Abdur Razzak (Nominee Director of Global Max Packaging Ind. Ltd.)	Director	9,577,398	11.31%
Mr. Md. Aynul Kabir	Independent Director	-	-
<b>2.B. CEO, CS, CFO, HIA:</b>			
Md. Nazmul Hossain	Chief Financial Officer	-	-
Md. Riaz Haider	Company Secretary	-	-
Mr. Md. Jakir Hossain	Head of Internal Audit	-	-
<b>3. Executive</b>			
Md. Khalilur Rahman	GM (Marketing)	-	-
<b>4. Shareholding 10% or more voting right</b>			
M. A. Kayum Howlader	Managing Director	12,691,690	14.98%
Mr. Abdur Razzak (Nominee Director of Global Max Packaging Ind. Ltd.)	Director	9,577,398	11.31%



## The distribution schedule showing the number of Shareholders and their shareholdings Information as on 30 June 2024

Category	No. of shareholders	No. of Shares	% of Holding
Sponsors/Directors	05	26,450,258	31.23%
General Public	6,113	38,379,122	42.97%
Institute	182	19,870,620	25.80%
<b>Total</b>	<b>6,300</b>	<b>84,700,000</b>	<b>100%</b>

## Range wise shareholding position with number and percentage has been disclosed below:

Range of Holdings	No of Holders	No of Shares	Percentage
Up to 500 Shares	1,909	423,131	0.50%
501 to 5,000 Shares	3,066	5,794,817	6.84%
5,001 to 10,000 Shares	579	4,425,068	5.22%
10,001 to 20,000 Shares	369	5,507,473	6.50%
20,001 to 30,000 Shares	121	3,070,969	3.63%
30,001 to 40,000 Shares	70	2,493,263	2.94%
40,001 to 50,000 Shares	51	2,397,344	2.83%
50,0001 to 100,000 Shares	72	5,188,417	6.13%
100,0001 to 1,000,000 Shares	54	13,097,813	15.46%
Over 1,000,000 Shares	9	42,301,705	49.94%
<b>Total</b>	<b>6,300</b>	<b>84,700,000</b>	<b>100.00%</b>

**Annexure-I**  
**[As per condition No. 1(5)(xxii)]**

## THE TOTAL NUMBER OF BOARD MEETINGS HELD AND ATTENDANCE

The total number of Board meeting held during the year and the attendance thereof is given in below mentioned table.

Name of Directors	Designation	No. of Meeting held	No. of Meeting Attended
Mr. Md. Tafazzal Hossain Forhad	Chairman	9	9
Mr. M.A Kayum Howlader	Director & Managing Director	9	9
Mr. Abdur Razzak	Director	9	8
Mr. Md. Mosaddiq Hossain Raivee	Director	9	8
Mr. Md. Aynul Kabir	Independent Director	9	7

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration committee (NRC) is the sub-Committee of the Board. The NRC shall assist the Board in formulation of the nomination criteria or 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. As per Corporate Governance Code SKTIL has recently formed a new Nomination and Remuneration Committee (NRC).

The Nomination and Remuneration Committee consists of the following members:

Sl No.	Name	Designation
01.	Mr. Md. Aynul Kabir	Chairman, Independent Director
02.	Md. Tafazzal Hossain Forhad	Member & Non-Executive Director
03.	Mr. Abdur Razzak	Member & Non-Executive Director
04.	Md. Riaz Haider	Company Secretary, Member Secretary

### Meeting:

During the year ended June 30, 2024, 01 (one) Nomination and Remuneration Committee Meeting was held. Proceeding of the Nomination and Remuneration Committee Meetings was reported regularly to the Board of Directors.

The Details of attendance of the Nomination and Remuneration Committee Members have been shown as below:

Sl No.	Name	Designation	No. of Meeting held	No. of Meeting Attended
02.	Mr. Md. Aynul Kabir	Chairman	01	01
03.	Mr. Abdur Razzak	Member	01	01
04.	Md. Tafazzal Hossain Forhad	Member	01	01
05.	Md. Riaz Haider	Secretary	01	01

### Scope and role of NRC

NRC shall be responsible to the Board and to the shareholders of the company.

NRC shall oversee and 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:

- The level and composition of remuneration is reasonable and sufficient to attain, retain and motivate suitable directors to run company successfully;
- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 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;
- Devising a policy on board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;



- (v) 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;
- (vi) Formulating the criteria for evaluation of performance of independent directors and the board;
- (vii) Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- (viii) Developing, recommending and reviewing annually the company's human resource and training policies and any other services that the board of Directors determines time to time.

### Authority

The board authorizes the committee to:

- a) Investigate any activity within its terms of reference and make recommendations to the board which it deems appropriate on any area within its limit where action or improvement is needed.
- b) Seek any information it requires from or request the attendance at any of its meetings or any employee of the group and all directors and employees are expected to co-operate with any request made by the committee.
- c) Use any form of resource that it considers to be appropriate, including obtaining, at the company's expense (such expense to be agreed in advance with the committee chair).

### Activities and recommendations of the NRC for the year ended on 30 June 2024

As per terms of reference (ToR), during the financial year from 01 July 2023 to 30 June 2024, the nomination and remuneration committee's meeting was held on 20 December 2023 and reviewed the existing policy and procedures hiring, recruiting, remuneration package, qualification, performance indication procedures and gave their recommendation to the board for consideration.

### Gratitude

The member of the Nomination and Remuneration Committee express their gratitude and thanks to the board of directors for their prudent guidance and the management for their cooperation in performing their duties and responsibilities.



Mr. Md. Aynul Kabir  
Chairman  
Nomination and Remuneration Committee



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

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





# Nomination & Remuneration Committee Terms of Reference of SK Trims & Industries Limited

## Purpose

- 1.1 The purpose of the Nomination and Remuneration Committee is to assist the Board in ensuring that the Board and Executive Committee retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the Company.
- 1.2 The Committee assists the Board in meeting its responsibilities regarding the determination, implementation and oversight of senior remuneration arrangements to enable the recruitment, motivation and retention of partners generally.
- 1.3 The Committee oversees arrangements for senior appointments (including election processes) and succession planning.
- 1.4 The Committee also assists the Board by reviewing and making recommendations in respect of the remuneration policies and framework for all staff.

## Authority

- 2.1 The Nomination and Remuneration Committee is a Committee of the Board of SK Trims & Industries Limited (“the Board”) from which it derives its authority and to which it regularly reports.
- 2.2 The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.
- 2.3 The Committee has authority to investigate any matter within its Terms of Reference and to obtain such information as it may require from any Director, officer or employee.

## Constitution

- 3.1 Chairperson
  - 3.1.1 The Chair of the Committee will be an at-large Non-Executive Board member appointed by the Board.
  - 3.1.2 In the absence of the Chair of the Committee or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
  - 3.1.3 The Committee Chair does not have a casting vote.
  - 3.1.4 The Chair shall hand non-voting chairmanship of the Committee to the Independent Non-Executive attendee of the Committee, solely for the Committee’s deliberation and determination of the Director’s performance evaluation and remuneration.

## 3.2 Membership

- 3.2.1 The Committee will comprise at least three Non-Executive members.
- 3.2.2 One Independent Non-Executive shall be invited to attend all meetings of the Committee, but shall not be a voting member.
- 3.2.3 Members of the Committee shall be appointed by the Board on the recommendation of the Non-Executive Board Member; in the case of co-opted members, appointments shall be made by the Board on recommendation of the Chair of the Committee.
- 3.2.4 Non-Executive Members shall comprise a majority of the Committee at all times.
- 3.2.5 Members may be removed from the Committee at any time by the Board.

### 3.3 Duration of appointments

- 3.3.1 Unless otherwise determined by the Board, the duration of appointments of Non- Executive members of the Committee and of co-opted members shall be for a period of up to three years which may be extended by the Board
- 3.4 Secretary
- 3.4.1 The Board Secretary or their nominee shall act as Secretary to the Committee and attend all meetings.
- 3.4.2 The Secretary shall record the proceedings and decisions of the Committee meetings and the minutes shall be circulated to all members and attendees, as appropriate, taking into account any conflicts of interest that may exist.

### Proceedings of Meetings

- 4.1 Frequency of Meetings
- 4.1.1 The Committee shall meet at least one times a year and otherwise as required.
- 4.1.2 Meetings of the Committee may be called by the Chair of the Committee at any time to consider any matters falling within these Terms of Reference.
- 4.2 Quorum
- 4.2.1 Any two members or two-third members of the Committee may form a quorum, provided at least one at- large Non-Executive Board member is in attendance.
- 4.2.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 4.2.3 In the event of difficulty in forming a quorum, Non-Executive Board members who are not members of the Committee may be co-opted as members for individual meetings.
- 4.3 Attendees
- 4.3.1 Only the members of the Committee and other Non-Executive members of the Board have the right to attend Committee meetings.
- 4.3.2 In addition to one Independent Non-Executive, the following will be expected to attend Committee meetings on a regular basis:
  - a) Managing Director/other Director
  - b) Chief Financial Officer
  - c) Head of Administration and other departmental head
  - d) Board Secretary.
- 4.3.3 Any Director, officer or employee of the Company may attend at the invitation of the Chair of the Committee and they may collectively or individually be requested to withdraw from meetings of the Committee if required to do so by the Chair of the Committee.

### Responsibilities

The committee shall:

- 5.1 Nomination
- 5.1.1 oversee and support a formal, rigorous and transparent approach to senior appointments in the firm, including considering and making recommendations regarding appointments to leadership roles, as defined by the Board
- 5.1.2 review and approve appointments of Directors to Executive seats on the Board, on nomination by the Chairman;



- 5.1.3 consider and make recommendations regarding potential external Independent Non-Executives;
- 5.1.4 advise the Chairman (who shall consult with the Committee) in relation to other leadership or market-facing appointments, which are high profile or involve potential concerns that could have a material impact on the reputation of the firm, or as defined by the Board;
- 5.1.5 oversee the maintenance of an effective framework for succession planning including reviewing and commenting for succession planning for senior leadership roles;
- 5.1.6 in conjunction with the Independent Non-Executives, determine the criteria for candidacy for Directors' election as Non-Executive Members of the Board;
- 5.1.7 determine and oversee, in coordination with the Non-Executive Member and General Body, the election processes for at-large Non-Executive Members and shortlist nominees as candidates for election;
- 5.1.8 Form an Extended Nomination Committee, with additional co-opted members, attended by the Independent Non-Executives and chaired by the Non- Executive Member to determine and oversee the Chairman and Director election process in coordination with the General Body and to shortlist nominees as candidates.

## 5.2 Remuneration

- 5.2.1 Review, approve and oversee the implementation of remuneration policies for all directors which are designed both to recognize in-year performance and to support the long term business strategy and values of Company as well as promote effective risk management;
- 5.2.2 Establish a framework and determine criteria for the balance scorecard and Company of the Director by which his/her performance is measured;
- 5.2.3 determine the remuneration of the Managing Director taking into account the evidence and feedback on his/her performance presented by the Non- Executive Member;
- 5.2.4 approve the remuneration of the Managing Director taking into account the assessment of his/her performance by the Chairman;
- 5.2.5 approve the remuneration of the other members of taking into account the assessment of their performance by the Chairman and Managing Director;
- 5.2.6 review remuneration and benefits arrangements, and make recommendations, in respect of any Director or senior employee that involve making material exceptions to policy, or material payments or guarantees outside the normal remuneration model, and be consulted by the Managing Director in respect of them;
- 5.2.7 oversee the implementation of the pay appeals process approved by the Board and determine appeals submitted to the Committee by Directors in respect of their benchmark remuneration;
- 5.2.8 review and make recommendations, where appropriate, in respect of the remuneration policies and framework for all staff to ensure they support the strategic objectives, culture and values of the Company.

## Reporting

- 6.1 Minutes of each Committee meeting will be disclosed at the next meeting of the Board unless there are privacy and confidentiality reasons that prevent disclosure beyond the members of the Committee. Periodically the Chair of the Committee shall report to the Board on matters within its duties and responsibilities.

- 6.2 The Committee shall compile a report of the work of the Committee in discharging its responsibilities for inclusion in the Annual Report, including a description of significant issues dealt with by the Committee.
- 6.3 The Committee shall work and liaise as necessary with other committees of the Board.

## **Governance and Resources**

- 7.1 The Committee shall, via the Secretary to the Committee, make available to new members of the Committee a suitable induction process and, for existing members, ongoing training as discussed and agreed by the Committee.
- 7.2 The Committee shall conduct an annual self-assessment of its activities under these Terms of Reference and report any conclusions and recommendations to the Board and, as part of this assessment, shall consider whether or not it receives adequate and appropriate support in fulfillment of its role and whether or not its annual plan of work is manageable.
- 7.3 The Committee shall in its decision making, give due regard to any relevant legal or regulatory requirements, and associated best practice guidance, as well as to the risk and reputation implications of its decisions (liaising where relevant with other committees).
- 7.4 In order to ensure the integrity of its decision making, where the Committee is considering any proposal related to either the appointment to a leadership position, or the remuneration, of a Director who: (i) is a member of the Committee; or (ii) was within the previous 12 months a member of the Extended Nomination Committee for the chairman election, then the Committee shall co-opt at least one additional Non-Executive and one Independent Non-Executive (in a non-voting capacity) for the specific consultation and decision-making process and that discussion will be chaired by the Independent Non- Executive.
- 7.5 The Committee shall have access to sufficient resources in order to carry out its duties and have the power to engage independent Body and other professional advisers and to invite them to attend meetings.

