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ANNUAL REPORT
2016 - 2017

CONFIDENCE CEMENT LIMITED

ANNUAL REPORT
2016 - 2017

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AMAR STOCK

Transmittal Letter

Date : 03 December, 2017

All Shareholder of Confidence Cement Limited
Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject : **Annual Report for the year ended 30 June, 2017**

Dear Sir(s)

We are pleased to enclose the Annual Report of Confidence Cement Limited together with the Audited Financial Statements, Report of the Board of Directors and Auditor's Report thereon for the year ended 30 June, 2017 for your information and records.

Thanking you,

Your Sincerely
For Confidence Cement Limited



Newaz Mohammed Iqbal Yousuf
Executive Director & Company Secretary

AMAR STOCK

CONFIDENCE CEMENT LIMITED

Registered Office : "Confidence Heights", Plot-1, Lane-1, Road-2, Block-L, Halishahar H/E, Agrabad Access Road, Chittagong.
Liaison Office : Ispahani Building (6th floor), 14-15 Motijheel C/A, Dhaka-1000. Tel : 02-9562431

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of Confidence Cement Limited will be held at the factory premises Madambibirhat, Bhatiary, Sitakunda, Chittagong at 11:30 a.m. on Sunday, the 24 December, 2017 to transact the following business :

AGENDA

1. To receive, consider and adopt the Audited Accounts for the year ended on 30 June 2017 together with the reports of the Auditors and Directors thereon.

2. To approve the dividend as recommended by the Board of Directors for the year ended on 30 June 2017.

3. Appointment and re-appointment of the Directors of the Company.

4. To appoint Auditors for the year ended 30 June 2018 and to fix their remuneration.

By order of the Board

Dated : 16 November, 2017

Newaz Mohammed Iqbal Yousuf
Executive Director & Company Secretary

a) 23 November, 2017 has been scheduled as Record Date. The shareholders whose names will be appeared in the Share Register/Depository Register on the Record Date will be eligible to attend the meeting and to be entitled of dividend @ 35% (15% Cash & 20% Bonus).

b) A shareholder entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the time fixed for the meeting.

c) Shareholders are requested to notify change of address, if any, well in time. For BO A/C holders, the same to be rectified through their respective Depository participants.

d) Admission to the meeting place will be strictly on production of attendance slip sent with the Annual Report.

e) Members bearing BO ID are requested to update their respective BO ID with 12 digits Taxpayer's Identification Number (e-TIN) and address through their Depository Participants (DP), failing which Income Tax at Source will be deducted from Cash Dividend @ 15% instead of 10%.

ANNUAL REPORT 2016-2017

COMPANY PROFILE :

Confidence Cement Limited is the pioneer cement manufacturing company in private cement sector in Bangladesh under the Government industrial policy of 1991. The company was established in May 02, 1991 is a form of public limited company.

Confidence Cement Limited, the flagship company of Confidence Group of Companies is one of the largest producers of cement in the country. It is also a leading Blue Chip company in both the Dhaka & Chittagong Stock Exchange and there it is among the top 20 performing companies for the last 15 years. It is also the first ISO 9002 certified cement manufacturing company in Bangladesh. Confidence Cement Ltd. itself and vide its sister Concerns are present in cement, paint, steel fabrication, forging & galvanizing, power generation, Battery, Transformer, electrical item manufacturing and concrete products manufacturing sector.



The company's mission is to manufacturer and sells cement to people with no compromise to quality and by relentlessly upholding the code of business principles. Its' overall strategic vision is to endure and prosper in the market , tackling the internal and external challenges along the way.

In the early 2000's the cement industry of Bangladesh faced a staring boom in growth. New competitors started to arrive in large number and continued to come till the market got saturated and the whole industry became stagnant. A recession and politicial unrest, few natural calamities added to this depression and many of the competitors were forced to wind up. But Confidence Cement Limited held strong in its position still continuing to offer high quality cement to the customers.

Today the company has a production capacity of 7,50,000 Metric Tons annually and it has eight members in its Board of Directors (including two members of Independent Directors). The company aims to be the number one cement manufacturing company in Bangladesh, through continuous development and by consistently producing high quality.

Confidence Group consists with the following companies:

* Confidence Steel Limited
* Confidence Power Limited
* Confidence Power Holding's Limited
* Digicon Telecommunication Limited
* Confidence Steel Export Limited
* Confidence Infrastructure Limited
* Electropac Industries Limited
* Confidence Electric Limited
* Asian Paints (BD) Limited
* Confidence Concrete Engineering Limited

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Engr. Rezaul Karim	Chairman
Mr. Rupam Kishore Barua	Managing Director
Mr. Shah Muhammed Hasan	Director Production
Mr. Imran Karim	Director Sales & Marketing
Mrs. Runu Anwar	Director
Mr. Salman Karim	Director
Engr. A.Z.M. Sazzadur Rahman	Independent Director
Engr. A.K Rashiduddin Ahmed	Independent Director

AUDIT COMMITTEE

Engr. A.Z.M. Sazzadur Rahman	Chairman
Mr. Rupam Kishore Barua	Member
Mr. Shah Muhammed Hasan	Member
Engr. A.K Rashiduddin Ahmed	Member

MANAGEMENT TEAM

Mr. Zahir Uddin Ahmed	Deputy Managing Director & CEO
Mr. Newaz Mohammed Iqbal Yousuf	Executive Director & Company Secretary
Mr. Abdullah Al Mahmud	Advisor
Mr. Aminur Islam	General Manger - Plant
Mr. A B M Iftekher Alam Siddiqui	General Manger - Sales & Marketing
Mr. Mohammed Zahir Uddin Helal	Chief Financial Officer
Mr. Hassibul Hassan Chowdhury (Rashed)	Head of Internal Audit

AMAR STOCK

BANKERS & LEASING COMPANY

Prime Bank Limited
Agrabad Branch, Chittagong

Bank Asia Limited
Agrabad Branch, Chittagong

Eastern Bank Limited
Agrabad Branch, Chittagong

The City Bank Limited
Agrabad Branch, Chittagong

Mutual Trust Bank Limited
Agrabad Branch, Chittagong

HSBC Bank
Agrabad Branch, Chittagong

Pubali Bank Limited
Agrabad Branch, Chittagong

Trust Bank Limited
CDA Avenue Branch, Chittagong.

One Bank Limited
Agrabad Branch, Chittagong

IPDC Limited
Chittagong Branch, Chittagong.

AUDITOR

Rahman Mostafa Alam & Co.
Chartered Accountants
Taher Chamber (2nd floor),
10. Agrabad C/A, Chittagong.

TAX ADVISOR

M.A Mallik & Co.
Chartered Accountants
Aziz Chamber (2nd floor),
6, Jubilee Road, Chittagong.

Registered Office :

"Confidence Heights"
Plot-1, Lane-1, Road-2, Block-L,
Halishahar H/E,
Agrabad Access Road, Chittagong
E-mail : confi@bbts.net

Liaison Office :

Ispahani Building (6th floor)
14-15, Motijheel C/A, Dhaka.
Phone : +880 2 9562431, Fax : +880 2 9565317
e-mail : ccldhk@bbts.net

Factory :

Madambibirhat, Bhatiary,
Sitakunda, Chittagong.
Tel : +880-31-2781161-3, Fax : +880-31-2781164
e-mail : ccl@confidencegroup.com.bd

AMARSTOCK

BOARD OF DIRECTORS



Engr. Rezaul Karim
Chairman

Mr. Rezaul Karim is an eminent engineer, a renowned industrialist, and a very well-known personality in the power sector of this country with over 38 years of experience in steel fabrication. He started his professional career as a director of Chittagong Steel Fabrication in 1972 and is considered to be the pioneer of manufacturing telescopic steel poles ranging from 0.4 KV to 132KV, right angle gear box and large galvanized steel structure in Bangladesh. His ingenuity did not cease only at steel fabrication as he went on to establish Confidence Cement the first private sector cement factory in Bangladesh. In 1998 Confidence Cement Ltd. formed a joint venture with Asian Paints Bangladesh. Using his business acumen and experience gained, he then went on to form Confidence SPC Pole and thus forming Confidence Group in 2000. At the time Mr. Rezaul Karim served as the Managing Director of the group and under his leadership and management the group has ventured into many different industries quickly becoming one of the biggest business conglomerates in the country. The different companies that are currently under Confidence Group include: Confidence Cement Ltd, Confidence Steel Ltd, Confidence Power Ltd, Electorpac Industries Ltd, Confidence Electric Ltd, Confidence Steel Export Ltd, Digicon Telecommunication Ltd, Asian Paints Bangladesh Ltd and Gaston Battery Ltd.

Mr. Rezaul Karim earned a B.Sc. degree in Mechanical Engineering from Bangladesh University of Engineering and Technology (BUET) in 1970 and completed the Entrepreneurs (PBGE) Management Training from AOTS Japan in 1995.



Rupam Kishore Barua
Managing Director

Mr. Rupam Kishore Barua, Managing Director of the Confidence Cement Limited as well as the Vice Chairman of Confidence Group, was born in a renowned Buddhist family at Chittagong. Mr. R. K. Barua obtained graduation degree from Chittagong College in 1968. With patriotic zeal and imbued with spirit of liberation struggle, he participated the liberation war of the Freedom of the motherland.

He was a front line cultural activist and organizer of many socio cultural organizations. He was also a good Sportsman and organizer of games and sports. After Liberation in 1972 Mr. Barua entered the professional life and started his career with shipping job in Atlas Shipping. Later in 1980 he joined entrepreneur, he established the first local cement manufacturing industry in the country in private sector – Confidence Cement Limited. At present he is one of the member of the Board of Directors of Confidence Group.

Apart from professionalism Mr. Barua is involved with many social and service organization. He is a Past District Governor of Lions Clubs International, District 315-B4, Bangladesh.

BOARD OF DIRECTORS



Shah Muhammed Hasan
Director

In 1967, Mr. Shah Muhammed Hasan began his professional in government service. After serving for nine years Mr. Hasan retired and in 1977 joined Bangladesh Inland Water Transportation Authority (BITWA) as the Commander of Survey Vessel. In 1979 he joined the Chittagong Port Authority in the Marine Department. In 1984 he started his entrepreneurial career and started a shipping and C & F business called Mariners Bangladesh Limited. Finally, in 1992 Mr. Hasan joined Confidence Group as a sponsor Director of Confidence Cement Limited and has been a director ever since. He is also the serving as a Director for Prime Insurance Company Limited.

Mr. Hasan graduated from the University of Karachi in 1970. He is a decorated member of Lion's Club International and has served as the Past District Governor of Lion's Club International. He is also a life time member of Bangladesh Lions Foundation and Chittagong Lions Foundation. Lions Club has recognized him for several awards including the Lions Club International Presidential Award (2 times), Lions Club International Leadership award (3 times) and the Lion's Club Membership Growth Award. He takes great pride in his work with social and educational development and is a member of Bangladesh Cancer Foundation, Maa-o–Shishu Hospital and is also involved with Autistic Children Organization of blind and hearing impaired children.



Imran Karim
Director

Mr. Imran Karim joined Confidence Group in 2003 as the Director of Confidence Cement Limited and Confidence Power Limited. Like other visionary entrepreneurs, Mr. Imran Karim's first endeavor wasn't a successful one as Confidence Cement was going through a rough patch. However, he did not succumb in the face of early failure, but rather enjoyed and appreciated it for the lessons learnt and gradually took over the business development of Confidence Steel Ltd. In 2006 under his guidance Confidence Steel started producing telecom towers and with-in the same year became the market leader in telecom towers. Currently Confidence Steel Ltd. has almost 70% of the market share in both transmission towers and telecom towers. After his first successful endeavor, he decided to expand into other sectors. Confidence Group in alliance with Energypac opened an 11MW power plant in 2009 and followed that up with another one at 108MW in 2015. In 2012 Confidence Group entered the telecommunication market and thus Digicon Telecommunication was formed. Under his leadership Digicon took a lead role in the formation of International Gateway Operators' Forum (IOF) and made the sector profitable for everyone. Under his guidance Confidence Group has also ventured in Battery manufacturing is quickly becoming a market leader in the same also.

Mr. Imran Karim completed his Bachelor of Science in Electrical & Computer Engineering and his Bachelor of Arts in Economics in 2003 from the University of Rochester. During his time there he was among the WHO's WHO of United States, an organization that comprises of the top 0.5% of all university students in USA. In 2016 he was chosen as one of the winners of the JCI Ten Outstanding Young Persons of Bangladesh, an award given out by Junior Chamber International Bangladesh. He is currently serving as the vice-president of Bangladesh Independent Power Producer Association and an executive member of Telecom Infrastructure Operators of Bangladesh.

BOARD OF DIRECTORS



Salman Karim
Director

Mr. Salman Karim began his career with Confidence Group in 2008 and was in charge of implementing the group's first power plant in Habiganj. During the same year Confidence Group was looking to expand into the Business Process Outsourcing (BPO) market and thus he was given the task of starting a trail project. However, after 18months the group decided to look into other ventures instead and Mr. Salman Karim was appointed as the Director of Production of Confidence Steel and pre-cast concrete production. Under his guidance a transformer unit was established in 2011. As the Director of Production he improved the overall quality management of the company and thus increased production efficiency by 20%. In doing so he enabled the company to compete internationally by reducing production costs. When Confidence Group decided to enter the battery market he helped start the unit from scratch and in 2015 he was appointed as the CEO of Gaston Battery. Under his leadership, Confidence Electric and Gaston Battery has seen unprecedented growth and have become leading brands in the market.

He completed his Bachelor of Science in Mechanical Engineering from the University of Texas at Arlington in 2007. At UT Arlington he was on the Dean's list for six consecutive semesters and graduated with a honors degree. He takes great pride in his senior design project where he and his team successfully designed and optimized a heat sink for computer video card of Advance Micro Device (AMD) series X1950.



Runu Anwar
Director

Mrs. Runu Anwar, Director of Confidence Cement Limited. She is the wife of Late Engr. Khurshed Anwar - sponsor Director of Confidence Cement Ltd. Mrs. Runu Anwar gathered 15 years experience in Cement manufacturing business.

Mrs. Runu Anwar also holding the Directorship of Confidence Power Limited.

BOARD OF DIRECTORS



Engr. A.Z.M. Sazzadur Rahman
Independent Director

Mr. A.Z.M. Shazzadur Rahman, Independent Director of Confidence Cement Limited has completed Bachelor of Science in Mechanical Engineering & Post-Graduation in Industrial Production Engineering from Bangladesh University of Engineering and Technology (BUET) in 1970 & 1988 respectively. He also studies in Petrolium Engineering at University of Alberta (1980) and RHY Foundations Engineering in FRG from 1974 to 1976. Since his graduation from BUET in 1970, he started his professional career in Planning Commission in 1972 as Research Officer Infrastructure division, later that year he joined Bangladesh Railway and served till 1988 as Chief Mechanical Engineer. There after he served as Director (CEO/Head of Dept.) Energy Monitoring & Conservation Centre and various important post from 1988 to 1996 under Ministry of Energy & Mineral Resources, Govt. of Bangladesh. Lastly again he served Bangladesh railway as General Manager & also Additional Director General from 1996 to 2006.

In his around 45 years colorific & successful career he held several important positions in various field in Govt. Organizations and presently he also works for Bangladesh Public Service Commission as External Examiner. Mr. A.Z.M Sazzadur Rahman was appointed as Independent Director in the Board of Directors of Confidence Cement Limited in 1st December, 2013.



Engr. A.K. Rashiduddin Ahmed
Independent Director

Mr. A.K. Rashiduddin Ahmed, Independent Director of Confidence Cement Limited had completed Bachelor of Science degree in Civil Engineering from Bangladesh University of Engineering and Technology (BUET) in 1970. Later, he obtained a Post Graduate Diploma / MS in Hydraulic Engineering from University of Delft, Netherlands in 1979, Since his Graduate from BUET in 1970, he started his professional career as Junior Engineer in Bangladesh National Consultants. Later, he joined International Engineering Company, USA as Assistant Engineer in 1973. He served as field engineer at M/S Louis Berger Inc. USA in 1974. From 1974 to 1976 he served as field engineer in M/s Frederic R. Harris Inc. USA.

Mr. Ahmed served as Member (Engineering and Development) of Chittagong Port Authority from 2000 to 2005. Before that, he held various important position of Chittagong Port Authority from 1976 to 2000. Mr. Ahmed had professional training in Korea, China, Malaysia & within the country. Mr. A.K. Rashiduddin Ahmed was appointed as Independent Director in the Board of Confidence Cement Limited in 1st December, 2013.

CRISL
Setting global standard at national level

Credit Rating Report

Credit Rating Information and Services Limited
Founder Member. Association of Credit Rating Agencies in Asia (ACRAA), Manila, Philippines
Joint Venture with JCR- VIS Credit Rating Company Ltd. Pakistan
www.crislbd.com

CREDIT RATING REPORT
On
CONFIDENCE CEMENT LIMITED

REPORT: RR/12340/16

This is a credit rating repot as per the provisions of the Credit Rating Companies Rules 1996. CRISL's entity rating is valid one year for long-term rating and 6 months for short term rating. CRISL's Bank loan rating (blr) is valid one year for long term facilities and up-to 365 days (according to tenure of short term facilities) for short term facilities. After the above periods, these ratings will not carry any validity unless the entity goes for surveillance.
CRISL followed Corporate Rating Methodology published in CRISL website www.crislbd. com

Date of Rating : December 27, 2016		**Valid up to:** December 26, 2017
Entity Rating	**Long Term**	**Short Term**
	A+	ST-3
Outlook	Stable	

Bank Facilities Rating :

Bank & FI's	**Mode of exposure** *(Figures in million)*	***Ratings***
Prime Bank Ltd.	* WCL of Tk.1,632.00	*blr A+*
	**TLO of Tk.14.70	*blr A+*
Bank Asia Limited	WCL of Tk.780.00	*blr A+*
City Bank Ltd.	WCL of Tk.1,000.00	*blr A+*
	**WCLO of Tk.80.58	*blr A+*
One Bank Limited	WCL of Tk.500.00	*blr A+*
Eastern Bank Limited	WCL of Tk.610.00	*blr A+*
HSBC	WCL of Tk.300.00	*blr A+*
Mutual Trust Bank Ltd.	WCL of Tk.800.00	*blr A+*
Trust Bank Ltd.	WCL of Tk.850.00	*blr A+*
Pubali Bank Ltd.	WCL of Tk.350.00	*blr A+*
IPDC	WCLO of Tk.100.31	*blr A+*

*WCL-Working Capital Limit, * * TLO -Term Loan Outstanding

1.0 RATIONALE

CRISL has reaffirmed the Long Term rating of Confidence Cement Limited (CCL) to 'A+' (pronounced as single A Plus) and the Short Term rating to 'ST-3' on the basis of its both relevant quantitative and qualitative information up to the date of rating. The above ratings have been reassigned due to consistence maintenance of its some fundamentals such as good business and profitability performance, equity based capital structure, good liquidity, adequate infrastructural arrangement, experienced and qualified management team, regular loan repayment history etc. However, the above are constrained, to some extent, by factors such as significant competition in the market, risk of price fluctuation, operation etc.