## **Terms of Reference**

- 8.1 The Committee shall annually review its Terms of Reference and may recommend to the Board any amendments to its Terms of Reference.

**\*Terms of Reference approved/Revised by the Board on 20 December 2023**



**Independent Auditor's Report  
and  
Financial Statements  
of  
SK TRIMS & INDUSTRIES LTD.  
As at and for the year ended 30 June 2024**



# SK Trims & Industries Ltd.

## Auditor's Report and Audited Financial Statements

### For the year ended 30 June 2024

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## Independent Auditors' Report To the shareholders' of Sk Trims & Industries Ltd. Report on the Audit of the Financial Statements

### Opinion:

We have audited the financial statements of **SK Trims & Industries Ltd. ("the Company")**, which comprise the Statement of Financial Position as of 30 June 2024, and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) where practicable, 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) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matters:

Without qualifying our opinion, we draw attention on the following matters:

- During the audit we noted that the company made some payments against expenses in cash instead of A/C payee cheque or bank transfer which indicates violation of Income tax Act 2023 & related government rules.
- The company had an employee provident fund which was coming from previous years but the same has been discontinued from current year. [Ref. note no. 2.14(c)] Moreover, gratuity & other compensation benefit as per guideline of Bangladesh Labor Laws/Rules 2015 has not been maintained and as such, no provision been made for this purpose, which is a non-compliance of Labor Law 2006 and rules thereof.
- The company has not made any provision for WPPF as required by Section 232 of Labor Law 2006 reason of which been disclosed in note no. 2.14(b). It may be mentioned here that, there is no specific instruction in Labor Act for non-provision for WPPF for export-oriented industries.

### Key Audit Matters

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

<b>Valuation of Property, Plant and Equipment (PPE)</b>	
<b>See Note 3.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Property, plant and equipment (PPE) was carried at BDT 827,906,218 representing over 80% of total assets of the company as on 30 June 2024. The company reported addition to PPE of BDT 90,185,212 during the year.</p> <p>Property, plant and equipment (PPE) are subject to recognition and measurement criteria only after satisfactorily meeting relevant requirement as per IAS 16.</p> <p>The company is also required to perform assessment for impairment when there is condition which suggests indication of assets being impaired.</p>	<p>Our audit procedures performed during the audit to address the risks identified consist of the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation.</li> <li>➤ Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment.</li> <li>➤ Inspecting supporting documents against the acquisition of PPE made during the year to test their accuracy, valuation and ownership in the financial statements.</li> </ul> <p>Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.</p>
<b>Capital Work in Progress</b>	
<b>See Note 4.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>As refereed note no 4.00 in the financial statement the company recognized Capital Work in Progress of BDT 17,055,939 at the reporting date.</p> <p>Work in Buildings and Civil Construction BDT 14,229,259 &amp; Electrical Equipment &amp; Installation of BDT 2,826,680 during the year.</p>	<ul style="list-style-type: none"> <li>➤ Our substantive audit procedure adopted during the audit includes the following test or details</li> <li>➤ Inspecting relevant bill of entry of machinery in support of Capital work in progress reported in the financial statement.</li> <li>➤ Inspecting relevant bills of electrical equipment &amp; installation in support of Capital work in progress reported in the financial statement.</li> </ul>
<b>Valuation of Inventory</b>	
<b>See Note 5.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Closing inventories aggregating to BDT 293,543,265 was recognized in the statement of financial position as on 30 June 2024. Compared to previous year, this has increased by BDT 44,672,237.</p> <p>Closing inventories were all held at factory premises of the Company. Since determining valuation of these inventories involves management judgments which results in estimation uncertainty, we considered this an area of significant audit attention to be emphasized during the audit.</p> <p>Physical Inventory of above was carried out by the management by forming a committee which is supported by an inventory certificate.</p>	<p>Our audit responses comprise the following procedures:</p> <ul style="list-style-type: none"> <li>➤ Evaluating the design and implementation of key inventory control operating across factory premises.</li> <li>➤ Evaluating compliance with instructions of management count procedures during the audit.</li> <li>➤ Test checked some of the stock items during our audit period to check the correctness &amp; physical existence of inventories.</li> <li>➤ Reviewing composition of cost of inventories comprising raw materials, work-in-process and finished goods and comparing net realizable value on selected samples to test their valuation</li> </ul>



<b>Cash &amp; Cash Equivalents</b>	
<b>See Note 9.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Cash &amp; Cash Equivalents. 9,187,966 as of 30 June 2024 represents Cash in Hand and Cash with banks at the close of business of the company which can be used without any obligation.</p> <p>As those are liquid funds, as per practice it is important to confirm and verify the actual balances of cash &amp; cash equivalent.</p>	<ul style="list-style-type: none"> <li>• We could not physically verify the cash in hand at Factory &amp; Head Office as our audit was postdated. However, the cash balance is duly certified by the management.</li> <li>• We send 12 letters to operative banks to confirm their balances as of 30<sup>th</sup> June 2024 directly to us, but we have received only 10 nos. confirmation which are however been agreed with book balances.</li> </ul>
<b>Measurement of current year Income Tax and Deferred Tax</b>	
<b>See Note 13.00 &amp; 17.01 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>During the year, the Company recognized current year income tax of Tk. 14,292,255 and deferred tax Tk. 2,807,807 respectively in the statement of profit or loss and other comprehensive income. Both expenses have increased significantly compared to corresponding expense recognized in the last year.</p> <p>Determination of both current year income tax and deferred tax involves compliance with the Income Tax Ordinance (ITO) 1984 and latest finance act along with IAS 12: Income Tax.</p>	<p>Our audit responses adopted during the audit to address the risk identified comprise the following:</p> <ul style="list-style-type: none"> <li>➢ Obtained and documented management procedures involved in determining both current year income tax and deferred tax.</li> <li>➢ Obtained understanding and reviewed relevant section of the ITO and SRO to test the accuracy of rate applied by the Company.</li> <li>➢ Reviewed rate of depreciation used in determining tax depreciation in compliance with the latest finance act which is used to determine taxable profit and deferred tax.</li> <li>➢ Re-performed detailed calculation of current year income tax and deferred tax as given by the Company.</li> <li>➢ Inspected latest assessment order completed and compared the amount of tax paid by the Company with amount recognized in the financial statements</li> </ul>
<b>Short Term Borrowings</b>	
<b>See Note 14.00 to the financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>As referred note no 14.00 in the financial statement the company recognized Short-term Borrowings of BDT 306,517,307 at the reporting date.</p> <p>Loan liability borrowings from bank were considered as key audit matter because this external form of credit facilities availed by the company require fulfillment of several terms and conditions as mentioned in loan sanction letter issued by lending bank.</p>	<ul style="list-style-type: none"> <li>➢ Our substantive audit procedure adopted during the audit includes the following test or details</li> <li>➢ Inspecting relevant board minutes in support of bank loan reported in the financial statement.</li> <li>➢ Agreeing outstanding balances with confirmation letter received from the bank.</li> <li>➢ Agreeing finance costs charged by the company with loan statements provided by bank to test accuracy and completeness of expenses in relation to bank loan.</li> </ul>

Revenue Recognition	
See Note 18.00 to the financial statements	
The key audit matter	How the matter was addressed in our audit
<p>During the year, the Company recognized sales turnover of BDT 1,110,271,926 which has increased by BDT 222,719,972 as compared to previous year.</p> <p>Sales revenue recognized by the Company as per IFRS: 15, 'Revenue from Contracts with Customers' &amp; Company Policy. Revenue is recognized based on point of delivery and when relevant performance obligations are satisfied. The company adopted IFRS: 15 'Revenue from Contracts with Customers' as continued from previous year.</p> <p>We considered sales revenue as an item of significant audit areas during our audit because of its predominance in determining the financial performance of the Company.</p>	<p>Our audit procedures included the following to test the design and operating effectiveness of key control focusing on:</p> <ul style="list-style-type: none"> <li>➤ Segregation of duties in invoice creation and modification.</li> <li>➤ Timing of revenue recognition considering step by step procedure.</li> </ul> <p>Our substantive procedures in relation to revenue recognition &amp; measurement comprise the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining understanding and documenting the process of revenue recognition and measurement followed by the Company.</li> <li>➤ Tracing performance obligations stipulated and contract value in the contract with invoice and delivery challan issued to evaluate point of recognition and measurement.</li> <li>➤ Testing occurrence and accuracy of sales revenue recognized by inspecting source documents such as contract made with the customer, delivery challan and VAT challan.</li> <li>➤ Assessing accuracy and comparing revenue recognized during the year with VAT returns submitted to VAT authority.</li> </ul> <p>Finally assessing the appropriateness and presentation of disclosure notes with IFRS 15: Revenue from contracts with customers.</p>

**Other Matter**

Our audit procedures were mainly tailored to the material areas of the financial statements with more emphasis placed on obtaining documentary evidence from the company and testing their accuracy using the online platforms and limited physical verification.

**Other Information**

Management is responsible for the other information. The other information comprises all the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company

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 the Financial Statements**

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

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded 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.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial statements. We are solely responsible for our audit opinion.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated 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 determined 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 described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined 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 that:

- 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 and records as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income of the Company dealt with by the report are in agreement with the books of account and returns;
- d) The expenditures incurred were for the purposes of the Company's business.

Place: Dhaka  
Dated: 24 November 2024



(Sarwar Mahmood FCA)  
Partner  
Shafiq Basak & Co.  
Chartered Accountants  
DVC:-2411240239AS821565



SK TRIMS & INDUSTRIES LTD.  
Statement of Financial Position  
As at 30 June 2024

Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
ASSETS			
Non-Current Assets:		844,962,157	791,222,056
Property, Plant and Equipment	3.00	827,906,218	777,591,221
Capital Work in Progress	4.00	17,055,939	13,630,835
Current Assets:		863,127,796	838,794,807
Inventories	5.00	293,543,265	248,871,028
Accounts and other Receivables	6.00	362,064,212	330,920,366
Investment	7.00	153,752,541	203,665,918
Advance, Deposits and Prepayments	8.00	44,579,812	37,481,750
Cash and Cash Equivalents	9.00	9,187,966	17,855,745
Total Assets		1,708,089,953	1,630,016,863
EQUITY & LIABILITIES			
Shareholder's Equity:		1,325,599,425	1,318,762,849
Share Capital	10.00	847,000,000	847,000,000
Other Comprehensive Income	11.00	25,293,724	38,633,792
Retained Earnings	12.00	453,305,701	433,129,057
Non-Current Liabilities:		28,900,447	26,092,640
Deferred Tax Liability	13.00	28,900,447	26,092,640
Current Liabilities:		353,590,081	285,161,374
Short Term Borrowings	14.00	306,517,307	258,255,857
Unclaimed Dividend	15.00	641,195	1,126,083
Accounts and other Payables	16.00	4,874,953	5,621,806
Liabilities for Expenses	17.00	41,556,626	20,157,628
Total Shareholders Equity and Liabilities		1,708,089,953	1,630,016,863
Net Asset Value (NAV) per share	24.00	15.65	15.57

The accounting policies and other notes 1.00 to 32.00 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 21-11-2024 and signed on its behalf by:

  
Managing Director

  
Chairman

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: 24 November 2024

  
(Sarwar Mahmood FCA)  
Partner  
Shafiq Basak & Co.  
Chartered Accountants  
DVC:-2411240239AS821565

**SK TRIMS & INDUSTRIES LTD.**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2024**

Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
Revenue	18.00	1,110,271,926	887,551,954
Cost of goods sold	19.00	(979,661,548)	(740,777,857)
<b>Gross Profit</b>		<b>130,610,378</b>	<b>146,774,097</b>
Operating expenses	20.00	(58,710,330)	(46,065,707)
<b>Profit from Operation</b>		<b>71,900,048</b>	<b>100,708,390</b>
Other Income	21.00	58,140,080	10,160,471
Finance Cost	22.00	(67,353,423)	(19,501,471)
<b>Profit before Income Tax</b>		<b>62,686,705</b>	<b>91,367,390</b>
<b>Income Tax Expenses</b>		<b>(17,100,061)</b>	<b>(11,619,984)</b>
Current Tax	Annexure-H	(14,292,255)	(9,004,299)
Deferred Tax	13.00	(2,807,807)	(2,615,685)
<b>Net Profit After Tax</b>		<b>45,586,644</b>	<b>79,747,405</b>
<b>Other Comprehensive Income</b>		<b>(13,340,068)</b>	<b>(28,406,951)</b>
<i>Items that are or may reclassified to Profit/Loss account</i>			
Unrealized Gain /(Loss) on investment in shares	11.01	(12,310,168)	(29,930,575)
Unrealized Gain /(Loss) from foreign currency exchange rate fluctuation	11.00	(1,029,900)	1,523,624
<b>Total Comprehensive Income for the year</b>		<b>32,246,576</b>	<b>51,340,454</b>
<b>Earnings per Share (EPS)</b>	23.00	<b>0.54</b>	<b>0.94</b>

The accounting policies and other notes 1.00 to 32.00 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 21-11-2024 and signed on its behalf by:

  
Managing Director

  
Chairman

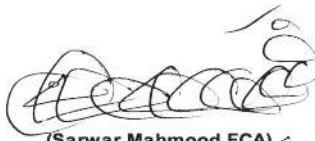
  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: 24 November 2024

  
(Sarwar Mahmood FCA)  
Partner  
Shafiq Basak & Co.  
Chartered Accountants  
DVC:-2411240239AS821565



**SK TRIMS & INDUSTRIES LTD.**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2024**

Particulars	(Amount in Taka)			
	Ordinary Share Capital	Retained Earnings	Other Comprehensive Income	Total Equity
Balance as on July 01, 2023	847,000,000	433,129,057	38,633,792	1,318,762,849
Adjustment	-	-	(38,633,792)	(38,633,792)
Unrealized Gain /(Loss)	-	-	25,293,724	25,293,724
Cash Dividend for the year 2022-2023	-	(25,410,000)	-	(25,410,000)
Net profit for the year	-	45,586,644	-	45,586,644
<b>Balance as at June 30, 2024</b>	<b>847,000,000</b>	<b>453,305,701</b>	<b>25,293,724</b>	<b>1,325,599,425</b>

**SK TRIMS & INDUSTRIES LTD.**  
**Statement of Changes in Equity**  
**For the year ended June 30, 2023**

Particulars	(Amount in Taka)			
	Ordinary Share Capital	Retained Earnings	Other Comprehensive Income	Total Equity
Balance as on July 01, 2022	847,000,000	376,681,548	67,328,681	1,291,010,229
Adjustment	-	-	(67,328,681)	(67,328,681)
Unrealized Gain (Loss)	-	-	38,633,792	38,633,792
Cash Dividend for the year 2021-2022	-	(23,299,897)	-	(23,299,897)
Net profit for the year	-	79,747,406	-	79,747,406
<b>Balance as at June 30, 2023</b>	<b>847,000,000</b>	<b>433,129,057</b>	<b>38,633,792</b>	<b>1,318,762,849</b>

The accounting policies and other notes 1.00 to 32.00 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 21-11-2024 and signed on its behalf by:

  
Managing Director

  
Chairman

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: 24 November 2024

  
(Sarwar Mahmood FCA)  
Partner  
Shafiq Basak & Co.  
Chartered Accountants  
DVC:-2411240239AS821565

SK TRIMS & INDUSTRIES LTD.  
Statement of Cash Flows  
For the year ended 30 June 2024

Particulars	Note	Amount in Taka	
		30 Jun 2024	30 Jun 2023
<b>A) Cash Flows from Operating Activities</b>			
Cash received from Customers	26.12	1,073,233,332	788,370,747
Cash paid to Suppliers	26.13	(817,652,090)	(614,011,664)
Cash paid to Employees	26.14	(195,915,830)	(146,332,791)
Cash Paid to Others	26.15	(32,506,229)	(23,670,288)
<b>Cash Generated from Operation</b>		<b>27,159,183</b>	<b>4,356,003</b>
Cash received from Other Income	26.16	63,004,928	14,540,643
Income Tax paid		(14,292,265)	(9,979,724)
<b>Net Cash Generated from Operating Activities</b>		<b>75,871,846</b>	<b>8,916,922</b>
<b>B) Cash Flows from Investing Activities</b>			
Investment in Share		37,603,209	(2,479,700)
Capital Work in Progress		(6,761,115)	(30,490,313)
Acquisition of Property, Plant and Equipment		(79,381,057)	(15,080,000)
<b>Net Cash Used in Investing Activities</b>		<b>(48,538,963)</b>	<b>(48,050,013)</b>
<b>C) Cash Flows from Financing Activities</b>			
Net Payment for Financial Expenses		(69,777,225)	(18,734,656)
Dividend paid		(14,484,888)	(23,306,308)
Net Received/(Payment) in Short term loan		48,261,450	79,659,384
<b>Net Cash Provided from Financing Activities</b>		<b>(36,000,662)</b>	<b>37,618,419</b>
<b>D) Net Increase/(Decrease) Cash and Cash Equivalents (A+B+C)</b>		<b>(8,667,779)</b>	<b>(1,514,672)</b>
<b>E) Opening Cash and Cash Equivalents</b>		<b>17,855,745</b>	<b>19,370,417</b>
<b>F) Closing Cash and Cash Equivalents (D+E)</b>		<b>9,187,966</b>	<b>17,855,745</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	25.00	<b>0.90</b>	<b>0.11</b>

The accounting policies and other notes 1.00 to 32.00 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 21-11-2024 and signed on its behalf by:

  
Managing Director

  
Chairman

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka  
Dated: 24 November 2024

  
(Sarwar Mahmood FCA)  
Partner  
Shafiq Basak & Co.  
Chartered Accountants  
DVC:-2411240239AS821565



# SK TRIMS & INDUSTRIES LTD.

Notes to the Financial Statements  
For the year ended June 30, 2024

## 1.00 REPORTING ENTITY:

### 1.01 Background of the Company:

The company namely "SK Thread & Industries Ltd." was incorporated on 01 June 2014 vide registration no.C-116347/14 as a private limited company in Bangladesh under the Companies Act, 1994. Subsequently the company converted into Public limited company dated on 13 August 2017 and listed with both exchanges dated on 15 July 2018.

The company changed its name through special resolution and with due approval of the Registrar of Joint Stock Companies & Firms from "SK Thread & Industries Ltd." to "SK Trims & Industries Ltd." on 25th April 2016.

### 1.02 Registered Office of the Company:

The registered office & factory of the Company are located at 45, madrasa road, 111/33, Tilargati, Sataish, Tongi, Gazipur-1712. Dhaka, Bangladesh.

### 1.03 Nature of the business:

The principal activities of the company are to carry on the business of manufacturing of all kinds of Swing Thread, Elastic, Poly, Carton, Photo Card, Back Board, Bar Code, Hangtag, Tissue Paper, Gum Tape etc. for export-oriented garments industry along with manufacturing of Backpack, Duffle Bag, Tote Bag and Travel Bag for direct export.

## 2.00 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

### 2.01 Statements of Compliance:

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

### 2.02 Going Concern:

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

### 2.03 Accrual Basis:

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

### 2.04 Components of the Financial Statements:

According to IAS-1 Presentation of the Financial Statements the complete set of financial statement includes the following components

- a) Statement of Financial Position as of June 30, 2024.
- b) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2024.
- c) Statement of Changes in Equity for the year ended June 30, 2024.
- d) Statement of Cash Flows for the year ended June 30, 2024; and
- e) Notes to the Financial Statement.

### 2.05 Accounting Policies & Estimates:

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

## **2.06 Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of "the Framework for the preparation and Presentation of Financial Statements" issued by the International Accounting Standards (IASs).

## **2.07 Statement of Cash flows:**

Statement of Cash flows have been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method".

## **2.08 Applicable accounting standards:**

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

### **IASs:**

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statements of Cash flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 39	Financial Instruments: Recognition and Measurement
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

## **2.09 Property, Plant and Equipment:**

### **(a) Recognition and Measurement**

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

The cost of replacing 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 Company and its costs can be measured reliably. The cost of the day to day maintaining cost on PPE is recognized in the Statements of Profit or Loss and other Comprehensive Income as incurred.

### **(b) Depreciation:**

Depreciation on Property, Plant and Equipment other than Land has been computed during the year using the reducing balance method. Depreciation has been charged on addition of assets when the related Property, Plant and Equipment are available for use as per management intention. Depreciation has charged as following rate:



Name of Assets	Depreciation Rate (%)	
	30 June 2024	30 June 2023
Land	0%	0%
Building and Civil Construction	2.50%	2.50%
Plant & Machinery	10%	10%
Furniture & Fixture	10%	10%
Electrical Installation & Equipment	10%	10%
Office Equipment	10%	10%
Fire Equipment	10%	10%
Vehicle	20%	20%

**(c) Retirement and Disposals:**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

**(d) Impairment:**

In accordance with the provision of IAS 36, the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated, and impairment losses are recognized in the statement of comprehensive income. No such indication of impairment has been observed till the end of the year.

**2.10 Borrowing Cost:**

Interest and other cost incurred in the company in connection with the borrowing of fund are recognized as expenses in the year in which they are incurred unless such borrowings cost related to acquisition/construction of assets in progress that are required to be capitalized as per IAS 23 Borrowing Costs.

**2.11 Revenue Recognition:**

As per IFRS-15 Revenue from Contracts with Customers an entity shall account for a contract with a customer only when all of the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations.
- (b) The entity can identify each party's rights regarding the goods or services to be transferred.
- (c) The entity can identify the payment terms for the goods or services to be transferred.
- (d) The contract has commercial substance (i.e. the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

**2.12 Valuation of Current Assets:**

**(i) Inventories:**

In compliance with the requirements of IAS 2 Inventories, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous period's 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.

**(ii) Trade and Other 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 has been provided for as bad debt in the current period's account.

**(iii) Investment:**

Investment/ Financial Assets have been measured at their fair value showing the unrealized profit/gain through other comprehensive income in accordance with IFRS-7 and IFRS-9.

**2.13 Provisions:**

A provision is recognized on the balance sheet date if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**2.14 Employees' Benefit**

The company maintains defined benefit plan for its eligible employees which includes wages, salaries & festival bonuses only.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

**a) Short Term Employee Benefits**

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

**b) Contribution to Workers' Profit Participation Fund**

The Company introduced WPPF from the year 2016-2017. Later on, the Company has decided not to create Workers' Profit Participation Fund (WPPF) from 01 January 2022 as per Bangladesh Labor (Amendments) Act, 2013.

The company is a 100% export-oriented bag and garment accessories industry and member of Leather Footwear Manufacturer and Export Association of Bangladesh (LFMEAB) and Bangladesh Sewing Thread Manufacturers & Exporters Association (BSTMEA). As per Sub-Section 3 of Section 232 of Bangladesh Labor Act 2006 re-placed by the Act No 30, para 63 of the year 2013 are as follows:

"In case of a 100% export-oriented industrial sector or for any industry investing 100% foreign exchange, the government, through enactment of Rules, shall adopt required provisions with regard to formation of sector-based central fund comprising of buyers and owners, form a board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector."

The government not yet made the sector-wise a central fund consolidating buyers and owners, fund management board, determination of donation and procedures for recovery thereof rules of using money. From the above situation we are in a position that we cannot make any provision for WPPF. We are trying to get instruction from our respective association namely Bangladesh Sewing Thread Manufacturers & Exporters Association (BSTMEA) regarding the same.

**c) STIL Employee Fund**

As per mutual discussion between employees and the company STIL Employee Fund has been discontinued with effect from 1st January 2024.



## **2.15 Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc.

## **2.16 Functional and Presentational Currency:**

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

## **2.17 Income Tax:**

### **Current Tax:**

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate in compliance with Finance Act, 2024.

### **Deferred Tax:**

The company recognized deferred tax as per IAS 12 Income Taxes. Deferred tax is recognized for all temporary timing difference arising between the carrying value of assets and liabilities and its tax base values. The rate prevailing at the Financial Position date is used for determination of deferred tax.

## **2.18 Earnings per share:**

The company calculates Earnings per Share (EPS) in accordance with IAS 33 Earnings per Share which has been shown on the face of the Profit or Loss and other Comprehensive Income.

### **Basic Earnings**

This represents profit or loss at the end of the period attributable to ordinary shareholders of the entity

### **Basic Earnings per Share**

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the period.

### **Diluted Earnings per Share**

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, no dilution of EPS is applicable for these financial statements as there were no potential ordinary shares during the relevant period.

## **2.19 Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IAS 39 Financial Instruments Recognition and Measurement.

### **Financial Assets:**

Financial assets of the company include cash and cash equivalents, equity instrument to another entity, Trade receivables and other receivables. The company initially recognizes a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

### **Financial Liabilities:**

The company initially recognizes a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

**2.20 Cash and Cash Equivalents:**

According to IAS 7 Statement of Cash Flows, cash comprises cash in hand, short term deposit and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

**2.21 Events after the Reporting Period:**

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events - those that provide evidence of conditions that existed at the end of the reporting period.

Non adjusting Events- those that are indicative of conditions that arose after the reporting period.

Management of the company has taken close look whether any events after the reporting period exist that need to take into account during the preparation of Financial Reports. No event after the reporting period exists and management of the company has prepared the financial reports in accordance.

**2.22 Authorization date for issuing Financial Statements:**

These financial statements were authorized for issue in accordance with the resolution of the Company's Board of Directors in its meeting held on 21-11-2024.

**2.23 Comparative Information**

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

**2.24 Segmental Reporting:**

As required by IFRS 8 Operating Segments, if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available

The company considers the operation on aggregate basis and manages the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

**2.25 Related Party Disclosure**

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24 Related Party Disclosures has been disclosed in a separate note (note no: 26.08) to the accounts.

**2.26 Contingent Liabilities**

There is no Contingent Liabilities during the year except pending tax assessments which may arise on final assessment. Moreover, liability for WPPF may arise after final decision by the government for export-oriented industries.

**2.27 General:**

- i) The figure has been rounded off to the nearest taka.
- ii) The financial Statements have been prepared covering one year from 01 July 2023 to 30 June 2024.