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

CRISL also placed the company with" Stable Outlook" considering that its existing fundamentals may remain unchanged in the foreseeable future.

2.0 CORPORATE PROFILE

2.1 The Genesis

Confidence Cement Limited (CCL) is the first public cement manufacturing company in Bangladesh which incorporated on May 02, 1991 and went into commercial operation in 1994. The company is the flagship concern of Confidence Group and got incorporated as a public company limited by shares on October 21, 1995. Aiming to produce high quality cement through maintaining international standard, Confidence Group has entered into the cement industry and presently running with an annual production capacity of 750,000 M. Ton. The paid-up capital of CCL stood at Tk.449.94 million (44,993,520 ordinary Shares of Tk.10/- each) against an authorized capital of Tk.1,000.00 million as on June 30, 2016.

For President & CEO
Sarwat Amina
Executive Vice President
Credit Rating Information and Services Ltd.

Address:
CRISL
Nakshi Homes
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6/1A, Segunbagicha,
Dhaka-1000
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Analysts:
Mouri Barua
mouri@crisl.org

Upayan Barua
upayan@crisl.org

Entity Rating
Long Term: A+
Short Term: ST-3

Outlook: Stable

CONFIDENCE CEMENT LIMITED

ACTIVITY
Cement manufacturing

DATE OF INCORPORATION
May 02, 1991

CHAIRMAN
Engr. Rezaul Karim

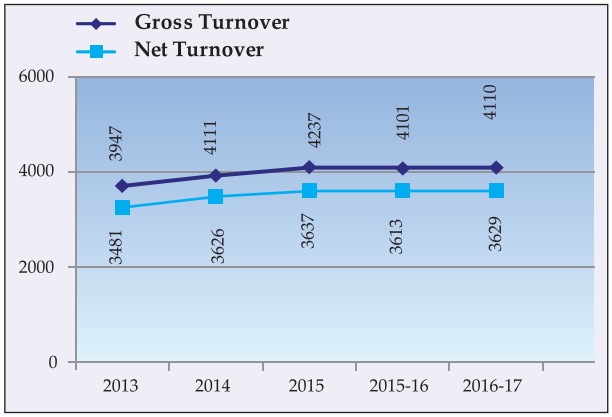
MANAGING DIRECTOR
Rupam Kishore Barua

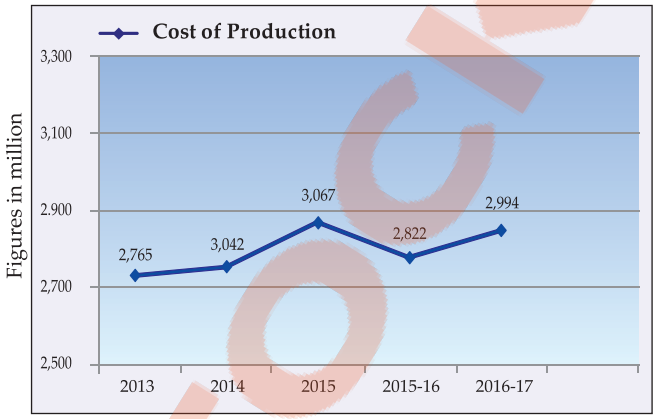
EQUITY
Tk.3,318.62 million

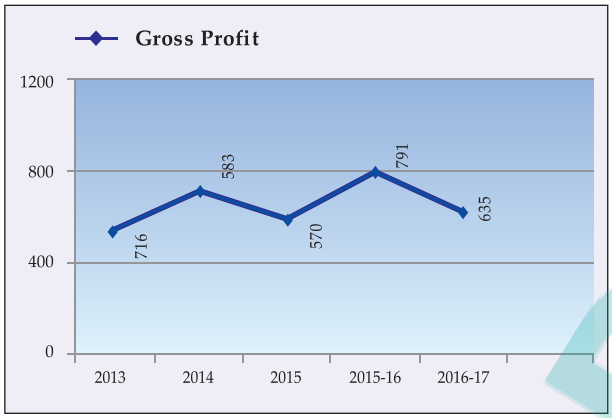
TOTAL ASSETS
Tk.6,246.00 million

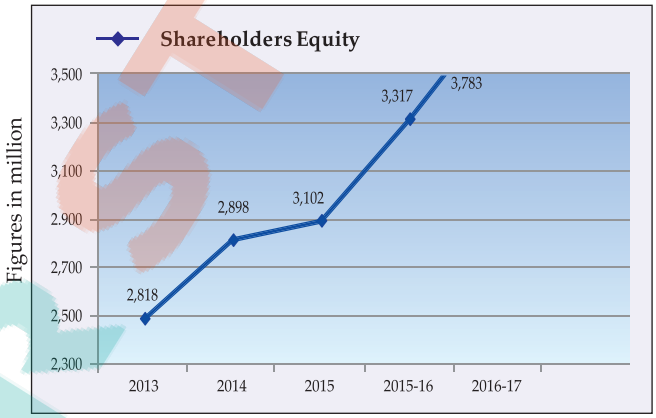
The flagship concern of Confidence Group

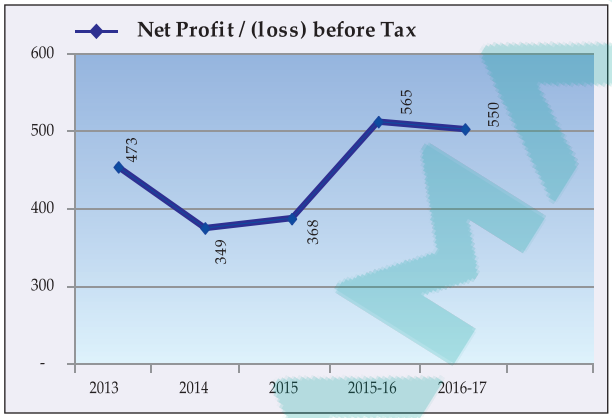
Graphical Presentation of the Financial Highlights

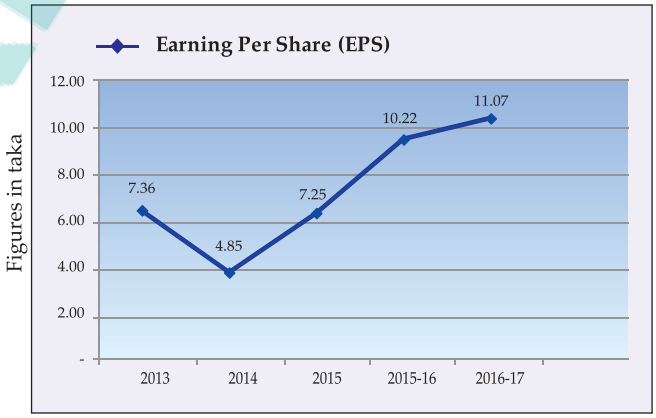


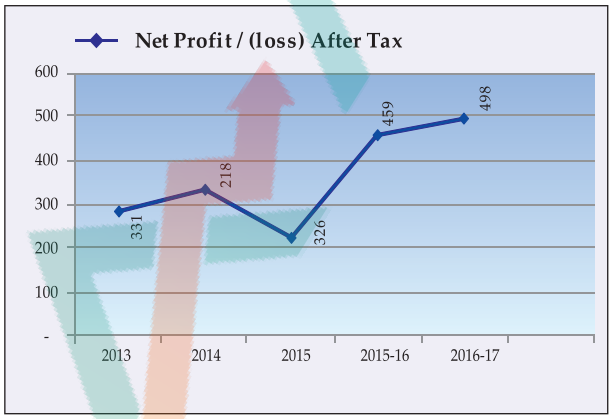


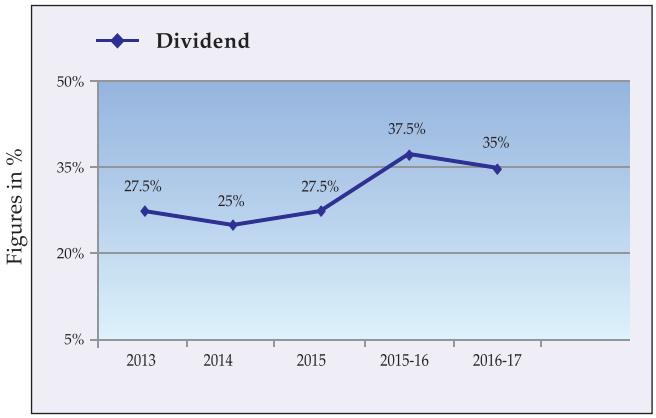












Others Financial information, Ratio Analysis & Manpower position :

Particulars	2016-17	2015-16	2015	2014	2013
Other Financial Information					
No. of Share	44,993,520	44,993,520	44,993,520	44,993,520	44,993,520
Earning per share	Tk. 11.07	Tk. 10.22	Tk. 7.25	Tk. 4.85	Tk. 7.36
Cash Dividend	15.00%	37.50%	27.50%	25.00%	27.50%
Stock Dividebd	20.00%	-	-	-	-
Net Asset value per share	Tk. 84.09	Tk. 73.72	Tk. 68.95	Tk. 63.66	Tk. 62.64
Net operating Cash flow per share	Tk. 9.35	Tk. 7.84	Tk. 9.02	Tk. (2.72)	Tk. 8.39
Ratio Analysis :					
Current Ratio	0.84:1	1.01:1	1.91:1	1.39:1	1.52 :1
Quick Ratio	0.70:1	0.87:1	1.04:1	1.16:1	1.34:1
Debt/Equity ratio	1.04:1	0.88:1	0.79:1	0.76:1	0.60:1
Gross Profit to Sales	17.51%	21.89%	15.68%	16.09%	20.57%
Net Profit to Sales	13.72%	12.72%	8.97%	6.01%	9.51%
Return on Capital Employeed	13.63%	15.83%	11.04%	11.03%	15.12%
Return on Equity	14.03%	14.87%	10.93%	7.67%	12.47%
Price earning ratio	12.18	7.9	11.94	22.00	16.83
Interest Coverage Ratio	8.20 times	6.95 times	4.27 times	5.40 times	4.57 times
Dividend coverage ratio	.32 times	0.27 times	.29 times	0.19 times	0.29 times
Asset Turnover ratio	.90 times	1.01 times	1.07 times	1.11 times	1.08 times
Market price per share as on 30 June/31 Dec.	Tk. 134.80	Tk. 80.70	Tk.86.60	Tk. 106.70	Tk. 123.90
Manpower Position :					
Managers & Officer	190	172	160	151	129
Staffs	438	430	440	417	285
Workers	259	240	242	238	250
Total Manpower position	**887**	**842**	**842**	**806**	**664**

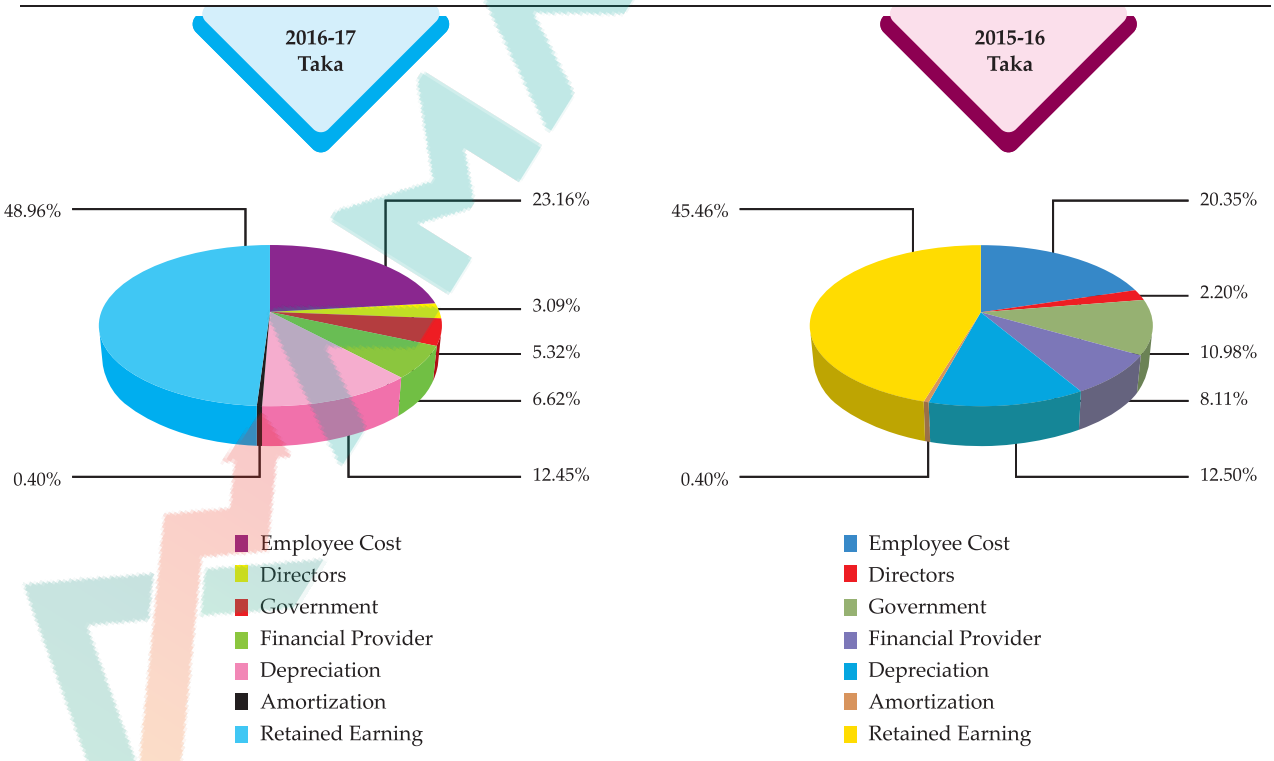


A partial view of Ongoing Expansion project (Unit-III)

ANNUAL REPORT 2016-2017

Value Added Statement

Value Added	2016-2017 Taka	%	2015-2016 Taka	%
Revenue	3,629,375,210		3,613,744,024	
Other Income	462,684,700		212,514,375	
	4,092,059,910		3,826,258,399	
Payment to suppliers for materials & other services	(3,074,618,314)		(2,814,905,090)	
	1,017,441,596	**100.00%**	**1,011,353,309**	**100.00%**
Distribution as follows				
Employee Cost	235,661,984	23.16%	205,832,341	20.35%
Directors	31,436,364	3.09%	22,254,406	2.20%
Govt.	54,098,708	5.32%	111,028,922	10.98%
Finance Provider	67,324,185	6.62%	81,975,436	8.11%
	388,521,241	**38.19%**	**421,091,105**	**41.64%**
Retained for Re-investment & future growth				
Depreciation	126,721,211	12.45%	126,426,979	12.50%
Amortization	4,075,000	0.40%	4,075,000	0.40%
Retained Earning	498,124,144	48.96%	459,760,225	45.46%
	628,920,355	61.81%	590,262,204	58.36%
	1,017,441,596	**100.00%**	**1,011,353,309**	**100.00%**



Directors' Report

For the period ended 30 June 2017

Dear Shareholders

It is my great privilege and honour to welcome you all at the 26th Annual General Meeting of Confidence Cement Limited and to present the Annual Report together with the Audited Financial Statements of the company for the year ended as on 30 June, 2017 on behalf of the Board of Directors. The Directors' Report is prepared in compliance with Section 184 of the Companies Act, 1994 ; Rule 12 (and the schedule there under) of the Securities Exchange Commission Rules 1987 and IAS -1 (International Accounting Standards-1) codes as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

Business Scenario

The economy has observed sustainable economic growth, exports have increased and foreign reserves have augmented over the decade in spite of the global economic crisis and a series of natural disasters, to which Bangladesh is regularly vulnerable. Bangladesh has experienced average GDP growth rate on and above 6 percent over the last few years and continuing 7.28 percent in 2016-2017.

The average growth rate is projected at above 07% percent over the next Five Years Plan (2016-2020) period. Bangladesh exports increased to about US$ 35 billion in 2017, and country's GDP per capita - USD1602 (2017) .

Growth in FY 2017 (ended 30 June 2017) was higher than expected as consumption picked up in response to rising income, and as public investment strengthened. Inflation was lower than projected, though recent flooding is unlikely to affect growth, which could improve if infrastructure development accelerates and new Aman crops harvested in the coming months.

As time passes, the Bangladesh experiences development in all sectors. Development leads to urbanization, reflecting economic growth, which brings upon infrastructure development and construction.

The seven top priority Fast Track Projects costing around $40 billion have now gained pace, and after completion of those projects Bangladesh economy will take a new shape and GDP growth expected to be over 8% in the next coming years after completion of those projects.

The projects are;

a) The Padma Bridge : USD 3.70 billion
b) Rooppur Nuclear Power project : USD 13.65 billion
c) Paira Sea Port : USD 15 billion
d) The coal fired large power projects at Matarbari and Rampal : USD 4.60 billion + USD 1.50 billion
e) Metro Rail and LNG terminal : USD$ 2.70 billion + USD$ 5 billion
f) Karnafully Tunnel project : USD$ 1.20 billion
g) Chittagong -Cox'sbazar Rail Line project : USD 2.20 billion

The cement industry of Bangladesh is the 40th largest market in the world. Bangladesh is one of the fastest developing countries and it is expected to have major infrastructure, housing and services development in the coming years. Thus, expecting a growth and demand for cement is considered logical.

But in addition recent price hike in raw materials of cement such as Clinker, lime stone, Gypsum and as well as oil price imposing this sector to evaluate price proposition in this competitive situation.

Due to heavy food grain import the port congestion has serious impacted on raw materials import and transport availability, which is a subsequent result in additional cost in production.As we are moving to commercialize our third unit production by the end of this year, which will facilitate more volume to push in the market. So at the beginning of January 2018 we are expecting a quantum leap in volume growth with the inclusion of our third unit as well as the cost proposition in coming days.

Financial Results

In 2016-17 , total revenue of the Company was Tk. 3,629 million , an increase of Tk. 16 million from 2015-16,resulting 0.43% higer revenue over last year . But Gross profit has reduced by 20% compared to 2015-16 due to falling of selling price of product, increased raw & packing materials and factory overhed cost.