Notes Sl. No.	Particulars	Note Ref. No.	Amount in Taka	
			30 June 2024	30 June 2023
3.00	Property, Plant and Equipment: Tk. 827,906,218			
	(A) Cost:		1,057,462,529	967,277,317
	Opening Balance		967,277,317	877,682,234
	Add: Addition during the year		90,185,212	89,595,083
	(B) Accumulated Depreciation:		229,556,311	189,686,096
	Opening Balance		189,686,096	154,659,999
	Add: Depreciation Charged for the year		39,870,215	35,026,097
	Written Down Value (A-B) as at 30 June 2024		827,906,218	777,591,221
	Details of Property, Plant and Equipment have been shown in "Annexure-A"			
4.00	Capital Work in Progress: Tk. 17,055,939			
	Buildings and Civil Construction	Note-4.01	14,229,259	-
	Plant & Machinery	Note-4.02	-	10,804,155
	Electrical Equipment and Installation	Note-4.03	2,826,680	2,826,680
			17,055,939	13,630,835
4.01	Buildings and Civil Constructions: Tk. 14,229,259			
	Opening Balance		-	-
	Addition during the year		14,229,259	-
			14,229,259	-
	Capitalized during the year		-	-
	Closing Balance		14,229,259	-
4.02	Plant & Machinery: Tk. 0			
	Opening Balance		10,804,155	62,297,069
	Addition during the year		-	23,022,169
			10,804,155	85,319,238
	Capitalized during the year		(10,804,155)	(74,515,083)
	Closing Balance		-	10,804,155
4.03	Electrical Equipment and Installation: Tk. 2,826,680			
	Opening Balance		2,826,680	2,826,680
	Addition during the year		-	-
			2,826,680	2,826,680
	Capitalized during the year		-	-
	Closing Balance		2,826,680	2,826,680
	The above payment made as deposit against installation of sub-station which is coming from previous year.			
5.00	Inventories: Tk. 293,543,265			
	Raw Materials	Note-19.01	183,932,067	198,161,161
	Work in Process	Note-19.00	30,804,885	27,422,028
	Finished Goods	Note-19.00	77,112,634	21,953,623
	Store Items	Note-19.02	1,693,679	1,334,216
			293,543,265	248,871,028

**6.00 Accounts and Other Receivables: Tk. 362,064,212**

Accounts Receivables	<b>Note-6.01</b>	362,064,212	326,055,518
Interest Receivable	<b>Note-6.02</b>	-	168,208
Receivable from STIL Employee Provided Fund	<b>Note-6.03</b>	-	4,696,640
		<b>362,064,212</b>	<b>330,920,366</b>

**6.01 Accounts Receivables: Tk. 362,064,212**

The above is the amount of receivable is against export bills as on June 30, 2024. This is considered as good & realizable and is secured by letter of credit duly accepted by L/C opening bank.

Opening Balance		324,531,894	225,350,687
Export during the year		1,110,271,926	887,551,954
		<b>1,434,803,820</b>	<b>1,112,902,641</b>
Collection/Realization during the year		(1,073,233,332)	(788,370,747)
<b>Closing Balance</b>	<b>Annexure-F</b>	<b>361,570,488</b>	<b>324,531,894</b>
Marked to Market Gain/(Loss)	<b>Note-6.01.1</b>	493,724	1,523,624
		<b>362,064,212</b>	<b>326,055,518</b>

**Ageing of Trade Receivables**

More than six months	-	-
Less than six months	362,064,212	326,055,518
	<b>362,064,212</b>	<b>326,055,518</b>

The classification of receivables as required by the Schedule XI Part I, Para 4 of the Companies Act, 1994 are given below:

i) Receivables considered good in respect of which the company is fully secured.	362,064,212	326,055,518
ii) Receivables considered good in respect of which the company holds no security other than the debtor personal security.	-	-
iii) Receivables considered doubtful or bad.	-	-
iv) Accounts Receivable due by any director or other officers of the company or any of them either severally or jointly with any other person or receivables due firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v) Receivables due by companies under the same management.	-	-
vi) The maximum amount of receivables due by any directors or other officers of the company at any time during the year.	-	-
<b>Total</b>	<b>362,064,212</b>	<b>326,055,518</b>

**6.01.1 Market to Market Gain/(Loss) : Tk. 493,724**

Particulars	Receivable in USD	USD Rate	Receivable in BDT	Receivable in BDT
Trade Receivables at Current Market price	\$3,291,493	110.00	362,064,212	326,055,517
Trade Receivables at Average selling price	\$3,291,493	109.85	361,570,488	324,531,894
Market to Market Gain/(Loss)			<b>493,724</b>	<b>1,523,624</b>



**6.02 Interest Receivable : Tk. 0**

FDR Interest	-	168,208
	-	<b>168,208</b>

**6.03 Receivable from STIL Employee Fund: Tk. 0**

Opening Balance	4,696,640	9,229,465
Addition During the year	-	-
	<b>4,696,640</b>	<b>9,229,465</b>
Adjustment/Collection during the year	(4,696,640)	(4,532,825)
<b>Closing Balance</b>	<b>-</b>	<b>4,696,640</b>

**7.00 Investment: Tk. 153,752,541**

Investment in Private Placement*	120,800,000	170,713,377
Investment in Shahjalal Asset Management Ltd.	26,272,841	26,272,841
Investment in Shahjalal Multi Agro Food & Industries Ltd.	6,679,700	6,679,700
	<b>153,752,541</b>	<b>203,665,918</b>

\*Details of Investment in private placement have been shown in "Annexure-G"

**8.00 Advances, Deposits & Prepayments : Tk. 44,579,812**

Advance to Employees		942,088	857,200
Advance Income Tax	<b>Note- 8.01</b>	14,292,255	9,004,289
Security Deposit	<b>Note- 8.02</b>	533,400	533,400
Advance Insurance Premium	<b>Note- 8.03</b>	928,991	710,154
L/C Margin for Capital Machineries		-	7,468,144
L/C Margin for Raw Material		27,883,078	18,908,563
		<b>44,579,812</b>	<b>37,481,750</b>

**8.01 Advance Income Tax : Tk. 14,292,255**

Opening Balance	9,004,289	4,151,239
Tax deduction at source on export realization	10,732,333	7,883,707
Tax deduction at source on Cash incentive	1,431,900	349,700
Tax deduction at source on Interest Income	107,256	48,278
Advance Tax Against Share sale	1,974,395	-
Tax deduction at source on Cash Dividend	-	506,879
Tax deduction at source by BRTA	46,370	215,735
Tax paid for the income year: 2021-2022	-	975,425
	<b>23,296,544</b>	<b>14,130,963</b>
Adjustment during the year -Assessment year 2023-2024	(9,004,289)	(5,126,674)
	<b>14,292,255</b>	<b>9,004,289</b>

**8.02 Security Deposit : Tk. 533,400**

Polly Bidyut Samity (PBS)- Electricity	25,000	25,000
T & T	8,400	8,400
Central Depository Bangladesh Limited (CDBL)	500,000	500,000
	<b>533,400</b>	<b>533,400</b>

### 8.03 Advance Insurance Premium: Tk. 928,991

Advance Insurance Premium-Opening	710,154	609,529
Addition during the year	1,630,200	1,432,080
	<b>2,340,354</b>	<b>2,041,609</b>
Adjustment during the year	(1,411,363)	(1,331,455)
	<b>928,991</b>	<b>710,154</b>

The classification of Advances, Deposits & Prepayments as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.	43,637,724	36,624,550
ii) Advance, deposits & prepayment considered good for which the company holds no security.	-	-
iii) Advance, deposits & prepayment considered doubtful or bad.	-	-
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v) Advance, deposits & prepayment due by companies under the same management.	-	-
vi) The maximum amount due by directors or <b>other officers</b> of the company at any time during the year.	942,088	857,200
<b>Total</b>	<b>44,579,812</b>	<b>37,481,750</b>

### 9.00 Cash and Cash Equivalents : Tk. 9,187,966

i) Cash in Hand	1,546,070	414,575
<b>ii) Cash at Bank:</b>	<b>7,622,137</b>	<b>17,443,100</b>
First Security Islami Bank Ltd., A/C No. # 12100	4,166	6,466
Social Islami Bank Ltd., A/C No. # 00896	3,224	6,789
One Bank Ltd. A/C No.# 659	8,800	9,779
One Bank Ltd. A/C No.# 796	7,670	518,055
One Bank Ltd. A/C No.# 5259	1,758,363	1,191,862
One Bank Ltd. A/C No.# 739	1,307,816	1,661,577
One Bank Ltd. A/C No.# 719	31,458	32,070
One Bank Ltd. A/C No.# 901	338,456	337,332
One Bank Ltd. A/C No.# 7449	281,409	301,479
One Bank Ltd. A/C No.# 0063	3,409,966	2,966,106
One Bank Ltd. A/C No.#0084	8,262	-
One Bank Ltd. A/C No.#7915	394,975	-
Bengal Commercial Bank Ltd. A/C No.#4283	25,486	26,521
Sonali Bank PLC. A/C No.#4283	2,776	5,021
Al-Arafa Islami Bank PLC. A/C No. # 1351020007663	39,309	-
FDR	-	10,380,043
<b>iii) IPO Account</b>	<b>5,699</b>	<b>6,000</b>
Social Islami Bank Ltd., A/C No. # 00045	5,699	6,000
<b>iv) BO Account</b>	<b>14,061</b>	<b>(7,929)</b>
SND-127 (SEML)	14,061	(7,929)
<b>Total (i to iv)</b>	<b>9,187,966</b>	<b>17,855,745</b>

The Bank balance is agreed with respective bank statement balances.



**10.00 Share Capital : Tk. 847,000,000****Authorized Capital: Tk. 1,000,000,000**

10,00,00,000 Ordinary Shares of Tk. 10/- each

1,000,000,0001,000,000,000**Issued, Subscribed & Paid-up Capital: Tk. 847,000,000**

70,000,000 Ordinary Shares of BDT 10.00 each

700,000,000

700,000,000

7,000,000 Bonus Shares of BDT 10.00 each

70,000,000

70,000,000

7,700,000 Bonus Shares of BDT 10.00 each

77,000,000

77,000,000

**Total 84,700,000 number of Shares of Tk. 10/- each****847,000,000****847,000,000****Composition of Shareholding of Ordinary Shares:**

Category of Shareholders	No. of Shares	% of Holdings as on 30 June 2024	% of Holdings as on 30 June 2023
Sponsors & Directors	26,450,258	31.23%	31.23%
Financial and Other Institutions	19,870,620	25.80%	23.49%
General Public	38,379,122	42.97%	45.28%
<b>Total</b>	<b>84,700,000</b>	<b>100.00%</b>	<b>100.00%</b>

The distribution schedule showing the number of shareholders and their share holdings in percentage as on 30 June 2024 has been disclosed below:

Range of Holdings	No. of Holders	No. of Shares	% of Holdings as on 30 June 2024	% of Holdings as on 30 June 2023
Upto 500 Shares	1,909	423,131	0.50%	0.58%
501 to 5,000 Shares	3,066	5,794,817	6.84%	8.54%
5,001 to 10,000 Shares	579	4,425,068	5.22%	5.95%
10,001 to 20,000 Shares	369	5,507,473	6.50%	6.63%
20,001 to 30,000 Shares	121	3,070,969	3.63%	3.81%
30,001 to 40,000 Shares	70	2,493,263	2.94%	2.72%
40,001 to 50,000 Shares	51	2,397,344	2.83%	1.98%
50,0001 to 100,000 Shares	72	5,188,417	6.13%	6.16%
100,0001 to 1,000,000 Shares	54	13,097,813	15.46%	12.47%
Over 1,000,000 Shares	9	42,301,705	49.94%	51.17%
<b>Total</b>	<b>6,300</b>	<b>84,700,000</b>	<b>100.00%</b>	<b>100.00%</b>

**11.00 Other Comprehensive Income/(Loss): Tk. 25,293,724**

Foreign Currency Fluctuation Gain/(Loss) (Un-realized)

493,724

1,523,624

Un-realized Gain from marketable securities

**Note-11.01**

24,800,000

37,110,168

**25,293,724****38,633,792****11.01 Un-realized Gain from marketable securities: Tk. 24,800,000**

Opening Balance

37,110,168

67,040,743

Addition During the year Un-realized Gain from marketable securities

(12,310,168)

(29,930,575)

**24,800,000****37,110,168****12.00 Retained Earnings : Tk. 453,305,701**

Opening Balance

433,129,057

376,681,548

Cash Dividend for the year 2022-2023

(25,410,000)

(23,299,897)

Net profit for the year

45,586,644

79,747,406

**453,305,701****433,129,057**

**13.00 Deferred Tax Liability : Tk. 28,900,447**

Opening Balance	26,092,640	23,476,955
Add: Expenses/ (Income) of Deferred Tax during the year	2,807,807	2,615,685
<b>Deferred Tax Liability /(Assets) as on 30 June 2024</b>	<b>28,900,447</b>	<b>26,092,640</b>

Details of Deferred Tax Liability are Shown in "Annexure-B"

**14.00 Short Term Borrowings : Tk. 306,517,307**

TR	239,147,271	210,762,174
HYPO	31,068,473	29,903,122
IDBP/Time Loan	36,301,563	17,590,561
	<b>306,517,307</b>	<b>258,255,857</b>

**1. TR**

Total Sanctioned Amount	: 25.00 Crore
Purpose	: To Import Raw Materials
Interest Rate	: 12.43% ( Revised from time to time
Tenure	: 180 Days
Payment Method	: From sale/ export proceed or borrower's from own source
Securities	: Personal guarantee of Directors Hypothecation of movable asset
Name of Bank	: ONE Bank PLC

**2. Over Draft**

Total Sanctioned Amount	: 3.00 Crore
Purpose	: For working capital
Interest Rate	: 12.43% ( Revised from time to time
Tenure	: 365 Days
Payment Method	: From sale/ export proceed or borrower's from own source
Securities	: Personal guarantee of Directors Hypothecation of movable asset
Name of Bank	: ONE Bank PLC

**3. IDBP/Time Loan**

Total Sanctioned Amount	: 4.00 crore
Purpose	: Finance against accepted bill documents.
Interest Rate	: 12.43% ( Revised from time to time
Tenure	: 120 Days
Payment Method	: The proceed received upon maturity of accepted bills.
Securities	: Personal guarantee of Directors Hypothecation of movable asset
Name of Bank	: ONE Bank PLC

**15.00 Unclaimed Dividend : Tk. 641,195**

Dividend Payable for the year 2019-2020	-	511,387
Dividend Payable for the year 2020-2021	310,867	314,112
Dividend Payable for the year 2021-2022	296,549	300,584
Dividend Payable for the year 2022-2023	33,779	-
	<b>641,195</b>	<b>1,126,083</b>

As per the direction by the Bangladesh Securities and Exchange Commission (Ref. No. SEC/SRMIC/165-2020/par-1/166 dated July, 2021) we have deposited the unclaimed dividend (511,387.52/= Taka) by pay order for the year 2019-2020 to the Capital Market Stabilization Fund as on 29th November, 2023.