The operating cost has increased 41% due to normal pay rise, promotional cost, commission to delaers and inflationary adjustment; on the other side financing cost has reduced by 18% over last year because of efficient working capital management coupled with enjoying lower borrowing cost during the period under review. In 2016-17, net profit after tax of the Company was Tk. 498 million while Tk. 459 in 2015-16.

The operating financial results of the Company for the year ended 30 June, 2017 as compared to previous year is summarized hereunder:

Particulars	2016-17 Taka	2015-16 Taka
Net turnover	3,629,375,210	3,613,744,024
Gross profit	635,350,277	791,003,266
Profit before income tax	550,632,198	565,501,886
Provision for taxation	52,508,054	105,741,661
Net profit after tax	498,124,144	459,760,225
Gross profit to Turnover	17.51%	21.89%
Net profit to Turnover	13.72%	12.72%
Earning per share (EPS)	Tk 11.07	Tk 10.22

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Share of Profit from Associate Companies

You must be aware that meanwhile the Company invested in three Associates companies such as Confidence Power Limited, Confidence Electric Limited and Energypac Confidence Power Venture Limited. During the period under review of year ended 30 June 2017, Tk. 237.76 million has been earned as share of profit from the above associates Companies.

A comparative statement of share of profit from associates are stated below,

Company (s)	Ownership	2016-2017 Taka	2015-2016 Taka
Confidence Power Limited	25%	60,611,797	23,115,079
Confidence Electric Limited	49%	146,170,803	83,387,308
Energypac Confidence Power Venture Limited	50%	30,976,685	58,244,185
		237,759,285	**164,746,572**

The company transferred the entire share of Energypac Confidence Power Venture Limited, one of its associates company, with sales consideration for an amont Tk. 807.86 million to Energypac Power Generation Limited through board resolution of Board of Directors in its meeting held on 30 April 2017.

Production

During the period under review the Company was able to produce at cement plant 527,449 M.T as against 509,611 M.T in previous period and at Ready-mix plant 1,151,249 cft as against 898,707 cft in previous period which is summarized in the following table:

			2016-17	2015-16
Cement Plant	Production	M.T	527,449	509,611
	Capacity Utilization	%	70	68
Ready-mix Plant	Production	Cft	1,151,249	898,707
	Capacity Utilization	%	48	37

Sales

The overall sales performance for the period ended 30 June 2017 showed a steady upward trend. During the period under review sales increased at Cement Plant by 2% in quantity and (2)% in value due to fall in selling price in market . On the other side sales also increased at Ready-mix Plant by 28% in quantity and 30% in value .

To boost sales the management of the company declared various sales scheme for dealers. Emphasis was given to improve the relationship with the valued customers to ensure future market growth.

We hope that the Company will be able to maintain growth rate in the coming days too.

Particulars	Until	2016-17		2015-16		Groiwth %	
		Qty	Tk.	Qty	Tk.	Qty	Tk.
Cement Plant	M.T	520,736	3,284,597,764	508,608	3,348,330,016	2	(2)
Ready mix Plant	Cft	1,151,249	344,777,446	898,707	265,414,008	28	30

Contribution to the National Exchequer

The company contributed total amount of Tk. 756,276,739 to the the National Exchequer in the form of Customs duty,Vat and Advance Income Tax during the year.The break-up of these payments are shown in the table :

Govt. Revenue	2016-17 Taka	2015-16 Taka
Vat	479,989,492	486,506,138
Customs duty	147,138,103	209,083,919
Advance income tax	129,149,144	118,418,138
Total Taka	**756,276,739**	**814,008,195**

Dividend

The Board of Directors of Confidence Cement Limited recomneded declaration of dividend @ 35% (@15% cash and @ 20% stock) for the year ended 30 June 2017 subject to aprroval in 26th Annual General Meeting .

Appointment and re-appointment of Directors

The Board of Directors have recommended in its board meeting held on 30 November, 2017 to appoint Mr. Shamsul Alam Bir Uttam (nominated by Confidence Steel Limited) as new director of the Company subject to approval of shareholders in the 26th Annual General Meeting.

As per Section 91(2) of the Companies Act 1994 and Articles 127 of the Articles of Association of the Company, Mr. Shah Muhammed Hasan and Mr. Imran Karim both Directors shall retire by rotation from the Board in the 26th Annual General Meeting. Being eligible under Article 127 of the Articles of Association of the Company, the retiring Directors have offered themselves for re-election.

Appointment of Auditors

The tenure of Company's Auditor Rahman Mostafa Alam & Co, Chartered Accountants expires at this Meeting.

They have expressed their willingness to continue and being eligible offered themselves for re-appointment as per proviso 210 (1) of the Companies Act 1994 as auditors of the company at a remuneration of Tk. 250,000/- excluding (vat and source tax) for the year 2017-18.

Audit Committee of the Board

During the year the Board of Audit Committee was set up to review the financial results, audit and compliance with the statutory requirements. The Committee recommended to the Board of Directors, the appointment of the Company's auditors and reviewed the scope of internal audit. The committee consisted of the following directors :

1. Engr. A.Z.M Sazzadur Rahman	(Independent Director)	Chairman
2 Mr. Rupam Kishore Barua	(Managing Director)	Member
3 Mr. Shah Muhammed Hasan	(Director)	Member
4. Engr. A.K Rashiduddin Ahmed	(Independent Director)	Member

Corporate Governance and Compliance

CCL Board of Directors is committed to meeting the highest standard of corporate governance and disclosure. The Directors are conscious of their responsibilities in supervision and direction of the affairs of the Company in conformity with the practices of sound corporate governance. In fulfillment of those responsibilities the directors have set up for themselves the principles that will be followed by their own involvement in the corporate function and in setting up clear guidelines for the executive management.

We confirm that the Company has complied with all relevant guidelines of Bangladesh Securities and & Exchange Commission's (BSEC) Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.The compliance report is appended herewith as **Annexure I to Annexure IV.** Further, a Certificate of Compliance required under the said Guidelines, is provided by M.A.Mallik & Co, Chartered Accountants also annexed to this report in **Annexure V.**

Acknowledgement

The Company and its Board of Directors would like to extend its foremost regard and appreciation to the valued Shareholders and other stakeholders of the Company for their present support and guidance to the Company that led to the cumulative achievements. They also express their gratitude to the Government of Peoples Republic of Bangladesh, National Board of Revenue (NBR) , Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), the Comapny's bankers and other business partners for their cooperation ,positive support and guidance. We promise that we will continue our journey towards a bright future. We look forward to your continued support in the coming years for the smooth growth of the Company.

Finally, Members of the Board of Directors also put on record their deep appreciation and thanks to all executives , staffs and workers for their hard work,dedication,sincerity and commitment that they have shown for steady growth of the Company.

May Allha bless us all.

On behalf of the Board

Engr. Rezaul Karim
Chairman

পরিচালকমন্ডলীর প্রতিবেদন

৩০শে জুন ২০১৭ সালের সমাপ্ত বছরের জন্য

সম্মানিত শেয়ারহোল্ডারবৃন্দ

কনফিডেন্স সিমেন্ট লিমিটেড এর ২৬তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। মাননীয় পরিচালকমন্ডলীর পক্ষ থেকে ৩০শে জুন ২০১৭ সালের সমাপ্ত বছরের বার্ষিক প্রতিবেদন ও নিরীক্ষিত আর্থিক বিবরণী উপস্থাপন করার সুযোগ পেয়ে আমি সম্মানিত ও আনন্দিত। ১৯৯৪ সনের কোম্পানী আইনের ১৮৪ নং ধারা, ১৯৮৭ সালের সিকিউরিটিজ এন্ড এক্সচেঞ্জ বিধিমালার বিধি ১২ (এবং তার অধীনে প্রণীত তফসিল) ও ইন্সটিটিউট অব চার্টার্ড একাউন্ট্যান্টস্ অব বাংলাদেশ (আইসিএবি) কর্তৃক গৃহীত ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ড-১ (আইএএস-১) এর বিধানাবলী প্রতিপালনক্রমে আপনাদের সম্মুখে এ প্রতিবেদন উপস্থাপিত হয়েছে।

ব্যবসায়িক কার্যক্রম

বৈশ্বিক অর্থনীতি মন্দা ভাব এবং বিগত দশকে বাংলাদেশ বারবার প্রাকৃতিক দুর্যোগে বিপর্যস্ত হওয়া সত্ত্বেও অর্থনৈতিক প্রবৃদ্ধি অর্জন, রপ্তানী ও বৈদেশিক মুদ্রার রিজার্ভ বৃদ্ধিতে সক্ষমতা লাভ করেছে। বিগত কয়েক বছরে গড় জিডিপি ৬ শতাংশ অর্জিত হয় তারই ধারাবাহিকতায় ২০১৬-১৭ অর্থ বছরে তা ৭.২৮ শতাংশে উন্নীত হয়। আগামী পঞ্চ বার্ষিক পরিকল্পনায় (সময়সীমা ২০১৬-২০২০) তা বৃদ্ধি করে ৭ শতাংশে উন্নীত করার প্রত্যাশা করা হয়। ২০১৭ সালে বাংলাদেশের রপ্তানী আয় ৩৫ বিলিয়ন মার্কিন ডলারে উন্নীত হয়েছে এবং মাথাপিছু গড় জিডিপি ১,৬০২ মার্কিন ডলারে দাঁড়িয়েছে।

২০১৭ সালের ৩০শে জুন অর্থবছরে, জনসাধারণের আয় বৃদ্ধি পাওয়ার কারনে ভোগ এবং বিনিয়োগ বৃদ্ধি পেয়েছে ফলে প্রবৃদ্ধিও ব্যাপকভাবে বৃদ্ধি পায়। সাম্প্রতিক বন্যার কারণে, উন্নয়ন ক্ষতিগ্রস্থ হলেও মুদ্রাস্ফিতি প্রত্যাশার তুলনায় কম ছিল এবং অবকাঠামোগত উন্নয়নের গতিশীলতা ও সামনে আমন ফসলের প্রাপ্তিতে আগামী বছর প্রবৃদ্ধি আরো বৃদ্ধি পাবে।

সময়ের প্রেক্ষিতে, বাংলাদেশ সর্বক্ষেত্রে উন্নয়নের স্বাক্ষর রেখেছে। নগরায়ন অর্থনৈতিক সমৃদ্ধির প্রতিচ্ছবি, যা অবকাঠামোগত উন্নয়ন ও নির্মাণের উপর নির্ভর করে। প্রায় ৪০ বিলিয়ন মার্কিন ডলার ব্যয়ে গৃহীত সাতটি বৃহৎ প্রকল্প হাতে নেওয়া হয়েছে যে প্রকল্পগুলো বাস্তবায়িত হলে জিডিপি ৮ শতাংশেরও বেশী বৃদ্ধি পাবে বলে প্রত্যাশা করা যায়।

প্রকল্পগুলো হলো

১. পদ্মা সেতু ঃ ৩.৭০ বিলিয়ন ডলার
২. রূপপুর পারমাণবিক বিদ্যুৎ কেন্দ্র ঃ ১৩.৬৫ বিলিয়ন ডলার
৩. পায়রা সমুদ্র বন্দর ঃ ১৫ বিলিয়ন ডলার
৪. মাতারবাড়ী ও রামপালের কয়লা ভিত্তিক বিদ্যুৎ কেন্দ্রগুলোতেঃ ৪.৬ বিলিয়ন ডলার + ১.৫ বিলিয়ন ডলার
৫. মেট্রো রেল ও এল.এন.জি-টার্মিনালঃ ২.৭০ বিলিয়ন ডলার + ৫ বিলিয়ন ডলার
৬. কর্ণফুলী টানেল প্রজেক্ট ঃ ১.২০ বিলিয়ন ডলার
৭. চট্টগ্রাম-কক্সবাজার রেললাইন প্রজেক্ট ঃ ২.২ বিলিয়ন ডলার

বিশ্বের বৃহত্তর সিমেন্ট বাজারের মধ্যে বাংলাদেশের সিমেন্ট শিল্পের অবস্থান ৪০ তম। বাংলাদেশ দ্রুত অর্থনৈতিক উন্নয়নশীল দেশগুলোর মধ্যে একটি এবং এরই ধারাবাহিকতায় আগামী বছরগুলোতে অবকাঠামোগত উন্নয়ন, গৃহায়ন ও সেবার মান বৃদ্ধির প্রত্যাশা করা যায়। যেহেতু সিমেন্ট হচ্ছে উন্নয়নের অবিচ্ছেদ্য অংশ, তাই চলমান উন্নয়ন প্রক্রিয়ার অংশ হিসাবে সিমেন্টের চাহিদা বৃদ্ধির প্রত্যাশা যুক্তিযুক্ত।

কিন্তু সাম্প্রতিক কাঁচামালের মূল্য বৃদ্ধি যেমন ক্লিংকার, লাইম ষ্টোন, জিপসাম এবং তেলের দাম বৃদ্ধি জনিত কারণে সিমেন্টের উৎপাদন খরচ বৃদ্ধি পেয়েছে। অধিক খাদ্য পণ্য আমদানির ফলে বন্দরে জাহাজযট তৈরী হওয়ায় সিমেন্ট শিল্পের কাঁচামাল পরিবহন ব্যয় বৃদ্ধি পেয়েছে। ২০১৮ সালের জানুয়ারী থেকে আমাদের তৃতীয় ইউনিটের উৎপাদন শুরু করে বাণিজ্যিকভাবে বাজারজাত করতে যাচ্ছি যার ফলে আশা করা যাচ্ছে সিমেন্ট বিক্রির ব্যাপক প্রবৃদ্ধির মাধ্যমে উৎপাদন খরচ কমিয়ে আনা সম্ভব হবে।

আর্থিক ফলাফল

২০১৬-১৭ সালে কোম্পানীর মোট বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ৩,৬২৯ মিলিয়ন টাকা যা ২০১৫-১৬ সালের তুলনায় ১৬ মিলিয়ন টাকা বেশী, ফলশ্রুতিতে বিক্রয়লব্ধ অর্থ বৃদ্ধি পেয়েছে মাত্র ০.৪৩%। কাঁচামাল, পিপি ব্যাগ এবং পণ্যের উৎপাদন খরচ বৃদ্ধি পাওয়ায় মোট মুনাফা গত বছরের তুলনায় ২০% হ্রাস পেয়েছে। বেতন বৃদ্ধি, ডিলারদের জন্য প্রচারমূলক খরচ ও কমিশন এবং মুদ্রাস্ফীতি সমন্বয়ের কারনে পরিচালনা ব্যয় বৃদ্ধি পেয়েছে ৪১%। অপরপক্ষে, কার্যকরী মূলধনের দক্ষ ব্যবস্থাপনা এবং সেই সাথে হ্রাসকৃত সুদের হারে অর্থ সংগ্রহের কারণে আর্থিক ব্যয় হ্রাস পেয়েছে ১৮%। ২০১৭ সালে কর পরবর্তী নীট মুনাফা হয়েছে ৪৯৮ মিলিয়ন টাকা, যা ২০১৫-১৬ সালে ছিল ৪৫৯ মিলিয়ন টাকা।

পূর্ববর্তী বছরের সাথে তুলনা করে ৩০শে জুন ২০১৭ সালের আর্থিক ফলাফল নিম্নে উপস্থাপন করা হলো ঃ

বিবরণ	২০১৬-১৭ টাকা	২০১৫-১৬ টাকা
নীট বিক্রয়	৩,৬২৯,৩৭৫,২১০	৩,৬১৩,৭৪৪,০২৪
মোট মুনাফা	৬৩৫,৩৫০,২৭৭	৭৯১,০০৩,২৬৬
নীট মুনাফা কর পূর্ব	৫৫০,৬৩২,১৯৮	৫৬৫,৫০১,৮৮৬
আয়কর সঞ্চিতি	৫২,৫০৮,০৫৪	১০৫,৭৪১,৬৬১
কর পরবর্তী নীট মুনাফা	৪৯৮,১২৪,১৪৪	৪৫৯,৭৬০,২২৫
মোট আয়ের হার	১৭.৫১%	২১.৮৯%
নীট আয়ের হার (কর পরবর্তী)	১৩.৭২%	১২.৭২%
শেয়ার প্রতি আয়	টাঃ ১১.০৭	টা ঃ ১০.২২

সহযোগী কোম্পানীগুলো হতে প্রাপ্ত মুনাফা

আপনারা ইতিমধ্যে অবগত আছেন যে, আপনাদের প্রতিষ্ঠান কনফিডেন্স পাওয়ার লিঃ, কনফিডেন্স ইলেকট্রিক লিঃ এবং এনার্জিপ্যাক কনফিডেন্স পাওয়ার ভেঞ্চার লিমিটেড নামের তিনটি সহযোগী প্রতিষ্ঠানে বিনিয়োগ করেছিল। ৩০শে জুন, ২০১৭ সালে, তারিখে সমাপ্ত বছরে উপরোক্ত তিনটি সহযোগী প্রতিষ্ঠান থেকে লাভের অংশ হিসেবে ২৩৭.৭৬ মিলিয়ন টাকা অর্জিত হয়েছে।

প্রতিষ্ঠান	মালিকানা	২০১৬-১৭ টাকা	২০১৫-১৬ টাকা
কনফিডেন্স পাওয়ার লিমিটেড	২৫%	৬০,৬১১,৭৯৭	২৩,১১৫,০৭৯
কনফিডেন্স ইলেকট্রিক লিমিটেড	৪৯%	১৪৬,১৭০,৮০৩	৮৩,৩৮৭,৩০৮
এনার্জিপ্যাক কনফিডেন্স পাওয়ার ভেঞ্চার লিমিটেড	৫০%	৩০,৯৭৬,৬৮৫	৫৮,২৪৪,১৮৫
		২৩৭,৭৫৯,২৮৫	১৬৪,৭৪৬,৫৭২

৩০শে এপ্রিল ২০১৭ ইং তারিখে অনুষ্ঠিত কনফিডেন্স সিমেন্ট লিমিটেড এর পরিচালনা পর্ষদের সভার সিদ্ধান্ত মোতাবেক, এনার্জিপ্যাক কনফিডেন্স পাওয়ার ভেঞ্চার লিমিটেড এর সম্পূর্ণ শেয়ার ৮০৭.৮৬ মিলিয়ন টাকায় এর সহযোগী প্রতিষ্ঠান এনার্জিপ্যাক পাওয়ার জেনারেশন লিমিটেড এর নিকট বিক্রয় বাবদ হস্তান্তর করেন।