**16.00 Accounts and Other Payables : Tk. 4,874,953**

Umama Enterprise	1,120,784	1,703,319
United Graphics	657,638	817,212
Akota Dyeing	772,102	983,069
Hamza Chemical	792,460	724,337
RT Dyeing	465,299	453,597
Uk Chemical	325,726	341,432
Faisal Enterprise	275,907	328,461
Saif Sami Agency	345,037	270,379
UCAS	120,000	-
	<b>4,874,953</b>	<b>5,621,806</b>

**17.00 Liabilities for Expenses : Tk. 41,556,626**

Electricity bill payable	765,751	651,951
Telephone bill payable	356	1,054
Water bill payable	940	2,850
Salary & Wages	13,419,233	6,954,172
Director Remuneration	100,000	100,000
Income Tax Payable	14,292,255	9,004,299
Interest Payable	-	2,423,802
Audit Fee Payable	345,000	172,500
Listing & Annual Fee payable	1,223,091	847,000
Dividend Payable for the year 2022-2023	11,410,000	-
	<b>41,556,626</b>	<b>20,157,628</b>

**Note-17.01****17.01 Income Tax Payable: Tk. 14,292,255**

Opening Balance	9,004,299	5,126,674
Charge for the year	14,292,255	9,004,299
	<b>23,296,554</b>	<b>14,130,973</b>
Adjustment during the year -Assessment year 2023-2024	(9,004,299)	(5,126,674)
<b>Closing Balance</b>	<b>14,292,255</b>	<b>9,004,299</b>

**Annexure-H****18.00 Revenue : Tk. 1,110,271,926**

Export during the year	1,110,271,926	887,551,954
	<b>1,110,271,926</b>	<b>887,551,954</b>

**19.00 Cost of Goods Sold: Tk. 979,661,548**

Raw Materials Consumed	817,131,229	606,096,554
Manufacturing Overhead	222,967,355	164,702,785
<b>Cost of Manufacture</b>	<b>1,040,098,584</b>	<b>770,799,340</b>
Work in Process-Opening	27,422,028	16,150,596
Work in Process-Closing	(30,804,885)	(27,422,028)
<b>Cost of production</b>	<b>1,036,715,727</b>	<b>759,527,908</b>
Sample Expenses	(1,895,168)	(2,822,692)
Finished Goods-Opening	21,953,623	6,026,264
Finished Goods-Closing	(77,112,634)	(21,953,623)
	<b>979,661,548</b>	<b>740,777,857</b>

**Note-19.01****Note-19.02****Annexure-D**

**19.01 Raw Materials Consumed: Tk. 817,131,229**

Opening Stock of Raw Materials	198,161,161	203,216,165
Purchase during the year	802,902,135	601,041,550
<b>Raw materials available for Production</b>	<b>1,001,063,296</b>	<b>804,257,715</b>
Closing Stock of Raw Materials	(183,932,067)	(198,161,161)
<b>Raw Materials Consumed</b>	<b>817,131,229</b>	<b>606,096,554</b>

Annexure-C

**19.02 Manufacturing overhead : Tk. 222,967,355**

Wages, Salaries and Allowances	142,287,368	104,025,940
Festival Bonus	9,046,479	4,787,239
Carrying Charge	5,607,100	3,776,601
Electricity Bill	8,166,672	6,133,662
Fuel Expenses	2,165,083	802,100
Freight & Forwarding Charge	1,939,461	1,040,940
Medical Expenses	719,524	502,938
Food & Tiffin Expenses	2,045,036	1,078,495
Labor Charge	1,137,730	1,023,286
Production Incentives	1,155,549	593,409
Telephone and Mobile Bill	554,461	598,693
Printing & Stationery Expenses	568,862	756,861
Store Items	4,669,124	4,008,029
Conveyance	568,484	414,535
Postage & Stamp	127,183	80,101
Insurance Expenses	1,411,363	1,331,455
Miscellaneous Expenses	57,443	47,660
Repairs & Maintenance	2,465,027	75,788
Depreciation	38,275,406	33,625,053
	<b>222,967,355</b>	<b>164,702,785</b>

Note-19.03

Annexure-A

**19.03 Store Items : Tk. 4,669,124**

Opening Balance	1,334,216	1,151,177
Purchase during the year	5,028,587	4,191,068
	<b>6,362,803</b>	<b>5,342,245</b>
Closing Balance	(1,693,679)	(1,334,216)
<b>Consumption during the year</b>	<b>4,669,124</b>	<b>4,008,029</b>

**20.00 Operating Expenses : Tk. 58,710,330**

Selling Expenses	40,559,733	31,549,323
Administrative Expenses	18,150,597	14,516,385
	<b>58,710,330</b>	<b>46,065,708</b>

Note-20.01

Note-20.02



**20.01 Selling Expenses : Tk. 40,559,733**

Salaries and Allowances	31,414,094	22,488,724
Festival Bonus	1,997,275	1,194,000
Advertisement	5,350	26,301
Electricity Bill	35,072	24,737
Phone, Fax and Mobile Bill	687,563	988,825
Entertainment Expenses	313,316	328,404
Repair & Maintenance	328,432	358,300
Paper and Periodicals	437,796	348,593
Traveling Expenses	1,139,148	1,013,897
Printing & Stationery	367,684	357,186
Postage & Courier	491,660	520,278
Sample Expenses	1,895,169	2,822,692
Transportation & Handling Expenses	1,005,753	655,561
Miscellaneous Expenses	42,719	71,564
Depreciation	398,702	350,261
<b>Annexure-A</b>	<b>40,559,733</b>	<b>31,549,323</b>

**20.02 Administrative Expenses : Tk. 18,150,597**

Salaries and allowances	11,087,327	8,441,884
Festival Bonus	704,920	563,500
Tours and Travelling Expenses	617,982	446,960
Phone, Fax and Mobile Bill	238,881	175,336
Postage & Stamps	82,080	101,683
Printing & Stationery	172,058	157,900
Registration, Renewal & Legal Expenses	1,280,263	1,297,000
Entertainment	386,853	476,817
Electricity Bill	52,609	37,105
Water Bill	10,204	22,696
Audit fees (Including VAT)	345,000	230,000
Professional Fee	452,400	-
Director Remuneration	1,200,000	1,200,000
Board Meeting Fee	82,000	76,000
AGM Expenses	157,000	157,000
Medical Expenses	69,947	38,110
Miscellaneous Expenses	14,967	43,611
Depreciation	1,196,106	1,050,783
<b>Annexure-A</b>	<b>18,150,597</b>	<b>14,516,385</b>

**21.00 Other Income : Tk. 58,140,080**

Interest Income	704,957	650,986
Cash Dividend	-	2,534,395
Foreign Currency Fluctuation Gain/(Loss) (Realized)	3,251,642	2,491,750
Income from Portfolio	39,599,281	-
Cash Incentive	14,319,000	3,497,000
Lapse PF (Employer's Contribution)	265,200	986,340
	<b>58,140,080</b>	<b>10,160,471</b>

**22.00 Financial Expense : Tk. 67,353,423**

Bank Charges & Commission		6,833,659	2,779,079
Interest on Loan	<b>Note-22.01</b>	60,519,764	16,722,392
		<b>67,353,423</b>	<b>19,501,471</b>

**22.01 Interest on Loan : Tk. 60,519,764**

Interest on Short Term Loan		60,519,764	16,722,392
		<b>60,519,764</b>	<b>16,722,392</b>

**23.00 Earnings per Share: Tk. 0.54**

a) Net Profit After Tax		45,586,644	79,747,405
b) Weighted average number of ordinary shares	<b>Note-23.01</b>	84,700,000	84,700,000
<b>Earnings per Share (EPS) (a/b)</b>		<b>0.54</b>	<b>0.94</b>

**23.01 Calculation of Weighted Average Number of Shares**

Particulars	Number of Ordinary Share	Weight	Weighted average no. of Shares 30 June 2024	Weighted average no. of Shares 30 June 2023
Opening No. of Shares	84,700,000	365/365	84,700,000	84,700,000
Issuance of Bonus Share	-	-	-	-
<b>Total</b>	<b>84,700,000</b>		<b>84,700,000</b>	<b>84,700,000</b>

**24.00 Net Asset Value per Share (NAV) : Tk. 15.65**

Total Assets		1,708,089,953	1,630,016,863
Less: Non-Current Liabilities		28,900,447	26,092,640
Less: Current Liabilities		353,590,081	285,161,374
a) Net Asset Value		1,325,599,425	1,318,762,849
b) Weighted average number of ordinary shares outstanding	<b>Note-23.01</b>	84,700,000	84,700,000
<b>Net Asset Value per Share (NAV) (a/b)</b>		<b>15.65</b>	<b>15.57</b>

**25.00 Net Operating Cash Flows per Share (NOCFPS) : Tk. 0.90**

a) Net Operating Cash Flows		75,871,846	8,916,922
b) Weighted average number of ordinary shares outstanding	<b>Note-23.01</b>	84,700,000	84,700,000
<b>Net Operating Cash Flows per Share (NOCFPS) (a/b)</b>		<b>0.90</b>	<b>0.11</b>



**26.00 Disclosures of the Companies Act, 1994****26.01 Schedule XI, Part II, Note 5 of Para 3- Employees :**

Total number of employees are as follows:

Particulars	30 June 2024	30 June 2023
Salary below Tk. 8,000 per month	-	-
Salary Tk. 8,000 or above per month	828	1,047
<b>Total</b>	<b>828</b>	<b>1,047</b>

**26.02 The requirement of schedule XI part-II, Para 3 (a) : Turnover**

Particulars	30 June 2024	30 June 2023
Turnover in BDT.	1,110,271,926	887,551,954
Turnover in Quantity ( kg, pcs)	5,525,086	4,947,138

**26.03 The requirement of schedule XI part-II, Para 3 (d) (i) : Raw Materials Consumed**

Particulars	30 June 2024	30 June 2023
Raw Material (Value in BDT.)	807,930,722	605,232,618
Raw Material Quantities (kg)	4,855,177	3,643,395

**26.04 The requirement of schedule XI part-II, Para 3 (d) (ii) : Finished goods**

Particulars	30 June 2024	30 June 2023
Opening Quantity ( kg, pcs)	186,114	48,582
Production Quantity ( kg, pcs)	5,753,410	5,084,669
Closing Quantity ( kg, pcs)	414,438	186,114

**26.05 The requirement of schedule XI part-II, Para 4**

Particulars	30 June 2024	30 June 2023
<b>Payments to Managing Director and Director by the company during the year</b>		
(a) Managerial remuneration paid or payable during the financial year to the directors, including managing director, a managing agent or manager.	1,200,000	1,200,000
(b) Expenses reimbursed to managing agent	Nil	Nil
(c) Commission or other remuneration payable separately to a managing agent or his associate.	Nil	Nil
(d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	Nil	Nil
(e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil	Nil
(f) Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil	Nil
(g) Other allowances and commission including guarantee commission	Nil	Nil
(h) Pensions etc.:		
(i) Pensions	Nil	Nil
(ii) Gratuities	Nil	Nil
(iii) Payments from a provident funds, in excess of own subscription & interest thereon	Nil	Nil
(iv) Compensation for loss of office	Nil	Nil
(v) Consideration in connection with retirement from	Nil	Nil

**26.06 The requirement of schedule XI part-II, Para 7 : Capacity Utilization**

The production capacity and utilization of its are as follows:

Particulars	30 June 2024 (Kg, Bar, Pcs, gm, Feet, Box, etc.)	30 June 2023 (Kg, Bar, Pcs, gm, Feet, Box, etc.)
Installed Capacity	8,917,000	8,327,000
Actual Production	5,753,410	5,084,669
Capacity Utilization (%)	64.52%	61.06%

**26.07 The requirement of schedule XI part-II, Para 8 (C) :**

(a) Value of imports calculated on C.I.F basis by the company during the financial year ended 30 June, 2024 in respect of raw materials, components of spare parts and capital goods were as follows:

Particulars	Import	
	30 June 2024	30 June 2023
	Amount in BDT	Amount in BDT
Raw Materials	802,902,135	601,041,550
Packing Materials	-	-
Components of Spare parts	-	-
Capital Goods	81,551,667	23,022,169

(b) The Company did not have any expenditure in foreign currency during the financial year on account of royalty, know-how, professional consultation fees, interest and other matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial year and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particulars	Total Consumption	Imported Taka	(%)	Local Taka	(%)
Raw Materials	802,902,135	756,046,787	94%	46,855,348	6%
Packing Materials	-	-	0%	-	0%
Store Items	5,028,587	-	0%	5,028,587	100%
<b>Total</b>	<b>807,930,722</b>	<b>756,046,787</b>		<b>51,883,935</b>	

(d) No amount has been remitted during the year in foreign currencies on account of dividends for non-residents shareholders,

(e) Earnings in foreign exchange classified under the following heads, namely:

(i) Export of goods calculated on F.O.B. basis Tk. 1,110,271,926

(ii) No royalty, know-how, professional and consultation fees were received;

(iii) No interest and dividend received;

(iv) No other income received.