উৎপাদন

কোম্পানী আলোচ্য বছরে ৫২৭,৪৪৯ মেঃ টন সিমেন্ট উৎপাদন করতে সক্ষম হয়েছে যা পূর্ববর্তী বছরে ছিল ৫০৯,৬১১ মেঃ টন এবং এ বছর রেডিমিক্স শিল্পে ১,১৫১,২৪৯ সিএফটি (CFT) উৎপাদন করে যা পূর্ববর্তী বছরে ছিল ৮৯৮,৭০৭ সিএফটি (CFT)। নিম্নে গত দুই বছরের বার্ষিক উৎপাদন ছকে তুলে ধরা হল ঃ

			২০১৬-১৭	২০১৫-১৬
সিমেন্ট প্ল্যান্ট	উৎপাদন	মেঃ টন	৫২৭,৪৪৯	৫০৯,৬১১
	ক্ষমতা ব্যবহার	(%)	৭০	৬৮
রেডিমিক্স প্ল্যান্ট	উৎপাদন	সিএফটি	১,১৫১,২৪৯	৮৯৮,৭০৭
	ক্ষমতা ব্যবহার	(%)	৪৮	৩৭

বিক্রয়

২০১৭ সালে ৩০শে জুন তারিখ পর্যন্ত বিক্রয় সাফল্য স্থায়ী উর্ধ্বমুখী প্রদর্শন করে। আলোচ্য বছর শেষে দেখা যায় যে, সিমেন্ট শিল্পে বিক্রয়ের পরিমান দিক থেকে যথাক্রমে ২% বৃদ্ধি পায় এবং মূল্যের দিক থেকে ২% হ্রাস পেয়েছে। অন্য দিকে রেডিমিক্স শিল্পের এবং মূল্যের দিকে যথাক্রমে বৃদ্ধি পেয়েছে ২৮% এবং ৩০%। বিক্রয় প্রসার ত্বরান্বিত করার জন্য কোম্পানী ডিলাদের জন্য আর্কর্ষনীয় বিক্রয় পদক্ষেপ ঘোষনা করেছে। ভবিষ্যতে বাজার সম্প্রসারন নিশ্চিত করতে সম্মানিত ক্রেতাগণের সাথে অধিকতর সম্পর্ক উন্নয়নে প্রচেষ্ঠা অব্যাহত রাখা হয়। আমরা আশা করছি যে, আগামী দিনগুলোতে কোম্পানীর বর্তমান ধারা অব্যাহত থাকবে।

ইউনিট		২০১৬-১৭		২০১৫-১৬		বৃদ্ধি (%)	
		পরিমান	টাকা	পরিমান	টাকা	পরিমান	টাকা
সিমেন্ট প্ল্যান্ট	মেঃ টন	৫২০,৭৩৬	৩,২৮৪,৫৯৭,৭৬৪	৫০৮,৬০৮	৩,৩৪৮,৩৩০,০১৬	২	(২)
রেডিমিক্স প্ল্যান্ট	সিএফটি	১,১৫১,২৪৯	৩৪৪,৭৭৭,৪৪৬	৮৯৮,৭০৭	২৬৫,৪১৪,০০৮	২৮	৩০

জাতীয় কোষাগারে অবদান

আলোচ্য বছরে কোম্পানী জাতীয় কোষাগারে মূল্য সংযোজন কর (ভ্যাট), আমদানী শুল্ক এবং অগ্রিম আয়কর বাবদ ৩০শে জুন ২০১৭, তারিখে মোট ৭৫৬,২৭৬,৭৩৯ টাকা প্রদান করেছে। নিম্নে খাতওয়ারী বিবরণ দেয়া হলো ঃ

জাতীয় রাজস্ব	২০১৬-১৭ টাকা	২০১৫-১৬ টাকা
মূল্য সংযোজন কর	৪৭৯,৯৮৯,৪৯২	৪৮৬,৫০৬,১৩৮
আমদানী শুল্ক	১৪৭,১৩৮,১০৩	২০৯,০৮৩,৯১৯
অগ্রিম আয়কর	১২৯,১৪৯,১৪৪	১১৮,৪১৮,১৩৮
	৭৫৬,২৭৬,৭৩৯	৮১৪,০০৮,১৯৫

প্রস্তাবিত লভ্যাংশ

কনফিডেন্স সিমেন্ট লিমিটেড এর পরিচালনা পর্ষদ ২৬তম বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে ৩০শে জুন, ২০১৭ তারিখে সমাপ্ত অর্থ বছরের জন্য ৩৫% লভ্যাংশ, যার মধ্যে (১৫% নগদ লভ্যাংশ এবং ২০% বোনাস লভ্যাংশ) ঘোষনার সুপারিশ করেছেন।

পরিচালক মন্ডলীর নির্বাচন ও পুনঃ নিয়োগ

পরিচালনা পর্ষদ ৩০শে নভেম্বর, ২০১৭ তারিখের বোর্ড সভায় জনাব সামশুল আলম বীর উত্তম-কে (প্রতিনিধিত্ব করবেন কনফিডেন্স ষ্টীল লিমিটেড-এর পক্ষে) কোম্পানীর নতুন পরিচালক নিয়োগ দানের জন্য সুপারিশ করেছেন। কোম্পানীর ২৬তম বার্ষিক সাধারন সভায় শেয়ারহোল্ডারগণের অনুমোদনের জন্য উপস্থাপন করা হল।

কোম্পানীর আইনের ৯১(২) ধারা এবং আর্টিকেলস অব এসোসিয়েশন ১২৭ এর বিধান অনুযায়ী পরিচালক মন্ডলীর দুজন সদস্য জনাব জনাব শাহ মোহাম্মদ হাসান এবং জনাব ইমরান করিম ২৬তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। আর্টিকেলস অব এসোসিয়েশনের ১২৭ নং ধারা অনুযায়ী যোগ্য বিধায় অবসর গ্রহনকারী পরিচালকদ্বয় পুনঃ নির্বাচিত হওয়ার ইচ্ছা প্রকাশ করেছেন।

নিরীক্ষক নিয়োগ

২৬তম বার্ষিক সাধারণ সভায় কোম্পানীর বর্তমান নিরীক্ষক রহমান মোস্তফা আলম এন্ড কোং, চাটার্ড একাউন্ট্যান্টস পদত্যাগ করবেন। কোম্পানীর আর্টিকেলস অব এসোসিয়েশনের ২১০(১) নং ধারা ও কোম্পানী আইন ১৯৯৪ অনুযায়ী যোগ্য বিধায় পুনঃ নিয়োগ লাভের ইচ্ছা প্রকাশ করেছেন এবং তাদের পারিশ্রমিক ২৫০,০০০/- টাকা ফি বাবদ (মূসক ও আয়কর ব্যতীত) ২০১৭-১৮ সালের জন্য কোম্পানীর নিরীক্ষক হিসাবে পরিচালনা পর্ষদ নিয়োগ দানে সুপারিশ জ্ঞাপন করেছে।

পরিচালনা পর্ষদের নিরীক্ষা কমিটি

আলোচ্য বছরে কোম্পানীর আর্থিক অবস্থান, নিরীক্ষক এবং সংবিধিবদ্ধ ও নিয়ন্ত্রণকারী সংস্থা সমূহের প্রয়োজনীয় শর্তাবলী মূল্যায়নের লক্ষে পরিচালনা পর্ষদের নিরীক্ষা কমিটি গঠিত হয়। কোম্পানীর নিরীক্ষক নিয়োগের ক্ষেত্রে কমিটি পরিচালনা পর্ষদকে সুপারিশ করেছেন এবং অভ্যন্তরীণ নিরীক্ষা ক্ষেত্রসমূহ মূল্যায়ন করেছেন।

নিম্নবর্ণিত পরিচালকগণের সমন্বয়ে নিরীক্ষা কমিটি গঠিত হয় ঃ

১. ইঞ্জিনিয়ার এ.জেড.এম. সাজ্জাদুর রহমান	(পরিচালক স্বতন্ত্র)	চেয়ারম্যান
২. জনাব রূপম কিশোর বড়ুয়া	(ব্যবস্থাপনা পরিচালক)	সদস্য
৩. জনাব শাহ মোহাম্মদ হাসান	(পরিচালক)	সদস্য
৪. ইঞ্জিনিয়ার এ.কে. রশিদ উদ্দিন আহমেদ	(পরিচালক স্বতন্ত্র)	সদস্য

ANNUAL REPORT 2016-2017

কর্পোরেট গভর্নেন্স

কোম্পানীর পরিচালনা পর্ষদ কর্পোরেট গভর্নেন্সের সর্বোচ্চ মান নিয়ন্ত্রন এবং তা প্রকাশে বদ্ধ পরিকর। পরিচালনা পর্ষদ একটি দক্ষ কর্পোরেট গভর্নেন্সের আলোকে কোম্পানীর কার্যাবলীর প্রতি দেখাশুনা ও দিক নির্দেশনার দায়িত্বের ব্যাপারে সচেতন রয়েছেন। তাদের এই সমস্ত দায়িত্ব পালনের জন্য পরিচালকগণ কার্যকরী ব্যবস্থাপকদের প্রতি সঠিক দিক নির্দেশনা প্রনয়নে এবং কোম্পানী কাজের উপর সুনির্দিষ্ট নজরদারি প্রতিষ্ঠিত করার জন্য নীতি প্রনয়ন করেছেন।

আমরা আপনাদের এই মর্মে নিশ্চিত করছি যে কোম্পানী বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন নোটিশ নং-এসইসি/সি এম আর আর সি ডি/২০০৬-১৫৮/১৩৪/প্রশাসন/৪৪ তারিখ -৭ই আগষ্ট ২০১২ অনুযায়ী সমস্ত প্রয়োজনীয় দিক নির্দেশনা পালন করছে। অত্র প্রতিবেদনে কোম্পানীর কমপ্লায়েন্স রিপোর্ট- Annexure- I to IV সংযুক্ত করা হয়েছে। মেসার্স এম. এ. মল্লিক এন্ড কোং, চাটার্ড একাউন্ট্যান্টস কর্তৃক প্রতিপালন সার্টিফিকেট এ প্রতিবেদনে Annexure-V এ অর্ন্তভুক্ত করা হয়েছে।

কৃতজ্ঞতা স্বীকার

প্রতিষ্ঠানের সাফল্যসমূহে বিশেষ সহায়ক হিসেবে সার্বক্ষণিক সহযোগিতা এবং উপযোগী নির্দেশনার জন্য সম্মানিত শেয়ারহোল্ডার এবং অন্যান্য স্বার্থসংশ্লিষ্ট পক্ষকে পরিচালনা পর্ষদের সদস্যবৃন্দ জানাচ্ছে বিশেষ সম্মান ও কৃতজ্ঞতা। পরিচালনা পর্ষদের পক্ষ থেকে গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, জাতীয় রাজস্ব বোর্ড (এনবিআর), বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা ষ্টক এক্সচেঞ্চ (ডিএসই), চট্টগ্রাম ষ্টক এক্সচেঞ্জ (সিএসই), সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিমিটেড (সিডিবিএল) এবং কোম্পানীর ব্যাংকার এবং অন্যান্য ব্যবসায়ী সহযোগীদের সহযোগিতা, সমর্থন ও সাহায্যের জন্য তাদেরকে জানাচ্ছি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা। আগামীর যে কোন প্রতিযোগিতা মোকাবেলায় আমাদের চেষ্টা অব্যাহত রাখার প্রত্যয় ব্যক্ত করছি।

পরিচালকমন্ডলী প্রতিষ্ঠানের ধারাবাহিক উন্নতির জন্য নির্বাহী কর্মকর্তা ও কর্মীবৃন্দ যে কঠোর শ্রম, নিষ্ঠা, আন্তরিকতা ও সংকল্প দেখিয়ে চলেছেন সেজন্য গভীর কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছে। আল্লাহ সকলের মঙ্গল করুন।

পরিচালকমণ্ডলীর পক্ষে

ইঞ্জিনিয়ার রেজাউল করিম
চেয়ারম্যান

Five years financial position :

Taka in '000

Particulars	2016-17	2015-16	2015	2014	2013
ASSETS :					
Property,plant and equipment	1,766,555	1,853,306	1,896,919	1,935,796	2,009,478
Capital work in progress	2,269,838	1,194,499	717,995	316,436	108,267
Investment	366,395	243,549	237,880	291,747	342,801
Investment in associates	236,399	267,914	115,498	40,450	95,699
Total non-current assets	**4,639,187**	**3,559,268**	**2,968,292**	**2,584,429**	**2,556,245**
Inventories	524,280	381,681	332,230	396,304	233,412
Trade Receivables	859,585	762,689	762,506	739,052	583,170
Advances, deposits and prepayments	578,441	1,129,272	1,066,239	1,023,334	816,433
Other receivable	128,392	118,853	108,617	90,529	72,934
Short term investment in fixed assets	130,613	144,599	148,489	126,099	140,028
Cash and cash equivalents	863,557	138,340	181,637	68,116	108,087
Total Current assets	**3,084,868**	**2,675,434**	**2,599,718**	**2,443,434**	**1,954,064**
Total Assets	**7,724,055**	**6,234,702**	**5,568,010**	**5,027,863**	**4,510,309**
EQUITY & LIABILITIES :					
Equity :					
Share Capital	449,935	449,935	449,935	449,935	449,935
Share Premium	658,090	658,090	658,089	658,090	658,090
General reserve	371,863	371,863	371,863	371,863	371,863
Revaluation reserve	577,705	677,083	697,895	743,162	786,921
Fair Value Reserve	-	-	-	(9,168)	42,911
Retained earnings	1,726,156	1,160,041	924,786	650,773	508,462
Total equity	**3,783,749**	**3,317,012**	**3,102,568**	**2,864,655**	**2,818,182**
LIABILITIES :					
Non-current liabilities					
Long term loans	-	3,150	4,308	67,044	78,725
Defined benefit obligation (Gratuity)	56,765	49,696	45,419	35,662	28,031
Deffered tax liability	210,536	225,735	233,009	302,316	303,248
Total non-current liabilities	**267,301**	**278,581**	**282,736**	**405,022**	**410,004**
Current Liabilities					
Trade payable	275,487	187,692	213,757	167,771	96,381
Short term loans	3,186,092	1,962,553	1,669,718	1,303,281	856,009
Current portion of long term term loans	4,150	17,280	28,080	28,080	40,920
Provision for WPPF and welfare fund	5,218	28,776	17,715	20,047	25,319
Current tax liability	78,429	182,413	130,788	133,869	157,837
Other liability	123,629	260,395	122,648	105,138	105,657
Total Current Liabilities	**3,673,005**	**2,639,109**	**2,182,706**	**1,758,186**	**1,282,123**
Total Liability	**3,940,306**	**2,917,690**	**2,465,442**	**2,163,208**	**1,692,127**
Total equity and liabilities	**7,724,055**	**6,234,702**	**5,568,010**	**5,027,863**	**4,510,309**

AMARSTOCK

Annexure I

Five Years Comprehensive Income Statement

Taka in '000

Particulars	2016-17	2015-16	2015	2014	2013
Rvenue	3,629,375	3,613,743	3,637,270	3,626,327	3,481,284
Cost of goods sold	(2,994,025)	(2,822,740)	(3,067,034)	(3,042,710)	(2,765,199)
Gross Profit	**635,350**	**791,003**	**570,236**	**583,617**	**716,085**
Selling & distribution expense	(376,765)	(250,705)	(83,090)	(66,462)	(51,168)
Administrative expense	(98,094)	(85,286)	(80,764)	(75,854)	(70,979)
Other operating income	5,944	5,739	5,031	2,722	13,046
Trading Profit	**166,435**	**460,751**	**411,413**	**444,023**	**606,984**
Finance cost	(67,324)	(81,975)	(86,159)	(65,011)	(100,907)
Finance Income	5,267	22,212	29,028	21,928	23,616
Profit before workers profit participation fund	**104,378**	**400,988**	**354,282**	**400,940**	**529,693**
Contribution to WPPF	(5,219)	(20,049)	(17,714)	(20,047)	(25,319)
Operating profit before income tax	**99,159**	**380,939**	**336,568**	**380,893**	**504,374**
Non-operating income	213,713	19,816	(44,764)	11,836	15
Share of profit / (loss) of associates (Net of tax)	237,760	164,746	76,397	(42,902)	(30,840)
Profit before income tax	**550,632**	**565,501**	**368,201**	**349,827**	**473,549**
Provision for income tax					
Current year	(54,098)	(111,028)	(96,279)	(116,128)	(128,240)
Deferred tax	1,590	5,287	54,218	(15,666)	(14,137)
Net profit after tax	**498,124**	**459,760**	**326,140**	**218,033**	**331,172**
Other comprehensive income :					
Items that will never be reclassified to profit or loss					
Items that are or may be reclassified to profit or loss:					
Change in fair value of available for sale of financial assets	-	-	-	(52,079)	42,911
Share of revaluation surplus of associates	-	-	-	-	58,555
Total comprehensive income	**498,124**	**459,760**	**326,140**	**165,954**	**432,638**
Earning per share	**11.07**	**10.22**	**7.25**	**4.85**	**7.36**

Annexure II

The Directors also report that :

The Company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance and the Directors are pleased to confirm the following:

a) The financial statement together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities & Exchange Rules 1987 and other applicable rules etc. . These statements present fairly the company's state of affairs, the result of its operations, cash flow and changes in equity.

b) Proper books of accounts of the company have been maintained.

c) Appropriate Accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

d) The Internal Accounting Standards, as applicable in Bangladesh,have been followed in the preparation of financial statements.

e) The systems of internal control are sound and have been effectively implemented and monitored.

f) There are no significant doubts upon the company's ability to continue as a going concern.

g) The profitability of the company has increased.

h) The number of board meetings and the attendance of directors during the period ended 30 June 2007 were as follows :

		Meetings	
Name	Position	Held	Attended
Engr. Rezaul Karim	Chairman	4	4
Mr. Rupam Kishore Barua	Managing Director	4	4
Mr. Shah Muhammed Hasan	Director	4	4
Mrs. Runu Anwar	Director	4	4
Mr. Imran Karim	Director	4	4
Mr. Salman Karim	Director	4	4
Engr. A.Z.M. Sazzadur Rahman	Independent Director	4	4
Engr. A.K.Rashiduddin Ahmed	Independent Director	4	4

Annexure III

Pattern of Shareholding

As per SEC guidelines condition no. 1.5 (xxi) ,the pattern of shareholding status as on 30 June, 2017 is given below :

Particulars	No. of share holding	%	Remarks
(i) Parent / subsidiary / Associated Companies	Nil	-	The company is not any subsidiary of any company
(ii) Director,Chief Executive Officer,Company Secretary, CFO and Internal Auditor :			
Director -			
Engr. Rezaul Karim	3,185,991	7.08	
Mr. Rupam Kishore Barua	2,107,812	4.68	
Mr. Shah Muhammed Hasan	1,675,057	3.72	
Mr. Imran Karim	1,548,235	3.44	
Mrs. Runu Anwar	1,227,167	2.73	
Mr. Salaman Karim	912,431	2.03	
Sponsors (other than Directors)	817,578	1.82	
Company Secretary-			
Newaz Mohammed Iqbal Yousuf	2,359	0.01	
(iii) Shareholding ten percent (10%) or more voting interest in the compamy	- -		
(iv) Local institution/General Public	33,516,890	74.49	
	44,993,520	**100.00**	

ANNEXURE - IV

Corporate Governance Compliance Report

Status of compliance of Corporate Governance as per the guidelines of the Securities & Exchange Commission's Notification No SEC/ CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.0	**Board of Directors**			
	Board's Size			
1.1	Board members shall not be less than 5 (Five) and more than 20 (Twenty)	✓		
1.2	**Independent Director:**			
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		
1.2	**For the purpose of this clause "Independent directors" means a director**			
1.2 (ii) (a)	Independent directors do not hold any share or hold less than one percent (1%) shares	✓		
1.2 (ii) (b)	Who is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
1.2 (ii) (c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies;	✓		
1.2 (ii) (d)	who is not a member, director or officer of any stock exchange;	✓		
1.2 (ii) (e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2 (ii) (f)	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.	✓		
1.2 (ii) (g)	who shall not be an independent director in more than 3 (three) listed companies;	✓		
1.2 (ii) (h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		
1.2 (iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1.2 (iv)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days.	✓		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2 (vi)	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.	✓		
1.3	**Qualification of Independent Director (ID)**			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences.	✓		

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			Not Applicable
1.4	**Chairman of the Board and Chief Executive Officer (CEO)**			
	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer (CEO)	✓		
1.5	**Directors' Report to Shareholders**			
	The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994:(Act no. xviii of 1994):-			
1.5 (i)	Industry outlook and possible future developments in the industry.	✓		
1.5 (ii)	Segment –wise or product-wise performance.	✓		
1.5 (iii)	Risks and concerns.	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit margin.	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			Not Applicable
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for initial Public Offering (IPO), Repeat Public Offering (RPO), Right Offer, Direct Listing etc.			Not Applicable
1.5 (ix)	if significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			No such matter to report on
1.5 (x)	Remuneration to directors including independent directors.	✓		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	✓		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	✓		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓		
1.5 (xiv)	International Accounting Standards (IAS) /Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall highlighted and the reasons thereof should be explained.	✓		

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.5 (xviii)	Key operating and financial date of at least preceding 5 (five) years shall be summarized.	✓		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			Not Applicable
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
1.5 (xxi)	**The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:**			
1.5 (xxi)(a)	the pattern / Subsidiary / Associated Companies and other related parties (name wise details) of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by :-	✓		
1.5 (xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
1.5 (xxi)(c)	Top Five Executive other than mentioned above;	✓		
1.5 (xxi)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		
1.5 (xxii)	**In case of appointment/ re-appointment of a director the company shall disclose the following information to the shareholders:**			
1.5 (xxii)(a)	a brief resume of the director;	✓		
1.5 (xxii)(b)	nature of his/her expertise in specific functional areas;	✓		
1.5 (xxii)(c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2.0	**Chief Financial Officer (CFO), Head of Internal Audit & Company Secretary (CS)**			
2.1	**Appointment** The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS) The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	✓		
2.2	**Requirement to attend the Board Meetings** The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓		
3	**Audit Committee:**			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
3 (ii)	The Audit Committee shall assist the Board of Directors 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.	✓		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit shall be clearly set forth in writing.	✓		
3.1	**Constitution of the Audit Committee**			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1(one) independent director.	✓		

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Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management experience.	✓		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until 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 of Directors shall appoint the new Committee member(s) to fill up the vacancy (ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	✓		
3.1 (v)	The company secretary shall act as the secretary of the committee.	✓		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
3.2	**Chairman of the Audit Committee**			
3.2 (i)	The Board of directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
3.3	**Role of Audit Committee**			
3.3 (i)	Oversee the financial reporting process.	✓		
3.3 (ii)	Monitor choice of accounting policies and principles.	✓		
3.3 (iii)	Monitor Internal Control Risk management process.	✓		
3.3 (iv)	Oversee hiring and performance of external auditors.	✓		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statement before submission to the board for approval.	✓		
3.3 (vii)	Review the adequacy of internal audit function.	✓		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	✓		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by the statutory auditors.			Not Applicable
3.3 (x)	When money is raised through initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.			Not Applicable
3.4	**Reporting of the Audit Committee**			
3.4.1	**Reporting to the Board of Directors**			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1 (ii)	**The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-**			
3.4.1 (ii) (a)	Report on conflicts of interests;			No such matter to report on

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
3.4.1 (ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			Not Applicable
3.4.1 (ii) (c)	Suspected infringement of laws including securities related laws, rules and regulations;			Not Applicable
3.4.1 (ii) (d)	Any other matter which shall be disclosed to the Board of Directors immediately.			Not Applicable
3.4.2	if the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification 9 has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			No such matter to report on
3.5	**Reporting to the Shareholders and General Investors**			
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company;	✓		
4	**External/Statutory Auditors:**			
	The issuer company should not engage its external / statutory auditors to perform the following services of the company; namely:-			
4 (i)	Appraisal or valuation services or fairness opinions.	✓		
4 (ii)	Financial information systems design and implementation.	✓		
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
4 (iv)	Broker-dealer services.	✓		
4 (v)	Actuarial services.	✓		
4 (vi)	Internal audit services.	✓		
4 (vii)	Any other service that the Audit Committee determines.	✓		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		
4 (ix)	Audit/certification services on compliance of Corporate Governance as required under clause (i) of condition no. 7	✓		
5	**Subsidiary Company**			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			Not Applicable
5 (ii)	Al least 1(one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			Not Applicable
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.			Not Applicable
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			Not Applicable

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Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
6	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO):**			
	The CEO and CFO shall certify to the Board that :-			
6 (i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:-			
6 (i) (a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.			
6 (i) (b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
6 (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 violation of the company's code of conduct.	✓		
7	**Reporting and Compliance of Corporate Governance:**			
7 (i)	The company shall obtain a certificate from a Professional Accountant/Secretary (Chartered Accountant/Cost & Management Accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	✓		

ANNEXURE - V

Certificate of Compliance Report

M. A. MALLIK & Co.
CHARTERED ACCOUNTANTS

Head Office:
Aziz Chamber (2nd Floor)
6. Jubilee Road, Chlttagong.
Phone : 613331,2853523

Branch Office :
Room No.6, First Floor
Dost Building, H. S. Surhwardy Rood
Chittagong. Phone No. : 622176
Date: .....

Certificate on compliance of conditions of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission to the shareholders of Confidence Cement Limited

We have examined the compliance of conditions of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by **Confidence Cement Limited** (the Company) for the year ended 30th June, 2017 as stipulated in Clause 7(i) of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44, dated: 7th August, 2012.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the Company's management. Our examination was limited to the procedure and implementation thereof as adopted by the Company for ensuring compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned notification.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dated, Chittagong
November 09, 2017

M. A. MALLIK & CO. CTG Chartered Accountants

M. A. Mallik & Co.
Chartered Accountants

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Report of the Audit Committee

The terms of reference of the Audit Committee has been determined by the Board of Directors in accordance with the code of Corporate Governance. The Committee is appointed by and responsible to the Board of Directors. The Audit Committee is assigned with oversight of financial reporting, disclosure, risk management and internal control, regulatory compliance and discipline of corporate operation complying with the rules and norms of the company.

Composition of the Audit Committee

The Audit Committee is now composed of the following members:

1.	Engr. A.Z.M Sazzadur Rahman (Independent Director)	Chairman
2.	Mr. Rupam Kishore Barua (Managing Director)	Member
3.	Mr. Shah Muhammed Hasan (Director)	Member
4.	Engr. A.K.M Rashiduddin Ahmed (Independent Director)	Member

Meeting and Attendance

During the year ended 30 June , 2017 the Audit Committee held two meetings. Proceedings of the Audit Committee were reported regularly to the Board of Directors .The details of attendance of the Audit Committee members have been shown as below :

		No. of Meetings	
Name of Members	**Position**	**Held**	**Attended**
Engr. A.Z.M Sazzadur Rahman	Chairman	2	2
Mr. Rupam Kishore Barua	Members	2	2
Mr. Shah Muhammed Hasan	Members	2	2
Engr. A.K.M Rashiduddin Ahmed	Members	2	2

Role and Responsibilities of the Audit Committee

The roles and responsibilities of the Audit Committee are clearly mentioned in the terms of Reference (TOR) of Committee. The Audit Committee assists the Board of Directors in fulfilling effectively its oversight responsibility for the Company's accounting and financial reporting processes and internal control systems of the Company. The Committee has been responsible to :

- Monitoring and reviewing the adequacy and effectiveness of the company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weakness in the system and monitor implementation of audit action plans.
- Reviewing the quarterly, half-yearly and annual financial statements and other financial results of the company and upon its satisfaction of the review, recommend them to the board for approval.
- Recommending to the Board the appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring the company's compliance with laws, regulations and codes of conduct with a view to safeguard the interest of all stakeholders of the company.

- To review the financial and other system and its reporting procedure.
- To oversee the work of external auditors, including matter of disagreement between the management and external auditors regarding reporting of financial statements.
- To discuss major issues concerning accounting principles and financial statement presentation.
- To conduct audit concerning material violation by the management in carrying out operations of the company.
- To review reports of litigation and regulatory compliance matters.
- To monitor internal control risk management process.
- To oversee hiring and performance of external auditors.
- To review the adequacy of internal audit function.
- To identify suspected fraud or irregularity in the internal control system.
- To review statement of significant related party transections submitted by the management.
- To review management letters/ letter of internal control weakness issued by statutory auditors.

Activities carried out during the period

During the period under review, the committee, interalia focused on the following activities :

i) Approved Annual Audit Plan for the year 2016-2017
ii) Reviewed the effectiveness of internal control and also reviewed audit objection of Head of Internal Audit and also reviewed points or suggestions and amendments by the Internal Auditor,
iii) Reviewed the Quarterly, Half yearly and Annual Accounts of the Company for submission to the Board for Approval.
iv) Met with the members of the external auditors and had discussion on the audit of financial statements of the Company.
v) Review of the auditors' report and audited accounts for the year of 2016-2017.
vi) Review of the un-audited second quarter report 2017.
vii) Review of the un-audited third quarter report 2017.
viii) Review of significant accounting and report issues.
ix) Review of the consistency and appropriateness of the accounting policies adopted by the company to ensure compliance with Bangladesh Accounting Standards (BASs)
x) Review of the appointment of external auditors.
xi) Undertaking an evaluation of the independence and objectivity of the external auditor and the effectiveness of the audit process.
xii) Review of the non- audit service provided by the auditors to ensure that the provision of these services does not impair their independence.
xiii) Monitoring the effectiveness of the internal audit function with a view to further strengthening the controls environment of the company.
xiv) Review of the effectiveness of the internal control systems to ensure that processes are in place to safeguard the assets of the company.
xv) Monitoring whether the company is fully compliant with the corporate governance guidelines issued by Bangladesh Securities and Exchange Commission.
xvi) Maintenance of whistle-Blower policies in the company.
xvii) Any other matter as per the audit committee charter
xviii) The committee was not aware of any issues in the following areas which needed to be reported to the Board:

- Report on conflict of interest;
- Suspected or presumed fraud or irregularity or material defect in the internal control system and
- Suspected infringement of laws, including securities related laws, rules and regulations.

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The Audit Committee is satisfied that the internal controls and procedures in place for assessing and managing risks are adequately designed and operated effectively to safeguard the assets of the Company.

The Committee also observes that the Company complies relevant laws, rules and regulation and follows codes of ethics and standards of conducts.

The Committee is also satisfied that application of appropriate accounting policies provides reasonable assurance that the Financial Statements of the Company are true and fair.

On behalf of the Audit Committee, I would like to convey my gratitude to our valued stakeholders for their continual support which leads us towards the way of success.

Finally the audit committee would like to express their sincere thanks to the members of the Board , key management personnel, internal audit division and all employees for their utmost dedication for achieving transparency in performance and all sorts of co–operation extended to the committee in discharge of its responsibilities.

On behalf of the Audit Committee

Date : 30 October 2017

Engr. A.Z.M. Sazzadur Rahman
Chairman

AMAR STOCK

AUDITORS' REPORT
TO THE SHAREHOLDERS OF
CONFIDENCE CEMENT LIMITED

We have audited the accompanying financial statements of **Confidence Cement Limited ("the Company"),** which comprise the Statement of Financial Position as at 30 June 2017, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in Notes 1 to 43 in the financial statements.

Management's Responsibility for the Financial Statements
Management of Confidence Cement Limited is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks of assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Other Matter
The financial statements of two associate companies namely Confidence Electric Ltd. & Confidence Power Ltd. For the year ended 30 June 2017 remain unaudited. Therefore, our opinion is so far relates to the amounts included in respect of associate companies are based on unaudited financial statements. Moreover, the comparative figures disclosed into the financial statements for the period from 1st July 2015 to 30th June 2016 has been compiled by the Company management from audited financial statements of two seperate periods, i.e., January, 2015 to December, 2015 and January, 2016 to June, 2016.

Opinion
In our opinion, the financial statements prepared fairly in all material respects, the financial position of Confidence Cement Limited as at 30 June 2017 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the applicable sections of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

ii) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books;

iii) the Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account; and

iv) the expenditure incurred was for the purposes of the company's business.

Chittagong, 29 October 2017

Rahman Mostafa Alam & Co.

Rahman Mostafa Alam & Co.
Chartered Accountants

Statement of Financial Position
As at 30 June 2017

	Note (s)	30 June 2017	30 June 2016
		Taka	Taka
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,766,555,329	1,853,306,834
Capital work-in-progress	5	2,269,837,541	1,194,498,749
Investments	6	366,394,526	243,548,486
Investment in associates	7	236,399,868	267,913,984
Total non-current assets		**4,639,187,264**	**3,559,268,053**
Current assets			
Inventories	8	524,279,873	381,681,467
Trade receivables	9	859,585,226	762,689,419
Advances, deposits and prepayments	10	578,440,993	1,129,272,069
Other receivables	11	128,391,767	118,852,516
Short term investments in Fixed Deposits	12	130,613,000	144,599,563
Cash and cash equivalents	13	863,557,551	138,339,620
Total current assets		**3,084,868,410**	**2,675,434,654**
Total Assets		**7,724,055,674**	**6,234,702,707**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	449,935,200	449,935,200
Share premium		658,089,549	658,089,549
General reserve	15.01	371,862,754	371,862,754
Revaluation reserve	15.02	577,705,317	677,083,695
Retained earnings		1,726,156,151	1,160,040,844
Total Equity		**3,783,748,971**	**3,317,012,042**
Liabilities			
Non-current liabilities			
Long term loans	16	-	3,150,562
Defined benefit obligations (gratuity)	17	56,764,840	49,696,235
Deferred tax liability	18	210,536,218	225,734,977
Total non-current liabilities		**267,301,058**	**278,581,774**
Current liabilities			
Trade payables	19	275,486,883	187,691,730
Short term loans	20	3,186,091,585	1,962,552,995
Current portion of long term loan	21	4,149,813	17,280,000
Provision for WPPF and welfare fund	22	5,218,933	28,775,767
Current tax liability	23	78,429,344	182,413,304
Other liabilities	24	123,629,087	260,395,095
Total current liabilities		**3,673,005,645**	**2,639,108,891**
Total Liabilities		**3,940,306,703**	**2,917,690,665**
Total Equity and Liabilities		**7,724,055,674**	**6,234,702,707**

The accompanying notes from 1 to 43 form an integral part of these financial statements.

Engr. Rezaul Karim
Chairman

Rupam Kishore Barua
Managing Director

Newaz Mohammed Iqbal Yousuf
Company Secretary

As per our annexed report of same date

Chittagong, 29 October 2017

Rahman Mostafa Alam & Co.
Chartered Accountants

AMARSTOCK

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2017

	Note (s)	30 June 2017	30 June 2016
		Taka	Taka
Revenue	25	3,629,375,210	3,613,744,024
Cost of sales	26	(2,994,024,933)	(2,822,740,758)
Gross Profit		**635,350,277**	**791,003,266**
Administrative expenses	27	(98,094,548)	(85,285,513)
Selling and distribution expenses	28	(376,765,113)	(250,705,363)
Other operating income	29	5,944,919	5,739,074
Profit from operating activities		**166,435,535**	**460,751,464**
Finance costs	30	(67,324,185)	(81,975,436)
Finance income	31	5,267,311	22,212,827
Profit before WPPF and welfare fund		**104,378,661**	**400,988,855**
Contribution to WPPF and welfare fund	22	(5,218,933)	(20,049,443)
Profit after WPPF and welfare fund		**99,159,728**	**380,939,412**
Non-operating income/ (loss)	32	213,713,185	19,815,902
Share of profit/ (loss) of associates (Net of tax)	33	237,759,285	164,746,572
Profit before income tax		**550,632,198**	**565,501,886**
Provision for income tax:			
Current tax	23	(54,098,708)	(111,028,922)
Deferred tax	18	1,590,654	5,287,261
Net profit after tax		**498,124,144**	**459,760,225**
Other comprehensive income:			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss:			
Change in fair value of available for sale of financial assets		-	-
Total comprehensive income		**498,124,144**	**459,760,225**
Earnings per share	**34**	**11.07**	**10.22**

The accompanying notes from 1 to 43 form an integral part of these financial statements.