**26.08 Related party disclosures (IAS-24)**

Name	Designation	Particulars	Outstanding Balance as on 30.06.2023	Addition During the year	Paid During the year	Outstanding Balance as on 30.06.2024
Md. Tafazzal Hossain Forhad	Chairman	Remuneration	-	-	-	-
		Board Meeting fee	-	18,000	18,000	-
M.A. Kayum Howlader	Managing Director	Remuneration	100,000	1,200,000	1,200,000	100,000
		Board Meeting fee	-	18,000	18,000	-
Abdur Razzak	Director	Remuneration	-	-	-	-
		Board Meeting fee	-	16,000	16,000	-
Md. Mosaddik Hossain Raivee	Director	Remuneration	-	-	-	-
		Board Meeting fee	-	16,000	16,000	-
Md. Aynul Kabir	Independent Director	Remuneration	-	-	-	-
		Board Meeting fee	-	14,000	14,000	-
Total			100,000	1,282,000	1,282,000	100,000

**26.09 Disclosure as per paragraph 17 of IAS 24 : Key Management Personnel of the entity:**

Particulars	30 June 2024	30 June 2023
(a) Short-term employee benefits	1,282,000	1,276,000
(b) Post-employee benefits	Nil	Nil
(c) Other long term benefits	Nil	Nil
(d) termination benefits and	Nil	Nil
(e) share-based payment	Nil	Nil



**26.10 Disclosure as per paragraph-18, IAS- 24:**

Disclosure requirements of IAS 24, Para 18 minimum disclosure shall include:

- |   |                                  |
|---|----------------------------------|
| a) the amount of transactions;  | 1,282,000                        |
| b) the amount of outstanding balance, including commitments, and;   | 100,000                          |
| i) their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement; and | Remuneration & Board Meeting Fee |
| ii) details of any guarantee given or received;   |                                  |
| c) provisions for doubtful debts related to the amount of outstanding balance; and  |                                  |
| d) the expenses recognized during the period in respect of bad or doubtful debts due  |                                  |

**26.11 During the period from 01-07-2023 to 30-06-2024, there were 9 (Nine) Board Meetings held. The attendance status of all the meetings is as follows:**

Name of Directors	Designation	No. of Meetings Attended	
		30 June 2024	30 June 2023
Md. Tafazzal Hossain Forhad	Chairman	9	9
M.A. Kayum Howlader	Director & Managing Director	9	9
Abdur Razzak	Director	8	8
Md. Mosaddik Hossain Raivee	Director	8	7
Md. Aynul Kabir	Independent Director	7	5

**26.12 Cash received from Customers**

Sales

Add: Receivables b/d

Less: Receivables c/d

Amount in Taka	
30 June 2024	30 June 2023
1,110,271,926	887,551,954
324,531,894	225,350,687
(361,570,488)	(324,531,894)
<b>1,073,233,332</b>	<b>788,370,747</b>

**26.13 Cash paid to Suppliers**

Cost of Goods Sold

Less: Opening Inventory

Add: Closing Inventory

Add: Sample Expense

Add: Creditors b/d

Less: Creditors c/d

Add: Closing L/C Margin for Raw Material

Less: Opening L/C Margin for Raw Material

Less: Factory Overhead

Less: Depreciation

979,661,548	740,777,856
(248,871,028)	(226,544,202)
293,543,265	248,871,028
1,895,168	2,822,692
5,621,806	3,546,217
(4,874,953)	(5,621,806)
27,883,078	18,908,563
(18,908,563)	(8,053,928)
(180,022,825)	(127,069,703)
(38,275,406)	(33,625,053)
<b>817,652,090</b>	<b>614,011,664</b>

**26.14 Cash paid to Employees****(a) For Factory Overhead:**

Opening Advance to Employee

Closing Advance to Employee

Opening Provision for salary

Closing Provision for salary

Salary & Wages

Festival Bonus

Medical Expenses

Food & Tiffin Expenses

Production Incentive

Conveyance

<b>149,442,267</b>	<b>112,406,573</b>
(857,200)	(381,649)
942,088	857,200
7,054,172	7,582,638
(13,519,233)	(7,054,172)
142,287,368	104,025,940
9,046,479	4,787,239
719,524	502,938
2,045,036	1,078,495
1,155,549	593,409
568,484	414,535

<b>(b) For Administrative Expenses:</b>	<b>13,062,194</b>	<b>10,243,494</b>
Salaries and Allowances	11,087,327	8,441,884
Festival Bonus	704,920	563,500
Director Remuneration	1,200,000	1,200,000
Medical Expenses	69,947	38,110
<b>(c) For Selling and Distribution:</b>	<b>33,411,369</b>	<b>23,682,724</b>
Salary & Allowances	31,414,094	22,488,724
Festival Bonus	1,997,275	1,194,000
<b>Total (a+b+c)</b>	<b>195,915,830</b>	<b>146,332,791</b>

#### 26.15 Cash Paid to Others

Factory Overhead, Administrative & Selling Expenses	275,113,392	203,937,771
Less: Employee Expenses	(195,915,830)	(146,332,791)
Add: Accrued Exp b/d	8,729,527	9,244,756
Less: Accrued Exp c/d	(15,854,371)	(8,729,527)
Add: Prepaid Exp c/d	2,404,479	2,100,754
Less: Prepaid Exp b/d	(2,100,754)	(1,524,578)
Less: Depreciation	(39,870,214)	(35,026,097)
	<b>32,506,229</b>	<b>23,670,288</b>

#### 26.16 Cash received from Other Income

FDR Interest	704,957	650,986
Add: Opening Interest Receivable	168,208	15,555
Less: Closing Interest Receivable	-	(168,208)
Less: Closing Recivable to STIL Employee Providend Fund	-	(4,696,640)
Add: Opening Recivable to STIL Employee Providend Fund	4,696,640	9,229,465
Foreign Currency Fluctuation Gain/(Loss)	3,745,366	4,015,374
Less: Closing Foreign Currency Fluctuation Gain/(Loss) Receivable	(493,724)	(1,523,624)
Cash Incentive	14,319,000	3,497,000
Portfolio income	39,599,281	-
Lapse PF (Employers' Contribution)	265,200	986,340
Cash Dividend	-	2,534,395
	<b>63,004,928</b>	<b>14,540,643</b>

**27.00** Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities (Indirect Method) the requirement of Bangladesh Securities and Exchange Commission notification no. BSEC/CMRRCD/2006-158/308/Admin/81, Dated 20 June 2018.

Particulars	Amount in (Tk.)	
	30 June 2024	30 June 2023
Net Profit before Tax	62,686,705	91,367,391
<b>Adjustments to reconcile net income to net cash provided by operating</b>		
Depreciation on Fixed Assets	39,870,214	35,026,097
Foreign Currency Fluctuation Gain/(Loss) (Un-realized)	493,724	1,523,624
Finance cost	67,353,423	19,501,471
	<b>170,404,066</b>	<b>147,418,583</b>
Increase in Inventories	(44,672,237)	(22,326,826)
Increase in Trade and other Receivables	(32,667,470)	(96,324,659)
Increase in Advance, Deposits and Prepayments	(9,278,241)	(11,430,811)
Increase in Liabilities for Expenses	7,124,847	(515,229)
Decrease in Trade and other Payables	(746,853)	2,075,589
<b>Cash Generated from Operating Operation</b>	<b>90,164,111</b>	<b>18,896,646</b>
Advance Income Tax Paid	(14,292,265)	(9,979,724)
<b>Net Cash Generated from Operating Activities</b>	<b>75,871,846</b>	<b>8,916,922</b>



#### 28.00 Employees' Benefit

The company maintains defined benefit plan for its eligible employees which includes wages, salaries & festival bonuses only. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19 Employee Benefits. The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

#### 29.00 Significant Deviation

The Earning per share (EPS) of the company as on June 30, 2024 stood at Tk. 0.54 against Tk. 0.94 compared to June 30, 2023. The EPS has decreased because of manufacturing cost, operating expenses and finance cost (due to increasing of interest rate) of the company has increased as well as wages, salaries and allowances of the company also increased 37% (Approx.) that's why Net Profit after Tax of the company has decreased compared to previous year.

The Net Operating Cash Flow per share (NOCFPS) in current year is Tk. 0.90 as against Tk. 0.11 compared to the previous year of June 30, 2023 due to increase in collection from turnover, increase of other income, and comparatively lower payment made for suppliers and others.

#### 30.00 Bank Guarantee

The company have no Bank Guarantee on the reporting date.

#### 31.00 Capital Commitment

The company have no Capital Commitment at the reporting date.

#### 32.00 Subsequent Events-Disclosures under IAS-10 "Events after the Balance Sheet Date"

##### Proposed Dividend

Subsequent to the statement of financial position date, the Board of Directors in their meeting held on 21-11-2024 recommended 1.75% cash dividend (i.e. Tk. 0.175 per share of Tk. 10.00 each) for the year ended 30 June 2024. The proposal is subject to the shareholders' approval at the forthcoming AGM.

Excepting to that, no circumstances have arisen since the date of statement of financial position which would require adjustment to, or disclosure in, the financial statements or notes thereto.

  
Managing Director  
Chairman  
Director

Place: Dhaka  
Dated: 24 November 2024

  
Chief Financial Officer  
Company Secretary

**SK TRIMS & INDUSTRIES LTD.**  
**Schedule of Property, Plant and Equipment**  
**As at June 30, 2024**

Particulars	COST			DEPRECIATION				Written Down Value as at 30 June 2024
	Balance as on 01 July 2023	Addition during the year	Balance as on 30 June 2024	Rate of Depr. (%)	Balance as on 01 July 2023	Charge during the year	Balance as on 30 June 2024	
Land	150,043,271	-	150,043,271	0%	-	-	-	150,043,271
Buildings and Civil Construction	380,026,344	-	380,026,344	2.50%	37,882,244	8,473,746	46,355,990	333,670,354
Plant & Machinery	363,700,960	89,858,612	453,559,572	10%	120,246,985	25,254,581	145,501,566	308,058,006
Furniture and Fixture	8,156,688	204,600	8,361,288	10%	3,413,571	466,922	3,880,493	4,480,795
Electrical Equipment and Installation	16,793,874	-	16,793,874	10%	7,701,005	875,753	8,576,758	8,217,116
Office Equipment	5,538,924	122,000	5,660,924	10%	2,193,992	328,181	2,522,173	3,138,751
Fire Equipment	2,364,951	-	2,364,951	10%	980,646	133,325	1,113,971	1,250,980
Vehicle	40,652,305	-	40,652,305	20%	17,267,654	4,337,707	21,605,361	19,046,944
<b>Balance on 30 June 2024</b>	<b>967,277,317</b>	<b>90,185,212</b>	<b>1,057,462,529</b>		<b>189,686,097</b>	<b>39,870,215</b>	<b>229,556,311</b>	<b>827,906,218</b>
<b>Balance on 30 June 2023</b>	<b>877,682,234</b>	<b>89,595,083</b>	<b>967,277,317</b>		<b>154,659,999</b>	<b>35,026,097</b>	<b>189,686,096</b>	<b>777,591,221</b>

Annexure-A

**Allocation of Depreciation:**

Particulars	Percentage (%)	Taka
Manufacturing Expenses	96%	38,275,406
Administrative Expenses	3%	1,196,106
Selling & Distribution Expenses	1%	398,702
<b>Total</b>	<b>100%</b>	<b>39,870,214</b>