Engr. Rezaul Karim
Chairman

Rupam Kishore Barua
Managing Director

Newaz Mohammed Iqbal Yousuf
Company Secretary

As per our annexed report of same date

Chittagong, 29 October 2017

Rahman Mostafa Alam & Co.
Chartered Accountants

Statement of Changes In Equity
For the year ended 30 June 2017

Amount in Taka

	Share Capital	Share Premium	General Reserve	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
Balance as on 1 July 2015	449,935,200	658,089,549	371,862,754	720,528,703	(9,167,533)	766,086,122	2,957,334,795
Reclassification of fair value reserve on changes of classification of financial instrument	-	-	-	-	9,167,533	-	9,167,533
Share of revaluation surplus of equity realised	-	-	-	-	-	-	-
Adjustment for depreciation on revalued assets	-	-	-	(57,926,677)	-	57,926,677	-
Deferred tax adjustment on revalued assets	-	-	-	14,481,669	-	-	14,481,669
Cash dividend paid for the year 2015	-	-	-	-	-	(123,732,180)	(123,732,180)
Profit after tax for the year 2015 - 2016	-	-	-	-	-	459,760,225	459,760,225
Balance as at 30 June 2016	**449,935,200**	**658,089,549**	**371,862,754**	**677,083,695**	**-**	**1,160,040,844**	**3,317,012,042**
Balance as on 1 July 2016	449,935,200	658,089,549	371,862,754	677,083,695	-	1,160,040,844	3,317,012,042
Reclassification of fair value reserve on changes of classification of financial instrument	-	-	-	-	-	-	-
Share of revaluation surplus of equity realised	-	-	-	(58,554,063)	-	58,554,063	-
Adjustment for depreciation on revalued assets	-	-	-	(54,432,420)	-	54,432,420	-
Deferred tax adjustment on revalued assets	-	-	-	13,608,105	-	-	13,608,105
Cash dividend paid for the year 2016	-	-	-	-	-	(44,995,320)	(44,995,320)
Profit after tax for the year 2016 -2017	-	-	-	-	-	498,124,144	498,124,144
Balance as at 30 June 2017	**449,935,200**	**658,089,549**	**371,862,754**	**577,705,317**	**-**	**1,726,156,151**	**3,783,748,971**

Engr. Rezaul Karim
Chairman

Rupam Kishore Barua
Managing Director

Newaz Mohammed Iqbal Yousuf
Company Secretary

Statement of Cash Flows
For the year ended 30 June 2017

	30 June 2017	30 June 2016
	Taka	Taka
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and others	3,538,733,039	3,404,797,236
Cash payments to suppliers, employees and others	(2,897,902,445)	(2,892,536,998)
Income tax paid	(158,082,668)	(99,359,106)
Interest paid (Net)	(62,056,874)	(59,762,609)
Net cash (used in)/ generated by operating activities	**420,691,052**	**353,138,523**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, plant and equipment	(1,115,308,501)	(764,475,400)
Sale proceeds of Property, plant and equipment	1,582,570	6,456,741
Sale of investment in quoted shares	9,735,205	5,955,801
Sale proceeds of ECPV Ltd.'s share	333,043,193	-
Received from unquoted share of ECPVL Chittagong Ltd.	5,000,000	-
Short term investments	13,986,563	(22,670,563)
Other Investment	-	(1,847,200)
Dividend income from Investment into shares	8,029,887	9,593,308
Net cash (used in)/ generated by investing activities	**(743,931,083)**	**(766,987,313)**
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Receipt of Long term loans	(3,150,562)	(74,717,130)
(Repayment) / Receipt of short term borrowings	1,210,408,403	655,388,195
Dividend paid	(158,799,879)	(90,552,861)
Net cash provided by/ (used in) financing activities	**1,048,457,962**	**490,118,204**
Net increase in cash and cash equivalents	**725,217,931**	**76,269,414**
Opening cash and cash equivalents	138,339,620	62,070,206
Closing cash and cash equivalents	**863,557,551**	**138,339,620**

Engr. Rezaul Karim
Chairman

Rupam Kishore Barua
Managing Director

Newaz Mohammed Iqbal Yousuf
Company Secretary

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Notes to the Financial Statements
As st and for the year ended 30 June 2017

1.00 THE REPORTING ENTITY

1.01 Company's Profile

The Company was incorporated as a Public Limited Company on 02 May 1991.The company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company.

1.02 Company's Registered Office

The registered office of the company is situated in Confidence Heights, Plot # 1, Lane # 1, Road # 2, Block # L, Halishahar H/E, Agrabad Access Road, Chittagong.

1.03 Nature of Activities

The Principal activities of the company are carrying on business as a manufacturer of and dealer in cement and allied materials of all kinds and varieties whatsoever.

1.04 Description of Associates

i) Energypac Confidence Power Venture Limited

Energypac Confidence Power Venture Limited was incorporated in Bangladesh on 8 September 2007 as a Private Limited Company. The Company set up a power plant of 11 MW production capacity at Hobigonj and commenced operation and generation of electricity from 10 January 2009. Confidence Cement Limited holds 50% of ordinary shares in Energypac Confidence Power Venture Limited. The Company transferred the entire share of Enrgypac Confidence Power Venture Limited with sales consideration to "Energypac Power Generation Limited" through board resolution of Board of Directors in its meeting held on 30 April 2017.

ii) Confidence Power Limited

Confidence Power Limited was incorporated in Bangladesh on 23 July 2000 as a Private Limited Company. The principal activities of the Company are carrying on the business as a manufacturer and seller of Spun Prestressed Concrete (SPC) Pole, Prestressed Concrete (PC) and Prestressed Concrete Railway Sleeper, Prefabricated Construction Materials of the country. Confidence Cement Limited holds 25% of ordinary shares in Confidence Power Limited.

iii) Confidence Electric Limited

Confidence Electric Limited was incorporated in Bangladesh on 11 February 2010 as a Private Limited Company. The principal activities of the Company are manufacturing and assembling of Electronic and Electrical goods. Confidence Cement Limited holds 49% of ordinary shares in Confidence Electric Limited.

2.00 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS

2.01 Statement of Compliance

The Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for Cash Flow Statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) and interpretations of BFRSs and BASs.

2.02 Basis of Reporting

The financial statements are prepared and presented to external users by the company in accordance with identified financial reporting framework. The Presentation has been made in compliance with the requirements of BAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

i) A statement of financial position as at 30 June 2017.
ii) A statement of profit or loss and other comprehensive income For the year ended 30 June 2017.
iii) A statement of changes in equity For the year ended 30 June 2017.
iv) A Statement of Cash Flows For the year ended 30 June 2017.
v) Notes, comprising a summary of significant accounting policies and explanatory information.

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2.03 Other Regulatory Compliance

"The Company is also required to comply with the following major laws and regulations along with the Companies Act 1994:"

i) The Income Tax Ordinance, 1984
ii) The Income Tax Rules, 1984
iii) The Value Added Tax Act, 1991
iv) The Value Added Tax Rules, 1991
v) The Customs Act, 1969
vi) Bangladesh Labour Law, 2006
vii) The Securities and Exchange Ordinance, 1969
viii) The Securities and Exchange Rules, 1987
ix) Securities and Exchange Commission Act, 1993

2.04 Authorization for Issue

These Financial Statements have been authorized for issue by the Board of Directors on 29 June 2017.

2.05 Basis of Measurement

The Financial Statements have been prepared on a going concern basis under the historical cost convention except for Investment in quoted shares and Property, Plant and Equipment which are measured at fair value.

2.06 Functional and Presentation Currency

These Financial Statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer except when otherwise indicated.

2.07 Going Concern

The Company has adequate resources to continue its operation in foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements. The current revenue generations and resources of the Company provide sufficient fund to meet the present requirements of its existing business and operations.

2.08 Statement of Cash Flows

Statement of Cash Flows has been prepared in accordance with BAS 7: "Statement of Cash Flows" and the cash flow from operating activities have been presented under direct method as per the requirement of Securities and Exchange Rules, 1987.

2.09 Applicable Accounting Standards

The following BASs and BFRSs are applicable for preparation and reporting of the Financial Statements for the year under review:

BAS - 01 Presentation of Financial Statements
BAS - 02 Inventories
BAS - 07 Statement of Cash Flows
BAS - 08 Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10 Events after the Reporting Period
BAS - 12 Income Taxes
BAS - 16 Property, Plant and Equipment
BAS - 17 Leases
BAS - 18 Revenue
BAS - 19 Employee Benefits
BAS - 21 The Effects of Changes in Foreign Exchange Rates
BAS - 23 Borrowing Costs
BAS - 24 Related Party Disclosures
BAS - 28 Investment in Associates & Joint Ventures
BAS - 33 Earnings Per Share
BAS - 36 Impairment of Assets
BAS - 37 Provisions, Contingent Liabilities and Contingent Assets
BAS - 39 Financial Instruments: Recognition and Measurement
BAS - 40 Investment Property
BFRS - 07 Financial Instruments: Disclosures
BFRS - 08 Operating Segments
BFRS - 12 Disclosure of Interest in Other Entities
BFRS - 13 Fair Value Measurement

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2.10 Use of Estimates and Judgment

"The preparation of the Financial Statements in conformity with BAS and BFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected."

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note: 04 Property, plant and equipment
Note: 08 Inventories
Note: 09 Trade receivables
Note: 11 Other receivables
Note: 17 Defined benefit obligations (gratuity)
Note: 18 Deferred tax liability
Note: 23 Current tax liability
Note: 24 Other liabilities
Note: 38 Contingent liabilities

2.11 Comparative Information

"Comparative information has been disclosed in accordance with BAS - 1: Presentation of Financial Statements, for all numeric information in the financial statements. Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statement."

2.12 Reporting Period

The Financial Statements of the Company cover one year from 01 July 2016 to 30 June 2017 and is followed consistently.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

"The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation."

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements For the year ended 30 June 2017 are consistent with those policies and methods adopted in preparing the Financial Statements For the year ended 30 June 2016.

3.02 Property, Plant and Equipment

3.02.01 Recognition and Measurement

Property, Plant and Equipment are stated at cost and revalued amount less accumulated depreciation and subsequent impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of an asset. The cost of self-constructed/installed assets includes the cost of materials, direct labor and any other costs directly attributable to bring the asset to the working condition for its intended use and the cost of dismantling and removing an item and restoring the site on which they are located.

"When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment."

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3.02.02 Subsequent Costs

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 benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of Property, Plant and Equipment are recognized in profit and loss as incurred.

3.02.03 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in the the statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment.

Depreciation is charged on addition from the month (date of service) of acquisition/ addition and no depreciation is charged in the month of disposal. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The depreciation charge for each period is recognized as an expense unless it is included in the carrying amount of another asset.

The principal annual rates are as follows:

Category of assets	Rates of depreciation
Building and other Construction	2.5% - 10%
Plant and Machinery	5% - 15%
Furniture, Fixtures and Equipment	5% - 30%
Vehicles	10% - 20%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Upon retirement of assets, the cost and related accumulated depreciation is eliminated from the accounts and resulting gain or loss is charged or credited to the statement of profit or loss and other comprehensive income.

3.02.04 Revaluation of Property, Plant and Equipment

Land, Building, Plant and Machineries and Vehicles were revalued by professional valuer Vigilant Survey Associates in December 2009. The revalued classes of Property, Plant and Equipment are depreciated over the remaining useful lives. Difference of depreciation between revalued carrying amount and depreciation based on carrying amount as per assets' original cost has been transferred from Revaluation Reserve to Retained Earnings as shown in the Statement of Changes in Equity.

3.03 Capital Work-In-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until the construction/ acquisition is completed and measured at cost.

3.04 Investment in Associate

The company's investment in associates is accounted for in the Financial Statements using the Equity Method in accordance with BAS 28: "Investment in Associates & Joint Ventures". Investment in an associate is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of investee's profit or loss is recognized in the investor's profit or loss. Adjustment after the date of acquisition to the carrying amount has been made for changes in the investor's proportionate interest in the investee that arising from the revaluation of property, plant & equipment and from foreign currency translation differences. The investor's share of those changes is recognized in other comprehensive income of the investor.

The excess of the company's share of net assets' value of associate over cost of investment has been recognized in profit or loss as share of associates' profit or loss during the acquisition period as per provision of BAS-28.

3.05 Inventories

Nature of inventories

Inventories comprise Raw Materials (Clinker, Gypsum, Lime Stone, Fly Ash, Grinding Aid), Packing Materials, Consumable Stores etc."

Valuation of the inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring these inventories and bringing them to their existing location and condition in accordance with BAS-2 "Inventories". Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale."

Category	Basis of valuation
Raw materials	At cost or net realizable value whichever is lower
Work-in-process	At cost
Stores and spares	Based on Weighted average cost method

3.06 Financial Assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include Investments, Trade Receivables, Advances, Deposits and Prepayments, Other Receivables and Cash and cash equivalents.

3.06.01 Investment in unquoted shares

Investment in unquoted shares are initially recognized at cost. After initial recognition these are carried at cost less impairment losses, if any.

3.06.02 Investment in quoted shares

Investment in quoted shares is recognized as a financial asset. A financial asset is classified as at fair value through profit or loss if it is classified as held for trading. Financial assets are designated as at fair value through profit or loss if the company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the company's documented risk management or investment strategy. A financial asset at fair value through profit or loss are measured at fair value and changes therein which take in to account and dividend income are recognised in profit or loss.

3.06.03 Other Investment

Investment for construction of the convention centre at the Chittagong Boat Club on built, operate and transfer (BOT) basis has been recognized at cost. This investment will be amortized equally during the BOT period (20 years with effect from 01 July 2013). After initial recognition investment in convention centre is carried at cost less amortization. Amortization is recognized in the Statement of Profit or Loss and Other Comprehensive Income. Income from the convention centre is recognized on a cash basis.

3.06.04 Trade and Other Receivables

Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized. There is no fixed company policy regarding provision for impairment loss on receivables, if any receivables are not realized within the credit period. It has been dealt with on case to case basis.

3.06.05 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to another account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

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3.06.06 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

3.07 Financial Liabilities

The Company recognizes all financial liabilities on the trade date which is the date the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise Trade Creditors and other financial obligations.

3.07.01 Trade and Other Payables

The Company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

3.08 Impairment

3.08.01 Financial Assets

Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.
Financial assets are not classified as at fair value through profit or loss, loans, receivables and investment in an equity accounted investee are assessed at each reporting date to determine whether there is objective evidence that it is impaired.
Impairment losses on available for sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve to profit or loss.

3.08.02 Non Financial Assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3.09 Transactions in Foreign Currencies

Foreign currency transactions are recorded at the applicable rates of exchange ruling on the date of transactions. Exchange difference on borrowings denominated in foreign currencies to finance the imported plant and machinery is included in the carrying amount of related plant and/or machinery. Other monetary assets and liabilities, if any, denominated in foreign currencies at the Statement of Financial Position date are translated at the applicable rates of exchange ruling at that date and the related exchange differences are recognized as finance income or cost in the Statement of Profit or Loss and Other Comprehensive Income respectively.

3.10 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized in the Statement of Financial Position when the Company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognized.

3.11 Borrowing Costs

Interest and other costs incurred by the Company in connection with the borrowing of funds are recognized as an expense in the period in which they are incurred, unless such borrowing cost relates to acquisition/construction of assets in progress that are capitalized as per BAS 23 "Borrowing Costs".

3.12 Taxation

3.12.01 Current Tax

The Company has maintained provision for taxation using rates enacted on the reporting date as per Income Tax Ordinance, 1984. The applicable rate is 25%.

3.12.02 Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the Statement of Financial Position date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per BAS-12 "Income Taxes".

Deferred tax on revaluation surplus of land has not been recognized in the Financial Statements on the ground that income tax payable at source on capital gain during registration of sale of land is generally borne by the buyer. Hence the possibility of having an income tax implication on land is very remote.

Deferred tax has not been recognized for temporary differences related to investment in associates and changes in fair value of investment in quoted shares.

3.13 Share Capital

Paid-up-capital represents the total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.14 Employee Benefits

The Company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.14.01 Defined Contribution Plan

The Company maintains a recognized provident fund @ 10% of basic pay (Equally contributed by employee and employer) for all eligible permanent employees. The said fund is managed by the Board of Trustees.

3.14.02 Defined Benefit Plan

The Company maintains an unfunded gratuity scheme and provision in respect of which is made annually for the employees. Gratuity payable at the end of each year is determined on the basis of rules and regulations of the company.

3.14.03 Workers' Profit Participation and Welfare Funds

The company also recognizes a provision for Workers' Profit Participation and Welfare Funds @ 5% of net operating profit before tax as per Bangladesh Labour Law, 2006. Non operating income and share of associate company's profit is not considered for WPPF provision.

3.15 Revenue Recognition

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, trade discounts and rebates, if any. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. Sales revenue is recognized when the goods are delivered.

3.16 Finance Income and Costs

3.16.01 Finance Income

Interest income from bank deposits is recognized on accrual basis following specific rate of interest in agreement with the banks.

3.16.02 Finance Cost

Interest expenses except expenses related to the acquisition/ construction of assets, incurred during the year are charged to the Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

3.17 Other Operating Income

Other operating income includes interest income on delayed receipts from customers, gain / (loss) on sale of fixed assets and miscellaneous receipts. Other operating income is recognized as revenue income as and when realized.

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3.18 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with Bangladesh Accounting Standard BAS-33 "Earnings per Share" which has been reported on the face of the Statement of Profit or Loss and Other Comprehensive Income.

3.18.01 Basis of Earnings

This represents profit for the year attributable to ordinary shareholders. As there are no preference shares requiring returns or dividends, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.18.02 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.18.03 Diluted Earnings Per Share

Diluted earnings per share is required to be calculated for the year when there is scope for dilution exists.

3.19 Measurement of Fair Value

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data.
If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
"Property, plant and equipmentThe fair value of items of property, plant and equipment has been determined based on the depreciated replacement cost method and net realizable value method as applicable."
"Equity and debt securitiesFair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorized under 'Level 1' of the fair value hierarchy."