**SK TRIMS & INDUSTRIES LTD.**  
**3rd Schedule of Property, Plant and Equipment (Tax base)**  
**As at 30 June, 2024**

Annexure-A/1

Particulars	COST			DEPRECIATION				Written Down Value as at 30 June 2024
	Balance as on 01 July 2023	Addition during the year	Balance as on 30 June 2024	Rate of Dep. (%)	Balance as on 01 July 2023	Charge during the year	Balance as on 30 June 2024	
Land	150,043,271	-	150,043,271	-	-	-	-	150,043,271
Buildings and Civil Construction	380,026,344	-	380,026,344	10%	175,136,613	19,733,362	194,869,975	185,156,369
Plant & Machinery	363,700,960	89,858,612	453,559,572	20%	193,580,638	37,812,604	231,393,242	222,166,330
Furniture and Fixture	8,156,688	204,600	8,361,288	10%	3,556,610	458,008	4,014,618	4,346,670
Electrical Equipment and Installation	16,793,874	-	16,793,874	20%	12,469,651	802,116	13,271,767	3,522,107
Office Equipment	5,538,924	122,000	5,660,924	10%	2,337,233	317,285	2,654,518	3,006,406
Fire Equipment	2,364,951	-	2,364,951	10%	1,062,445	125,447	1,187,892	1,177,059
Vehicle	40,652,305	-	40,652,305	20%	18,981,569	4,019,786	23,001,355	17,650,950
<b>Total</b>	<b>967,277,317</b>	<b>90,185,212</b>	<b>1,057,462,529</b>		<b>407,124,759</b>	<b>63,268,608</b>	<b>470,393,367</b>	<b>587,069,162</b>

**SK TRIMS & INDUSTRIES LTD.**  
**Deferred Tax Calculation**  
**As at 30 June 2024**

**Annexure-B**

Deferred tax (assets)/liability recognized in accordance with the provision of IAS-12, is arrived as follows:

Particulars	Amount in BDT	
	30 June 2024	30 June 2023
Opening Balance	26,092,640	23,476,955
Deferred Tax Liability /(Assets) as on 30 June 2024	28,900,447	26,092,640
<b>Increase/(Decrease) of Deferred Tax Liability</b>	<b>2,807,807</b>	<b>2,615,685</b>

Particulars	Carrying Amount on Balance Sheet date (Taka)	Tax Base (Taka)	Temporary Differences (Taka)
<b>At 30 June 2024</b>			
Property, Plant & Equipment , Annexure-A	827,906,218	587,069,162	240,837,056
Addition during the period	-	-	-
Temporary difference for lease Assets	-	-	-
Liability to Employees	-	-	-
<b>Net temporary difference</b>	<b>827,906,218</b>	<b>587,069,162</b>	<b>240,837,056</b>
Applicable Tax rate			12.00%
<b>Deferred Tax Liability/(Asset)</b>			<b>28,900,447</b>
<b>At 30 June 2023</b>			
Property, Plant & Equipment, Annexure-A	777,591,221	560,152,558	217,438,663
Temporary difference for lease Assets	-	-	-
Liability to Employees	-	-	-
<b>Net temporary difference</b>	<b>777,591,221</b>	<b>560,152,558</b>	<b>217,438,663</b>
Applicable Tax Rate			12.00%
<b>Deferred Tax Liability/(Asset)</b>			<b>26,092,640</b>



**SK TRIMS & INDUSTRIES LTD.**  
Details of Raw Material Inventory  
For the year ended June 30, 2024

## Annexure-C

Sl. No.	Items Name	Opening Balance as on 01.07.2023		Purchased		Consumed/Used		Closing Balance as on 30.06.2024	
		Quantity (Kg, Bar, Pcs, gm, Feet, Box, etc)	Amount	Quantity (Kg, Bar, Pcs, gm, Feet, Box, etc)	Amount (Taka)	Quantity (Kg, Bar, Pcs, gm, Feet, Box, etc)	Amount (Taka)	Quantity (Kg, Bar, Pcs, gm, Feet, Box, etc)	Amount (Taka)
1	Sewing Thread	99,597	24,928,133	96,196	24,558,349	188,448	30,765,455	7,345	18,721,028
2	Silicon Oil	10,153	2,718,910	23,933	6,600,786	23,221	6,323,457	10,865	2,996,239
3	LLD/LDPE/LLDPE	83,227	6,343,577	289,076	22,474,077	302,868	23,419,270	69,435	5,398,384
4	Polypropylene	98,951	10,905,412	278,595	31,926,199	280,006	31,653,564	97,540	11,178,047
5	HDPE Film Gread HD 5301 AA	90,056	11,594,662	229,989	30,496,553	254,207	33,360,435	65,838	8,730,780
6	BOPP	105,558	14,351,656	163,724	23,366,360	194,253	27,008,667	75,029	10,709,349
7	Adhesive Tape	4,218	1,034,003	31,820	7,879,113	31,246	7,727,115	4,792	1,186,001
8	Thinner	890	196,212	19,125	4,299,802	19,185	4,308,828	830	187,186
9	Ink	4,133	2,141,043	25,019	13,349,812	25,684	13,640,994	3,468	1,849,861
10	Polyester Textured Yarn	63,115	8,841,202	216,563	30,942,937	216,202	30,714,834	63,476	9,069,305
11	Spendax Rubber	13,726	6,220,569	73,597	33,691,088	73,904	33,771,955	13,419	6,139,702
12	Rubber Thread	22,039	5,675,080	103,252	27,119,217	103,763	27,140,499	21,528	5,653,798
13	Opp Gum Tape	17,922	2,768,991	98,564	15,532,744	98,293	15,434,722	18,193	2,867,013
14	Duplex Board	88,297	6,639,071	555,270	42,999,214	561,862	43,311,250	81,705	6,327,035
15	Art card	122,231	8,686,926	159,759	11,581,179	171,095	12,235,305	110,895	8,032,800
16	Corrugating Medium Paper	74,372	3,064,126	978,002	41,099,540	963,434	40,005,646	98,940	4,158,019
17	Corrugating Liner Paper	130,179	6,704,208	668,809	35,132,540	651,053	34,066,571	147,935	7,770,177
18	Virgin Liner Paper	108,609	8,501,897	417,430	33,329,913	412,589	32,773,294	113,450	9,058,516
19	Virgin Paper /Medium Paper	117,296	13,048,007	259,570	29,452,023	266,100	29,932,007	110,766	12,568,023
20	Tissue Paper	5,384	787,526	28,063	4,227,197	27,764	4,158,682	5,683	856,041
21	Accessories	46,319	26,955,070	291,011	178,227,705	292,200	177,543,046	45,130	27,639,729
22	Fabrics	29,760	26,054,880	168,868	154,615,787	173,701	157,835,635	24,927	22,835,032
	<b>Total</b>	<b>1,336,032</b>	<b>198,161,161</b>	<b>5,176,235</b>	<b>802,902,135</b>	<b>4,855,177</b>	<b>817,131,229</b>	<b>1,191,189</b>	<b>183,932,067</b>

**SK TRIMS & INDUSTRIES LTD.**  
**Details of Work in Process**  
**For the year ended June 30, 2024**

**Annexure-D**

Sl. No.	Items Name	Opening Balance as on 01.07.2023		Closing Balance as on 30.06.2024	
		Quantity (Kg, Bar, Pcs, gm, Feet, Box, etc)	Amount	Quantity (Kg, Bar, Pcs, gm, Feet, Box, etc)	Amount
1	Sewing Thread	7,533	1,867,059	6,329	1,615,752
2	Silicon Oil	3,179	843,039	3,321	915,995
3	LLD/LDPE/LLDPE	9,996	754,535	9,574	744,348
4	Polypropylene	8,386	915,300	8,903	1,020,284
5	HDPE Film Gread HD 5301 AA	3,569	455,031	4,657	617,477
6	BOPP	5,724	770,624	4,615	658,575
7	Adhesive Tape	2,228	540,984	1,098	271,790
8	Thinner	841	183,524	1,027	230,873
9	Ink	309	158,652	305	162,745
10	Polyester Textured Yarn	7,861	1,090,512	10,357	1,479,824
11	Spendax Rubber	796	357,193	626	286,675
12	Rubber Thread	3,623	923,882	3,409	895,428
13	Opp Gum Tape	2,031	310,751	2,220	349,843
14	Duplex Board	15,333	1,141,666	20,465	1,584,740
15	Art card	8,780	617,907	9,596	695,631
16	Corrugating Medium Paper	3,604	147,055	4,040	169,758
17	Corrugating Liner Paper	5,383	274,551	6,632	348,405
18	Virgen Liner Paper	10,894	844,541	14,019	1,119,359
19	Virgen Paper /Medium Paper	18,995	2,092,493	17,805	2,020,232
20	Tissue Paper	3,181	460,699	3,236	487,419
21	Bag-American Tourister	15,984	10,774,269	12,371	8,839,537
22	Bag-M& P -Japan	23,725	1,897,761	14,226	1,251,703
23	Redtape	-	-	4,518	5,038,492
	<b>Total</b>	<b>161,956</b>	<b>27,422,028</b>	<b>163,349</b>	<b>30,804,885</b>



**SK TRIMS & INDUSTRIES LTD.**  
**Details of Finished Goods**  
**For the year ended June 30, 2024**

**Annexure-E**

Sl. No.	Name of Products	Opening Balance as on 01.07.2023		Closing Balance as on 30.06.2024	
		Qty.	Amount	Qty.	Amount
1	Carton	12,533	1,198,119	255,794	31,974,197
2	Elastic	2,534	620,886	2,580	1,651,123
3	Poly	5,234	942,074	5,663	2,580,559
4	Swing Thread	2,848	1,139,047	3,657	3,521,425
5	Photo Card	4,280	513,590	4,679	895,250
6	Back Board	6,996	594,642	9,148	1,249,826
7	Size/Price/Bar Code Tag	6,941	569,121	8,413	903,718
8	Tissue Paper	501	340,397	752	826,593
9	Gum Paper	1,499	278,738	1,478	685,929
10	Bag-American Tourister	5,791	4,592,184	13,172	11,380,943
11	Bag-M& P -Japan	105,159	9,896,004	98,939	9,359,614
12	Bag -Wool Worth	31,800	1,268,820	-	-
13	Bag-Redtape	-	-	10,163.00	12,083,457
<b>Total</b>		<b>186,114</b>	<b>21,953,623</b>	<b>414,438</b>	<b>77,112,634</b>

**SK TRIMS & INDUSTRIES LIMITED**

Details of Accounts Receivable  
For the year ended June 30, 2024

**Annexure-F**

Sl. No.	Name of Party's	Amount in Taka	
		30 June 2024	30 June 2023
1	A.G. Dress Ltd.	408,427.34	2,601,758
2	A.J Fashion Ltd.	-	697,585
3	Advance world Ltd.	-	1,398,824
4	Al-Islam Textiles Ltd.	-	6,517,850
5	Alib composite ltd	1,125,175	-
6	Anjuman Garments pvt Ltd.	610,720	-
7	Armin Sweaters (bd) Ltd.	-	2,689,079
8	Ariyan Socks Industries Ltd	328,500	-
9	Apollo Knitwear (bd) Ltd.	21,990,288	-
10	Asdwa Fashion Ltd.	-	982,937
11	Base Fashion Ltd.	-	4,630,981
12	Best Stule Composite Ltd.	-	7,049,654
13	BMG	25,130	-
14	Cordial Design Ltd.	-	2,323,965
15	Crony Apparels Ltd.	-	22,150,521
16	Dipta Garments Ltd.	-	9,595,308
17	Dewan Fashion Ltd.	29,278,344	31,848,254
18	Dhaka Garments And Washing Ltd.	-	435,909
19	Dk Global Fashion wear Ltd.	733,924	1,266,374
20	Epoch Garments Ltd.	-	1,696,970
21	Fair Apparels Ltd.	-	5,330,000
22	Fashion 2000 Ltd.	-	5,977,478
23	Fashion Forum Ltd.	-	6,493,998
24	Fuji Knitwears Ltd.	-	2,148,282
25	Gramtech Knit Dyeing Washing and Garments Industries Ltd.	-	1,819,494
26	Green Life Knittex Ltd.	-	529,537
27	Genetic Fashion Ltd.	-	918,362
28	Generation Next Fashion Ltd.	-	2,132,550
29	H.B.S Apparels Ltd.	4,107,997	5,540,693
30	Hands Clothing bd Ltd.	3,849,492	-
31	Haseen Knit Composite Ltd.		3,282,208
32	Hi-Tech Apparels Ltd.		1,145,811
33	Ialt Footwear Ltd.	1,962,984	-
34	Infinity Outfit Ltd.	505,732	-
35	Intensity Ltd.	4,859,781	-
36	Interloop (BD) Ltd.	-	873,782
37	Jams Design Ltd.	-	556,521
38	Jeans Manufacturing Co.Ltd.	-	4,165,370
39	JMS Garments Ltd.	-	2,726,487
40	K.A Fashion Ltd	-	569,778
41	Kashfi Knitwear Ltd.	-	5,930,022
42	Katex Fashion Clothing Ltd.	-	9,850,615
43	Knit Composite Ltd.	-	1,124,145
44	Knit men Composite Ltd.	-	21,301,018
45	Kss Knit Composite Ltd.	3,422,205	-
46	La Camicia Ltd.	2,543,939	-
47	La-Muni Apparels Ltd.	-	859,200
48	Libas Textiles Ltd.	-	261,810
49	Link Wear Ltd.	-	6,453,063