3.20 Events After the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

4.00 Property, Plant and Equipment

4.01 At Cement Plant

Amount in Taka

Class of Assets	Cost				Rate of Depreciation (%)	Accumulated Depreciation				Written Down Value as at 30 June 2017
	Opening balance	Additions during the year	Disposals during the year	Closing balance		Opening balance	Charged during the period	Adjustments during the period	Closing balance	
i. At Cost										
Land	78,903,183	-	-	78,903,183	-	-	-	-	-	78,903,183
Factory Building	266,557,659	161,169	-	266,718,828	2.50%	74,868,869	2,257,915	-	77,126,784	189,592,044
Plant and Machinery	717,300,774	7,594,357	-	724,895,131	5% - 15%	338,597,005	17,162,233	-	355,759,238	369,135,893
Furniture, Fixtures and Office Equipment	96,331,369	25,128,544	-	121,459,913	5% - 30%	45,671,865	15,762,549	-	61,434,414	60,025,499
Motor Vehicles	295,076,595	4,517,564	(3,117,795)	296,476,364	10% - 20%	180,655,711	22,617,329	(3,117,792)	200,155,248	96,321,116
Sub total	**1,454,169,580**	**37,401,634**	**(3,117,795)**	**1,488,453,419**		**639,793,450**	**57,800,026**	**(3,117,792)**	**694,475,684**	**793,977,735**
ii. Revaluation Surplus										
Land	305,421,979	-	-	305,421,979		-	-	-	-	305,421,979
Factory Building	72,026,778	-	-	72,026,778	2.50%	17,140,139	1,800,669	-	18,940,808	53,085,970
Plant and Machinery	1,022,223,252	-	-	1,022,223,252	5% - 15%	606,587,277	51,111,162	-	657,698,439	364,524,813
Motor Vehicles	74,445,807	-	-	74,445,807	10% - 20%	72,925,217	1,520,589	-	74,445,806	1
Sub total	**1,474,117,816**	**-**	**-**	**1,474,117,816**		**696,652,633**	**54,432,420**	**-**	**751,085,053**	**723,032,763**
As at 30 June 2017 (i+ii)	**2,928,287,396**	**37,401,634**	**(3,117,795)**	**2,962,571,235**		**1,336,446,083**	**112,232,446**	**(3,117,792)**	**1,445,560,737**	**1,517,010,498**
As at 30 June 2016	**2,901,388,536**	**38,969,065**	**(12,070,205)**	**2,928,287,396**		**1,236,711,733**	**111,746,439**	**(12,012,089)**	**1,336,446,083**	**1,591,841,313**

4.02 At Ready-mix plant

Amount in Taka

Class of Assets	Cost				Rate of Depreciation (%)	Accumulated Depreciation				Written Down Value as at 30 June 2017
	Opening balance	Additions during the year	Disposals during the year	Closing balance		Opening balance	Charged during the period	Adjustments during the period	Closing balance	
At Cost										
Land	139,887,911	2,233,200	-	142,121,111	-	-	-	-	-	142,121,111
Civil Construction	35,017,157	-	-	35,017,157	10%	10,434,738	3,501,711	-	13,936,449	21,080,708
Plant and Machinery	71,814,752	-	-	71,814,752	5% - 15%	14,210,344	4,846,847	-	19,057,191	52,757,561
Furniture, Fixtures and Office Equipment	10,303,609	334,875	-	10,638,484	15% - 30%	3,715,646	1,205,349	-	4,920,995	5,717,489
Motor Vehicles	46,338,542	-	-	46,338,542	10% - 20%	13,535,722	4,934,858	-	18,470,580	27,867,962
As at 30 June 2017	303,361,971	2,568,075	-	305,930,046		41,896,450	14,488,765	-	56,385,215	249,544,831
As at 30 June 2016	295,555,939	7,806,032	-	303,361,971		27,215,910	14,680,540	-	41,896,450	261,465,521
Grand total 30 June 2017 (4.01+4.02)	**3,231,649,367**	**39,969,709**	**(3,117,795)**	**3,268,501,281**		**1,378,342,533**	**126,721,211**	**(3,117,792)**	**1,501,945,952**	**1,766,555,329**
Grand total 30 June 2016 (4.01+4.02)	**3,196,944,475**	**46,775,097**	**(12,070,205)**	**3,231,649,367**		**1,263,927,643**	**126,426,979**	**(12,012,089)**	**1,378,342,533**	**1,853,306,834**

FIRSTSTOCK

		Note (s)	30 June 2017	30 June 2016
			Taka	Taka
4.03	**Allocation of depreciation**			
	Factory overhead			
	i. At Cement plant	26.03	94,801,097	96,339,079
	ii. At Ready-mix Plant	26.03	14,488,765	14,680,540
			109,289,862	**111,019,619**
	Administrative expenses			
	At Cement plant	27.00	**11,088,385**	**10,943,651**
	Selling and distribution expenses			
	At Cement plant	28.00	6,342,964	4,463,709
	Grand total		**126,721,211**	**126,426,979**
5.00	**Capital work-in-progress**			
	Opening capital work-in-progress		1,194,498,749	717,995,652
	Add: Expenditure incurred during the year	5.01	1,099,771,807	476,503,097
			2,294,270,556	1,194,498,749
	Less: Capitalized during the year	5.01	(24,433,015)	-
	Closing balance		**2,269,837,541**	**1,194,498,749**

5.01 Details of capital work-in -progress

Particulars	Opening balance	Expenditure incurred during the year	Capitilized during the year	Closing balance
i. At cement plant				
Civil works (expansion Unit 3)	608,069,597	323,482,554	-	931,552,151
Plant and machinery (expansion Unit 3)	571,275,322	519,426,002	-	1,090,701,324
Electrical installation (expansion Unit 3)	14,895,649	73,807,979	-	88,703,628
Vehicle		151,037,947	-	151,037,947
Plant and machinery (Existing Unit)	116,452	12,941,713	5,215,674	7,842,491
Laboratory Equipment (Existing Unit)	141,729	19,075,612	19,217,341	-
Sub total	**1,194,498,749**	**1,099,771,807**	**24,433,015**	**2,269,837,541**
ii.At ready-mix Plant				
Civil works	-	-	-	-
Sub total	**-**	**-**	**-**	**-**
Grand total (i+ii)	**1,194,498,749**	**1,099,771,807**	**24,433,015**	**2,269,837,541**

These costs include costs incurred initially to construct property, plant and equipment (PPE). Construction costs are transferred to PPE when the construction is complete.

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
6.00	**Investments**			
	Investment in quoted shares	6.01	279,302,876	147,381,836
	Investment in unquoted shares	6.03	21,894,450	26,894,450
	Other investment	6.04	65,197,200	69,272,200
			366,394,526	**243,548,486**
6.01	**Investments in quoted shares**			
	Opening balance		147,381,836	139,676,041
	Add/ (less) : Purchase/ (Sales) during the year		(6,414,890)	-
	Add/ (less) : Changes in fair value of tradeable securities		138,335,930	7,705,795
			279,302,876	**147,381,836**

6.02 Fair value of investment in quoted shares

Particulars	Closing fair value	Equivalent opening fair value	Increase/ (Decrease) in fair value
Aftab Automobiles Limited	5,539,450	4,073,370	1,466,080
Argon Denims Limited	58,084	32,982	25,102
BD Thai Limited	4,826,533	3,481,535	1,344,998
Bengal Windsor Thermoplastics Limited	4,394,500	4,675,000	(280,500)
EBL 1st Mutual Fund	2,500,988	1,511,434	989,554
Grameen One: Scheme Two	761,368	514,750	246,618
Green Delta Mutual Fund	3,915,000	2,523,000	1,392,000
ICB AMCL Second NRB Mutual Fund	1,932,000	1,360,800	571,200
IFIC 1st Mutual Fund	1,515,262	984,590	530,672
Lanka Bangla Finance Limited	212,877,379	93,716,036	119,161,343
Mercantile Bank Limited	318,349	162,140	156,209
National Tubes Limited	5,167,948	2,911,880	2,256,068
National Bank Limited	1,768,907	1,016,616	752,291
NCC Bank Limited	3,095	2,010	1,085
Phoenix Finance 1st Mutual Fund	870,000	480,000	390,000
Pioneer Insurance Co. Ltd.	5,910,102	6,366,320	(456,218)
Prime Bank Limited	1,232	853	379
RD Food Limited	870,692	626,819	243,873
RN Spinning Mills Limited	2,528,160	1,683,600	844,560
Saiham Textile Mills Limited	23,543,827	14,843,211	8,700,616
	279,302,876	**140,966,946**	**138,335,930**

	Note(s)	30 June 2017	30 Juny 2016
		Taka	Taka
6.03 Investment in unquoted shares			
Asian Paints (BD) Limited		18,325,000	18,325,000
ECPVL Chittagong Limited		-	5,000,000
New Vision Information Technology Limited		2,000,000	2,000,000
Central Depository Bangladesh Limited		1,569,450	1,569,450
		21,894,450	**26,894,450**
6.04 Other investment			
CBC-Confidence Cement Convention Centre		69,272,200	73,347,200
Less : Amortization during the year	28.00	(4,075,000)	(4,075,000)
		65,197,200	**69,272,200**

(i) An agreement signed with Bangladesh Navy dated on 09 March 2011 for construction of Convention Centre named as CBC-Confidence Cement Convention Centre at Chittagong Boat Club on BOT (Build, operate and transfer) basis for 20 (Twenty) years with effect from 01 July 2013.

(ii) Income has not been received from the convention centre as on the date of this report.

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		Note (s)	30 June 2017	30 June 2016
			Taka	Taka
7.00	**Investment in associates**			
	Confidence Electric Limited	7.01	78,334,407	(67,836,396)
	Energypac Confidence Power Venture Limited	7.02	-	238,296,716
	Confidence Power Limited	7.03	158,065,461	97,453,664
			236,399,868	**267,913,984**
7.01	**Confidence Electric Limited**			
	Movement of investment in associates			
	Investment in equity share		7,350,000	7,350,000
	Share of profit/ (loss)			
	Opening balance		(75,186,396)	(158,573,704)
	Share of profit/ (loss) for the year	33.01	146,170,803	83,387,308
			70,984,407	(75,186,396)
			78,334,407	**(67,836,396)**
	Summary of financial information of equity accounted investee			
	Non-current assets		948,159,543	879,106,018
	Current assets		2,142,073,449	1,932,553,581
	Total Assets		**3,090,232,992**	**2,811,659,599**
	Share capital		15,000,000	15,000,000
	Share money deposit		285,000,000	285,000,000
	Retained earnings		144,866,137	(153,441,626)
	Shareholders' equity		**444,866,137**	**146,558,374**
	Non-current liabilities		157,695,963	271,379,695
	Current liabilities		2,487,670,892	2,393,721,529
	Total Liabilities		**2,645,366,855**	**2,665,101,224**
	Total Equity & Liabilities		**3,090,232,992**	**2,811,659,598**
	Revenue		4,102,484,848	3,674,609,409
	Other income		14,832,868	8,379,792
	Expenses		(3,618,779,620)	(3,378,466,172)
	Provision for income tax		(200,230,334)	(134,344,848)
	Profit/ (Loss) attributable to the owners of the company		**298,307,762**	**170,178,181**
7.02	**Energypac Confidence Power Venture Limited**			
	Movement of Investment in Associates			
	Investment in equity share		69,500,000	69,500,000
	Share of profit/ (loss)			
	Opening balance		168,796,716	118,158,629
	Share of profit/ (loss) for the year	33.02	30,976,685	58,244,185
	Prior year adjustment		-	(7,606,098)
			199,773,401	168,796,716
	Received against share of profit as per share sold		(269,273,401)	-
			-	**238,296,716**
	Summary of financial information of equity accounted investee			
	Non-current assets		-	8,292,768,630
	Current assets		-	1,081,701,174
	Total Assets		**-**	**9,374,469,804**

	Note(s)	30 June 2017	30 June 2016
		Taka	Taka
Share capital		-	139,000,000
Share money deposit		-	1,139,203,600
Retained earnings		-	220,485,305
Revaluation reserve		-	117,108,126
Equity attributable to owners of the company		**-**	**1,615,797,031**
Non-controlling interest		-	98,941,683
Total Equity		**-**	**1,714,738,714**
Non-current liabilities		-	4,374,891,589
Current liabilities		-	3,284,839,501
Total Liabilities		**-**	**7,659,731,090**
Total Equity & Liabilities		**-**	**9,374,469,804**
Revenue		-	4,017,584,383
Other income		-	8,452,818
Expenses		-	(3,866,488,017)
Profit/ (Loss) for the year		**-**	**159,549,184**
Non-controlling interest		-	(43,060,814)
Profit/ (Loss) attributable to the owners of the company		**-**	**116,488,370**
Total comprehensive income attributable to owners of the company		**-**	**116,488,370**

7.03 Confidence Power Limited

Movement of investment in associates			
Investment in equity share		13,500,000	13,500,000
Share of profit/ (loss)			
Opening balance		83,953,664	65,563,585
Share of profit/ (loss) for the year	33.03	60,611,797	23,115,079
Cash dividend received/receivable		-	(4,725,000)
		144,565,461	83,953,664
		158,065,461	**97,453,664**
Summary of financial information of equity accounted investee			
Non-current assets		132,863,067	124,709,109
Current assets		1,088,632,444	691,302,975
Total Assets		**1,221,495,511**	**816,012,084**
Share capital		54,000,000	54,000,000
Retained earnings		578,261,842	354,714,651
Shareholders' equity		**632,261,842**	**408,714,651**
Non-current liabilities		685,383	1,422,162
Current liabilities		588,548,286	405,875,270
Total Liabilities		**589,233,669**	**407,297,432**
Total Equity & Liabilities		**1,221,495,511**	**816,012,083**
Revenue		2,439,992,474	867,471,288
Other income		6,190,583	4,023,105
Expenses		(2,079,956,105)	(736,462,518)
Provision for income tax		(123,779,761)	(42,571,559)
Profit/(Loss) attributable to the owners of the company		**242,447,191**	**92,460,316**

AMARSTOCK

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
8.00	**Inventories**			
	Raw materials	8.01	238,122,340	194,264,144
	Raw materials in transit-Cement Plant		565,723	3,792,305
	Raw materials in transit-Readymix Plant		13,937,958	32,533
	Work-in-process		35,262,511	4,567,181
	Packing materials	8.05	10,713,335	6,144,871
	Stores, spares and loose tools	8.02	225,678,006	172,880,433
			524,279,873	**381,681,467**
8.01	**Raw materials**			
	i. At Cement plant			
	Clinker		142,518,262	111,572,165
	Gypsum		8,840,242	8,216,467
	Fly ash		5,203,723	30,952,009
	Lime stone		36,368,488	26,964,159
	Grinding Aid		1,647,529	-
	Sub total		**194,578,244**	**177,704,800**
	ii. At Ready-mix plant			
	Cement		447,908	699,505
	Chemicals		2,411,750	1,328,400
	Stone chips (3/4")		-	3,701,290
	Stone chips (1/2")		-	5,476,081
	Stone chips (20 mm)		34,714,218	4,025,835
	Stone chips (12 mm)		5,970,220	341,017
	Sylhet sand		-	987,216
	Sub total		**43,544,096**	**16,559,344**
	Grand total (i+ii)		**238,122,340**	**194,264,144**
	There was no stock of Finished Goods as at the close of business as on 30 June 2017			
8.02	**Stores, spares and loose tools**			
	i. At Cement plant			
	Stores		79,751,166	56,576,006
	Spare parts		124,394,351	101,122,552
	Spare parts in transit		6,034,512	3,557,536
	Loose tools		2,761,667	2,068,276
	Sub total		**212,941,696**	**163,324,370**
	ii. At Ready-mix plant			
	Stores		6,444,940	5,712,786
	Spare parts		6,026,340	3,647,975
	Loose tools		265,030	195,302
	Sub total		**12,736,310**	**9,556,063**
	Grand total (i+ii)		**225,678,006**	**172,880,433**

8.03 Raw materials reconciliation- 2016-2017

i. At Cement plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Clinker	27,631	111,572,165	374,219	1,588,049,733	-	-	31,394	142,518,262	370,456	1,557,103,636
Gypsum	3,468	8,216,467	18,100	47,319,804	-	-	3,060	8,840,242	18,508	46,696,029
Fly ash	13,751	30,952,009	-	-	83,963	145,020,810	2,491	5,203,723	95,223	170,769,096
Lime stone	14,153	26,964,159	53,800	120,930,065	-	-	17,939	36,368,488	50,014	111,525,736
Grinding Aid			50	7,884,673	-	-	10	1,647,529	40	6,237,144
Total		177,704,800		1,764,184,275		145,020,810		194,578,244		1,892,331,641

ii. At Ready-mix plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Cement	96	699,505	-	-	13,411	95,300,536	64	447,908	13,443	95,552,133
Chemicals	8	1,328,400	-	-	129	19,104,650	17	2,411,750	120	18,021,300
Stone chips(3/4)"	760	3,701,290	-	-	2,184	13,292,605	-	-	2,944	16,993,895
Stone chips(1/2)"	1,345	5,476,081	-	-	6,183	24,466,964	-	-	7,528	29,943,045
Stone chips (20 mm)	313	4,025,835	26,484	88,201,812	5,787	31,170,409	8,908	34,714,218	23,676	88,683,838
Stone chips (12 mm)	78	341,017	4,106	18,207,049	-	-	1,797	5,970,220	2,387	12,577,846
Sylhet sands	665	987,216	-	-	22,438	31,966,028	-	-	23,103	32,953,244
Total		16,559,344		106,408,861		215,301,192		43,544,096		294,725,301

8.04 Raw materials reconciliation : 2015-2016

i. At Cement plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Clinker	10,118	40,522,390	381,640	1,533,956,124	-	-	27,631	111,572,165	364,127	1,462,906,349
Gypsum	956	2,418,680	19,650	47,905,003	-	-	3,468	8,216,467	17,138	42,107,216
Fly ash	10,004	19,608,736	-	-	74,225	138,956,016	13,751	30,952,009	70,478	127,612,743
Lime stone	8,719	17,829,529	69,683	130,975,553	-	-	14,153	26,964,159	64,249	121,840,923
Total		80,379,335		1,712,836,680		138,956,016		177,704,800		1,754,467,231

ii. At Ready-mix plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Cement	78	596,547	-		9,852	73,295,032	96	699,505	9,834	73,192,074
Chemicals	14	2,019,792	85	12,307,875	-	-	8	1,328,400	77	12,999,267
Stone chips(3/4)"	2,072	9,325,773	-	-	13,153	62,785,577	760	3,701,290	14,465	68,410,060
Stone chips(1/2)"	2,444	9,041,779	-	-	8,419	33,713,476	1,345	5,476,081	9,518	37,279,174
Stone chips (20 mm)	2,262	10,855,486	2,706	17,604,534	-	-	313	4,025,835	4,655	24,434,185
Stone chips (12 mm)	135	811,831	1,270	6,657,735	-	-	78	341,017	1,327	7,128,549
Sylhet sands	1,401	2,389,306	-	-	17,401	27,695,578	665	987,216	18,137	29,097,668
Total		35,040,514		36,570,144		197,489,663		16,559,344		252,540,977

8.05 Packing materials reconciliation

At Cement plant

Particulars	Opening balance		Local purchase		Closing balance		Consumption	
	Quantity (Pcs)	Value Taka	Quantity (Pcs)	Value Taka	Quantity (Pcs)	Value Taka	Quantity (Pcs)	Value Taka
July' 16-June' 17	340,729	6,144,871	10,182,690	182,135,123	608,680	10,713,335	9,914,739	177,566,659
July' 15-June' 16	758,856	13,659,409	9,359,300	170,245,667	340,729	6,144,871	9,777,427	177,760,205

8.06 Work-in-Process

As on 30 June, 2017 Work-in-process of cement was 6,713 M. Ton which included consumption of clinker 4,930 M. Ton , Gypsum 222 M. Ton , Fly ash 1,018 M. Ton, Lime Stone 678 M. Ton and Grinding Aid 2.01 M. Ton.