50	Manta Apparels Ltd.	-	712,041
51	Multitech Apparels Ltd.	2,835,472	8,328,572
52	M.I.T Apparels Ltd.	-	3,222,000
53	M.T Sweater Ltd.	1,095,000	542,000
54	M/S Mom Jacquard.	-	2,016,782
55	M/S Perfect Sweaters Ltd.	-	442,590
56	M/S. Piangka Fashion Ltd.	-	966,222
57	Mane Clothing Ltd.	-	3,313,461
58	Marushia	191,885	-
59	Maxcom International (BD) Ltd.	13,587,556	13,063,524
60	Meek Sweater Ltd.	-	1,316,366
61	Mehnaz Styles And Craft Ltd.	-	10,662,925
62	M&P	18,886,472	-
63	National Wool Wears Ltd.	-	965,085
64	Needle Drop Ltd.	-	3,927,402
65	Next Export Zone Ltd.	-	2,693,807
66	Odyssey Craft (PVT) Ltd.	-	107,435
67	One up sweaters Ltd.	-	3,029,663
68	Orion Knit Textiles Ltd	1,658,064	-
69	Premier Footwear Ltd.	-	2,685,000
70	P.A Knit Composite Ltd.	-	275,734
71	Prime Sweater Ltd.	-	12,518,641
72	Pullman Knitwear (PVT) Ltd.	-	1,570,509
73	Rafi Knitwear Ltd.	11,881,845	-
74	R.B Knitwears Ltd.	-	5,326,845
75	R.T. Fashion Ltd.	-	3,482,103
76	Rapid Design Ltd.	1,182,023	401,559
77	Rowa Fashions Ltd.	657,065	-
78	S.B Knitting Ltd.	-	2,895,504
79	Saddatia sweaters Ltd.	-	17,548,175
80	Santlock	1,039,703	-
81	Seowan (bd) Ltd.	-	2,842,241
82	Shabab Fabrics Ltd.	769,775	674,324
83	Shad Fashion Ltd.	2,798,187	-
84	Shrabony Knitwear Ltd.	-	434,554
85	Silver Composite Textile Mills Ltd.	6,442,026	499,129
86	Stylesmyth San Apparels Ltd.	1,261,797	-
87	Signate	4,509,648	-
88	Sen En Footwear Technology Ltd.	2,737,500	2,276,390
89	S.M sourcing	33,715,055	-
90	Sun Fashion Wear Ltd.	-	2,901,911
91	Tex Tech Company Ltd.	548,884	-
92	Texpro Eco Apparel Ltd.	1,396,174	315,161
93	Total Fashion Ltd.	-	5,331,959
94	Triple Seven Apparels Ltd.	-	3,198,833
95	Uniform Textile Ltd.	-	931,778
96	United Knit Wears (pvt.) Ltd.	-	2,689,640
97	Uptop Trading	116,414,404	-
98	Virtual Bottoms Ltd.	-	6,022,525
99	West Knit Wear Ltd.	62,209,315	-
100	Yasin Knittex Industries Ltd.	-	8,523,312
Total		361,570,488	324,531,894



**SK TRIMS & INDUSTRIES LTD.**  
**Details of Investment in Private Placement**  
**For the year ended 30 June, 2024**

Sl. No.	Name of the Institution	No of Unit as on 30.06.2023	No of Unit sale during the period	No of Unit as on 30.06.2024	Book Value at Cost as on 30.06.2023	Market Value (Quoted Market Price) as on 30.06.2023	Sale during the period	Book Value at Cost as on 30.06.2024	Market Value (Quoted Market Price) as on 30.06.2024	Unrealized Gain/(Loss) as on 30.06.2023	Unrealized Gain/(Loss) as on 30.06.2024	Unrealized Gain/(Loss) From 1st July 2023 to 30 June 2024	Remarks
		A	B	C=A-B	D	E	F	G=D-F	H	I=E-D	J=H-G	K=J-I	
1	Dominage Steel Building Systems Ltd.	1,000,000	1,000,000	-	9,259,259	16,200,000	9,259,259	-	-	6,940,741	-	(6,940,741)	Sale
2	Mamun Agro Product Ltd.	1,834,395	1,834,395	-	18,343,950	23,113,377	18,343,950	-	-	4,769,427	-	(4,769,427)	Sale
3	Acme Pesticides Limited	1,000,000	1,000,000	-	10,000,000	35,400,000	10,000,000	-	-	25,400,000	-	(25,400,000)	Sale
4	Anik Trims Ltd.	4,100,000	-	4,100,000	41,000,000	41,000,000	-	41,000,000	41,000,000	-	-	-	-
5	Asiatic Laboratories Limited	1,000,000	-	1,000,000	25,000,000	25,000,000	-	25,000,000	49,800,000	-	24,800,000	24,800,000	Held to Maturity
6	B Brothers Limited	1,000,000	-	1,000,000	10,000,000	10,000,000	-	10,000,000	10,000,000	-	-	-	-
7	Banbiz(pvt.) Limited	2,000,000	-	2,000,000	20,000,000	20,000,000	-	20,000,000	20,000,000	-	-	-	-
	<b>Total</b>	<b>11,934,395</b>	<b>3,834,395</b>	<b>8,100,000</b>	<b>133,603,209</b>	<b>170,713,377</b>	<b>37,603,209</b>	<b>96,000,000</b>	<b>120,800,000</b>	<b>37,110,168</b>	<b>24,800,000</b>	<b>(12,310,168)</b>	<b>-</b>

Annexure-G

**SK TRIMS & INDUSTRIES LTD.**  
**Income Tax Provision Calculation**  
**As at 30 June 2024**

Annexure-H

Particulars	Amount in Taka	Amount in Taka
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**A) Income Tax provision calculation**

Net Profit Before Tax		62,686,705
<b>Less: Other Income</b>		
Interest Income	704,957	
Lapse PF (Employers' Contribution)	265,200	
Foreign Currency Fluctuation Gain/(Loss) (Realized)	3,251,642	
Income from Portfolio	39,599,281	
Cash Incentive	14,319,000	
		(58,140,080)
		4,546,625
Add: Accounting base depreciation		39,870,215
Less: Tax base depreciation		(63,268,608)
<b>Adjusted profit before Tax (Income from operation)</b>		<b>(18,851,768)</b>

**Calculation of Income Tax Provision**

Particulars	Amount	Tax rate	Current Tax Amount
Tax @12% on Income from operation	-	12%	-
Tax @ 20% on Interest Income	704,957	20%	140,991
Tax @ 20% on Cash Dividend	-	20%	-
Tax @ 20% on Foreign Currency Fluctuation Gain	3,251,642	20%	650,328
Tax @ 10% on Portfolio Income	39,599,281	10%	3,959,928
Tax @ 20% on Lapse PF (Employers' Contribution)	265,200	20%	53,040
Tax @ 10% on Cash Incentive	14,319,000	10%	1,431,900
<b>Income Tax Provision during the period/Current Tax</b>			<b>6,236,188</b>

**B) Advance Income Tax / TDS**

Particulars	Amount	Tax rate	Current Tax Amount
Tax deduction at source on Export realisation	1,073,233,332	1%	10,732,333
Tax deduction at source on Cash Incentive	14,319,000	10%	1,431,900
Tax deduction at source on Interest Income	704,957	10%	107,256
Tax deduction at source by BRTA			46,370
Advance Tax against share sale			1,974,395
<b>Total Tax</b>			<b>14,292,255</b>
<b>So Income tax provision / Current Tax is higher of between A &amp; B</b>			<b>14,292,255</b>

# DIVIDEND DISTRIBUTION POLICY STATEMENT

## Introduction:

The Board of Directors of SK Trims & Industries Limited (the “Company”), herein after referred as “the Board”, has approved the Dividend Distribution Policy of the Company (“the Policy”) and shall disclose the same in the annual reports and on the website of the Company.

The Company’s Board of Directors shall be responsible for generating all proposed resolutions on the declaration and payment of dividends. The Board of Directors may in its discretion declare Dividend based on profits arrived at as per yearly audited financial results.

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and Compliance.

## Declaration and Payment of Dividends:

Dividend is the share of the profit that a Company decides to distribute among its Shareholders based on availability of profits/profit growth/liquidity position/diversification/expansion of the Company. The dividend policy of the Company is to distribute to its shareholders surplus funds from its distributable profits and/or general reserves, as may be determined by the Board of Directors, subject to:

### ▪ Internal Factors

- i. The Company Profits after Tax earned during the financial year;
- ii. Cash flow position of the Company;
- iii. Accumulated reserves of the Company;
- iv. Future cash requirements for growth/expansion;
- v. Plan of Long term investments;
- vi. Requirements of Working capital;

### ▪ External Factors

- i. Shareholder’s/Investor’s expectation and other relevant factors
- ii. Business cycles and Business environment,
- iii. Industry outlook for the upcoming years;
- iv. Economic environment and plan;
- v. Additional such criteria as the Board may deem fit from time to time;

## Entitlement of Dividend:

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the ‘Record Date’ of the respective year’s AGM will receive the entitled dividend.

## Process of Distribution of Cash Dividend:

The cash dividend shall be paid directly to the bank account within 20 days and not more than 30 (thirty) days of the date of approval by the shareholders in the AGM and the date of Board approval in the case of an interim dividend, subject to compliance with BSEC or Bangladesh Bank or other regulatory authority circulars/directives from time to time.



**Procedure of stock dividend distribution:**

The stock dividend will be credited within 30 (thirty) days of approval, subject to regulatory clearance.

**Process for settling unpaid dividends:**

Unpaid or unclaimed cash dividends for less than three years from the declaration date shall be paid to shareholders upon application and disbursed within the time period specified. In case of the cash and stock dividend for more than three years of the declaration date shall be settled as per the instructions of the BSEC or other regulatory authority from time to time.

**Amendment:**

This Policy Statement shall be effective from the date of execution and may be amended from time to time and approved by the Board of Directors of the Company.

**Disclosures:**

The Dividend Distribution Policy shall be disclosed on the Company's website & a web-link thereto shall be provided in the Annual Report.

**Disclaimer:**

The above Policy Statement does not represent a commitment on the future Dividends of the Company but represents a general guidance on the Dividend Policy.

**Tax matters:**

Tax will be deducted at source as per applicable tax laws.

Authority of Policy Approval

This policy was approved by the Company's Board on 25 April 2022.

On behalf of the Board



Md. Riaz Haider  
Company Secretary





# SHAREHOLDER INDEX

## THE 10<sup>th</sup> ANNUAL GENERAL MEETING

- Date : 29th December, 2024, Sunday
- Time : 11:30 A.M.
- Venue : The AGM will be held by Hybrid System in combination of physical and digital presence. The shareholders will join the Hybrid system AGM of SKTRIMS at factory premises, 45, Madrasa Road, 111/33 Tilargati, Sataish, Tongi, Gazipur Bangladesh & digital presence through the flowing Link: (<https://sktrims10thagm.hybridagmbd.net>).
- Record Date : 12th December, 2024
- Dividend : 1.75% Cash dividend has been recommended on 21st November, 2024 in the board of Director's Meeting and after getting approval from the shareholder in the 10th Annual General Meeting, Dividend will be distributed within 30 days after the date of AGM.
- Listing : The Company's shares are listed at Dhaka and Chittagong Stock Exchanges of Bangladesh.
- Face value : 10.00 Taka per share.



## SK Trims & Industries Limited

45, Madrasha Road, 111/33, Tilargati, Sataish, Tongi, Gazipur

### PROXY FORM

I/We.....of being a  
shareholders of SK Trims & Industries Limited and entitle to vote, hereby appoint Mr./Mrs./Miss.....  
.....as  
my/our proxy to attend and vote for me/us and on my/our behalf at the 10th Annual General Meeting of the Company  
to be held on Sunday, 29th December, 2024 at 11.30 a.m. by Hybrid System in combination of physical and digital  
presence. The shareholders will join the Hybrid system AGM of SKTRIMS at factory premises, 45, Madrasa Road,  
111/33 Tilargati, Sataish, Tongi, Gazipur Bangladesh & digital presence through the flowing  
Link : (<https://sktrims10thagm.hybridagmbd.net>).

Signed this.....Signature of proxy .....  
day of .....2024

Tk. 20

(Signature Shareholder )

(Signature of Proxy)

BO ID NO. 

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No. of Shares

#### Note:

- 1) This form of proxy, duly completed and signed must be deposited at least 48 hours before the meeting at the Company's registered office or submitted to the E-mail address: **info.sktil@gmail.com** Proxy is invalid if not signed and stamped as explained above.
- 2) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company.



## SK Trims & Industries Limited

45, Madrasha Road, 111/33, Tilargati, Sataish, Tongi, Gazipur

### ATTENDANCE SLIP

I hereby record my attendance at 10th Annual General Meeting of the Company being held on Sunday, 29<sup>th</sup> December, 2024 Hybrid system AGM of SKTRIMS at factory premises, 45, Madrasa Road, 111/33 Tilargati, Sataish, Tongi, Gazipur Bangladesh & digital presence through the flowing Link : (<https://sktrims10thagm.hybridagmbd.net>).

Name of the Member/Proxy : .....

BO ID NO. 

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Signed this.....Signature of proxy ..... day of .....2024

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





## **SK Trims & Industries Limited**

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