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
9.00	**Trade receivables**			
	Against local sales	9.01	838,028,662	733,954,930
	Against export		21,556,564	28,734,489
			859,585,226	**762,689,419**
9.01	**Against local sales**			
	i. At Cement plant			
	Dealers		568,421,170	520,706,848
	Corporate		204,151,310	162,214,119
	Individual		4,415,660	4,044,238
	Sub total		**776,988,140**	**686,965,205**
	ii. At Ready-mix plant			
	Corporate		60,037,114	45,285,180
	Individual		1,003,408	1,704,545
	Sub total		**61,040,522**	**46,989,725**
	Grand total (i+ii)		**838,028,662**	**733,954,930**
9.02	**Ageing of trade receivables**			
	Up to 3 months		709,941,228	642,681,299
	Over 3 months but up to 6 months		72,654,581	51,910,335
	Over 6 months		76,989,417	68,097,785
			859,585,226	**762,689,419**

The directors have considered the above receivables are good and realizable. No provision has been kept against these receivables.

10.00	**Advances, deposits and prepayments**			
	Advances	10.01	527,807,264	1,095,922,577
	Deposits	10.02	43,312,549	31,187,342
	Prepayments	10.03	7,321,180	2,162,150
			578,440,993	**1,129,272,069**
10.01	**Advances**			
	i. At Cement plant			
	Income tax	10.01.01	244,916,423	281,633,217
	Against expenses		11,801,136	10,574,026
	Share money deposits	10.01.02	132,650,000	602,471,772
	VAT Current Account		11,354,639	31,557,556
	Against purchase		2,020,550	41,110,148
	Contractors		90,727,795	108,702,116
	Employees		11,073,454	4,769,890
	Other advances	10.01.03	8,845,957	8,845,957
	Sub total		**513,389,954**	**1,089,664,682**
	ii. At Ready-mix plant			
	Income tax	10.01.04	13,345,513	5,562,243
	Against expenses		41,311	18,848
	Against purchase		982,321	91,278
	Employees		48,165	585,526
	Sub total		**14,417,310**	**6,257,895**
	Grand total (i+ii)		**527,807,264**	**1,095,922,577**
10.01.01	**Income tax (For Cement Plant)**			
	Opening balance		281,633,217	218,932,635
	Add: Paid during the year		121,365,874	62,700,582
			402,999,091	**281,633,217**
	Less: Adjusted during the year		(158,082,668)	-
			244,916,423	**281,633,217**

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
10.01.02	**Share money deposits**			
	Energypac Confidence Power Venture Limited		-	403,351,800
	ECPV Chittagong Limited		-	66,469,972
	Confidence Electric Limited		132,650,000	132,650,000
			132,650,000	**602,471,772**
10.01.03	**Other advances**			
	Sayeman Beach Resort, Cox's Bazar		8,845,957	8,845,957
			8,845,957	**8,845,957**

The above amount paid as advance against purchase of 1,002 sft. Studio Apartment. Registration of the said appartment has not yet been completed and accordingly it has not been considered as Investment Property as per BAS 40: Investment Property.

10.01.04	**Income tax (For Ready - mix Plant)**			
	Opening balance		5,562,243	4,157,179
	Add: Paid during the year		7,783,270	1,405,064
			13,345,513	**5,562,243**
	Less: Adjusted during the year		-	-
			13,345,513	**5,562,243**
10.02	**Deposits**			
	i.At Cement plant			
	Margin/ Guarantee deposit		10,406,059	3,620,143
	Rental		14,603,748	15,775,210
	Statutory authorities		18,302,742	11,643,989
	Sub total		**43,312,549**	**31,039,342**
	ii. At Ready-mix Plant			
	Margin deposit		-	148,000
	Sub total		**-**	**148,000**
	Grand total (i+ii)		**43,312,549**	**31,187,342**
10.03	**Prepayments**			
	i. At Cement plant			
	Insurance premium		3,675,343	1,974,666
	Prepaid expenses		3,450,460	-
	Sub total		**7,125,803**	**1,974,666**
	ii. At Ready-mix plant			
	Insurance premium		195,377	187,484
	Sub total		**195,377**	**187,484**
	Grand total (i+ii)		**7,321,180**	**2,162,150**
11.00	**Other receivables**			
	i. At Cement plant			
	Delta Life Insurance Co. Ltd		15,431,280	12,883,515
	Accrued interest on FDR		107,451,718	98,354,707
	Receivable from others		1,700,400	-
	Receivable from Confidence Power Limited		-	4,725,000
	Receivable from IIDFC Securities Limited		2,960,930	2,390,044
	Receivable from A.B Ispahani Securities Limited		1,327	11,844
	Receivable from Globe Securities Limited		617	5,116
	Receivable from Eastern Insurancne Co. Ltd.		25,119	-
	Receivable from Prime Insurance Co. Ltd.		17,795	-
	Receivable from United Insurance Co. Ltd.		2,270	-
	Receivable from Pragati Co. Ltd.		62,378	-
	Sub total		**127,653,834**	**118,370,226**
	ii. At Ready-mix plant			
	Delta Life Insurance Co. Ltd.		723,513	482,290
	Receivable from Pragati Insurance Co. Ltd.		14,420	-
	Sub total		**737,933**	**482,290**
	Grand total (i+ii)		**128,391,767**	**118,852,516**

Receivable from Delta Life Insurance Company Limited represent Group Term Life Insurance with 100% refund of premium (GTR/100-10) with Accidental Death and Dismemberment (AD & D) plus Permanent Partial Disability (PPD) benefit.

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				30 June 2017	30 June 2016
				Taka	Taka
12.00	**Short term investments in Fixed Deposits**				
	Name of the Banks	**Purpose**	**Rate of Interest**		
	Prime Bank Limited	Cash Deposit	4.50%-5.00%	50,000,000	50,000,000
	Prime Bank Limited	Cash Deposit	4.50%-5.00%	50,000,000	50,000,000
	Prime Bank Limited	Lien Against CChypo	5.00%	10,000,000	10,000,000
	LankaBangla Finance Limited	Cash Deposit	8.75%	10,000,000	10,000,000
	LankaBangla Finance Limited	Cash Deposit	9.50%-8.00%	4,000,000	4,000,000
	Trust Bank Limited	LC Margin	5.50%	2,124,000	-
	Trust Bank Limited	LC Margin	5.50%	2,281,000	-
	Trust Bank Limited	LC Margin	5.50%	2,208,000	-
	Eastern Bank Limited	LC Margin	4.50%	-	2,049,063
	Eastern Bank Limited	LC Margin	4.50%	-	1,972,500
	Mutual Trust Bank Limited	LC Margin	6.00%	-	1,100,000
	Mutual Trust Bank Limited	LC Margin	6.00%	-	2,000,000
	Mutual Trust Bank Limited	LC Margin	7.75%	-	2,400,000
	Mutual Trust Bank Limited	LC Margin	5.50%	-	2,200,000
	Mutual Trust Bank Limited	LC Margin	6.80%	-	500,000
	Mutual Trust Bank Limited	LC Margin	7.25%	-	2,200,000
	Mutual Trust Bank Limited	LC Margin	6.60%	-	2,100,000
	Pubali Bank Limited	LC Margin	6.00%	-	2,057,000
	Trust Bank Limited	LC Margin	5.50%	-	2,021,000
				130,613,000	**144,599,563**

		Note(s)		
13.00	**Cash and cash equivalents**			
	Cash in hand	13.01	569,994	447,721
	Cash at banks	13.02	862,987,557	137,891,899
			863,557,551	**138,339,620**
13.01	**Cash in hand**			
	i. At Cement plant		527,128	393,957
	ii. At Ready-mix plant		42,866	53,764
			569,994	**447,721**
13.02	**Cash at banks**			
	i. At Cement plant			
	Name of the Banks	**Branch**	**Account Type**	
	AB Bank Limited	Agrabad	CD	321,426	1,211,262
	AB Bank Limited	CDA Avenue	CD	8,275	9,425
	Agrani Bank Limited	Laldighi	CD	106,344	106,344
	Agrani Bank Limited	Madambibirhat	CD	12,452	12,542
	Agrani Bank Limited	CEPZ	CD	12,543	12,453
	Bank Asia Limited	Agrabad	CD	2,371,761	13,146,644
	Bank Asia Limited	Agrabad	SND	163,371	(103,615)
	Bank Asia Limited	Agrabad	SND	96,194	791,349
	The The City Bank Limited	Agrabad	CD	5,127,578	7,617,404
	The The City Bank Limited	Agrabad	SND	1,148,551	2,150,776
	Dhaka Bank Limited	Halishahar	SND	1,557,171	3,399,460
	Dutch Bangla Bank Limited	Agrabad	CD	347,068	537,236
	Eastern Bank Limited	Agrabad	CD	714,004	255,105
	Eastern Bank Limited	Agrabad	STD	808,802,828	337,962

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			30 June 2017	30 June 2016
i. At Cement plant			**Taka**	**Taka**
Name of the Banks	**Branch**	**Account Type**		
Eastern Bank Limited	Agrabad	CD	5,226	7,413
EXIM Bank Limited	Halishahar	SND	249,417	331,753
First Security Islami Bank Limited	Agrabad	SND	1,770,685	1,518,475
HSBC	Agrabad	CD	281,347	383,790
IFIC Bank Limited	Agrabad	CD	238,271	13,765,634
IFIC Bank Limited	Motijheel	STD	602,764	232,164
Islami Bank Bangladesh Limited	Agrabad	CD	2,677,031	2,297,879
Mercantile Bank Limited	Madambibirhat	CD	665,718	128,063
Midland Bank Limited	Agrabad	SND	18,660	375,997
Mutual Trust Bank Limited	Agrabad	SND	398,853	5,573,712
National Bank Limited	Halishahar	SND	243,803	-
NCC Bank Limited	Halishahar	SND	673,754	2,214,091
One Bank Limited	Agrabad	CD	-	420,559
One Bank Limited	Agrabad	SND	2,842,139	5,031,325
Premier Bank Limited	Agrabad	SB	235,525	173,874
Premier Bank Limited	Agrabad	SND	(47,670)	(47,101)
Premier Bank Limited	Motijheel	SND	415,281	407,596
Premier Bank Limited	Agrabad	CD	-	429
Premier Bank Limited	Agrabad	OD	9	-
Prime Bank Limited	Motijheel	SND	(415,608)	234,561
Prime Bank Limited	Agrabad	CD	4,285,362	287,090
Prime Bank Limited	Agrabad	USD	7,554,450	7,872,998
Prime Bank Limited	Agrabad	SND	378,486	813,663
Prime Bank Limited	Agrabad	SND	237,005	373,623
Pubali Bank Limited	Agrabad	CD	-	3,227,773
Southeast Bank Limited	Agrabad	CD	2,520,145	4,451,974
Southeast Bank Limited	Madambibirhat	CD	248,267	119,271
Standard Chartered Bank	Agrabad	CD	1,112,622	171,078
Standard Chartered Bank	Kolkata	STD	486,748	486,748
State Bank of India	Chittagong	CD	1,233,287	791,426
Standard Bank Limited	Agrabad	STD	2,887,379	4,208,914
Trust Bank Limited	CDA Avenue	CD	154,329	3,797
Trust Bank Limited	CDA Avenue	SND	364,693	2,270,290
United Commercial Bank Limited	Agrabad	CD	1,634,301	791,648
United Commercial Bank Limited	Halishahar	SND	380,160	40,880,578
Sub total			**855,122,005**	**129,285,432**
ii. At Ready-mix plant				
Prime Bank Limited	Agrabad	SND	5,756,771	8,601,456
Trust Bank Limited	CDA Avenue	CD	2,108,781	5,011
Sub total			**7,865,552**	**8,606,467**
Grand total (i+ii)			**862,987,557**	**137,891,899**

Negative balances shown in the bank book represent book overdraft.

14.00 Share capital

Authorized capital		
100,000,000 Ordinary shares of Tk 10 each	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up capital		
44,993,520 Ordinary shares of Tk 10 each	449,935,200	449,935,200
	449,935,200	**449,935,200**

14.01 Composition of shareholders

Name of Shareholders	As at 30 June 2017		As at 30 June 2016	
	No. of Shares	Holding (%)	No. of Shares	Holding (%)
Sponsors	11,472,181	25.50	10,561,791	23.47
Non-resident shareholders	1,596	0.00	1,824	0.01
Financial Institutions	3,920,727	8.71	6,299,255	14.00
Investment Corporation of Bangladesh	2,190,174	4.87	3,859,870	8.58
Mutual Fund(s)	4,480,105	9.96	6,269,609	113.93
Investors Discretionary Account	1,068,505	2.37	118,311	0.26
General Public	21,860,232	48.59	17,882,860	39.75
	44,993,520	**100.00**	**44,993,520**	**100.00**

14.02 Classification of shares by holding

Class by Number of Shares	No. of Holders	No. of Shares	Holding (%)
Less than 5,000	12,969	6,200,161	13.78
From 5,001 to 50,000	563	8,041,561	17.87
From 50,001 to 100,000	43	3,130,440	6.96
From 100,001 to 200,000	35	4,929,625	10.96
From 200,001 to 300,000	5	1,216,907	2.70
From 300,001 to 400,000	6	2,247,411	4.99
From 400,001 to 500,000	3	1,346,794	2.99
From 500,001 to 1,000,000	5	3,588,531	7.99
From 1,000,001 to 10,000,000	8	14,292,090	31.76
	13,637	**44,993,520**	**100.00**

	Note(s)	30 June 2017	30 June 2016
		Taka	Taka
15.00 Reserves			
15.01 General reserve		**371,862,754**	**371,862,754**

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes and to meet future known or unknown requirements. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

15.02 Revaluation reserve		**577,705,317**	**677,083,695**
Revaluation reserve relates to the revaluation of property, plant and equipment.			
16.00 Long term loans			
ii. At Ready-mix plant			
Prime Bank Limited	16.01	4,149,813	20,430,562
Current portion of long term loan	21.00	(4,149,813)	(17,280,000)
		-	**3,150,562**

16.01 **Terms of Prime Bank Limited**

Interest rate:
Interest rate is 9.50% - 10.50% per annum.

Disbursement:
The first disbursement was made on September 2012.

Repayments
The loan shall be adjusted by 36 (thirty six) equal monthly installments.

Securities:
Post dated cheques.

Purpose:
Purchase of machinery and trucks for Ready-mix plant.

	Note(s)	30 June 2017	30 June 2016
		Taka	Taka
17.00 Defined benefit obligations (gratuity)			
Opening balance		49,696,235	40,976,907
Add: Provided during the year	17.01	9,078,995	9,917,663
		58,775,230	**50,894,570**
Less: Paid during the year		(2,010,390)	(1,198,335)
		56,764,840	**49,696,235**
17.01 Provided during the year			
Factory overhead	26.03	5,518,095	6,363,446
Administrative expenses	27.00	2,187,010	2,161,725
Selling and distribution expenses	28.00	1,373,890	1,392,492
		9,078,995	**9,917,663**

18.00 **Deferred tax liability**

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment as per financial statements and tax written down value and financial position liability method for gratuity obligation.

Opening balance	225,734,977	245,503,907
Add/(Less): Provision / adjustment made during the year		
Against temporary difference	(1,590,654)	(5,287,261)
Adjusted during the year against impact of depreciation on revaluation surplus	(13,608,105)	(14,481,669)
	(15,198,759)	(19,768,930)
Closing Balance	**210,536,218**	**225,734,977**

Reconciliation of Deferred tax libilities/ (assets) are as follows :

	Carrying Amount	Tax Base	Taxable/(Deductible) Temporary Difference
	Taka	Taka	Taka
As at 30 June 2017			
Property, Plant and Equipment	1,240,109,056	341,199,343	898,909,713
Gratuity	(56,764,840)	-	(56,764,840)
Net taxable temporary difference			**842,144,873**
Applicable rate			25%
Deferred tax liability			**210,536,218**

	Note(s)	30 June 2017	30 June 2016
		Taka	Taka
19.00 Trade payables			
i. At Cement plant			
Payable to suppliers		91,886,697	66,158,654
Payable to contractors		10,863,916	684,235
Loading charges		3,397,584	4,729,812
Salaries, wages and other benefits		2,921,096	1,933,081
Auditor's remunerations		312,500	312,500
Power and Gas		9,967,377	15,999,439
Other expenses		107,473,544	69,684,190
Sub total		**226,822,714**	**159,501,911**

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		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
	ii. At Ready-mix plant			
	Payable to suppliers		44,798,221	27,069,269
	Payable to contractors		706,067	-
	Salaries, wages and other benefits		410,216	274,642
	Electricity bill		81,222	80,379
	Other expenses		2,668,443	765,529
	Sub total		**48,664,169**	**28,189,819**
	Grand total (i+ii)		**275,486,883**	**187,691,730**
20.00	**Short term loans**			
	Deferred payment of L/C	20.01	791,336,300	612,805,915
	Loan against Trust Receipt (LATR)	20.02	76,419,194	93,840,323
	Time Loan/ Demand Loan/ Loan General/ Short Term Loan	20.03	349,275,068	69,469,075
	Cash Credit (Hypothecation)/ OD General	20.04	472,387,328	121,949,012
	Short Term loan/ Express loan (for working capital loan)	20.05	-	100,015,000
	Short Term loan/Express loan (for Expansion project unit-3)	20.06	1,496,673,695	964,473,670
			3,186,091,585	**1,962,552,995**
20.01	**Deffered payment of L/C**			
	Prime Bank Limited		124,221,670	221,311,663
	The City Bank Limited		236,443,894	36,144,477
	Pubali Bank Limited		99,892,223	41,958,718
	Bank Asia Limited		139,457,535	128,030,380
	Mutual Trust Bank Limited		51,527,560	60,055,964
	Trust Bank Limited		139,793,418	43,587,523
	Eastern Bank Limited		-	81,717,190
			791,336,300	**612,805,915**
20.02	**Loan against Trust Receipt (LATR)**			
	i. At Cement plant			
	Prime Bank Limited		5,634,855	76,952,696
	One Bank Limited		12,879,467	7,416,303
	Mutual Trust Bank Limited		4,881,480	4,464,211
	Bank Asia Limited		16,772,578	-
	The City Bank Limited		8,551,475	-
	Trust Bank Limited		-	5,007,113
	Sub total		**48,719,855**	**93,840,323**
	ii. At Ready-mix plant			
	Trust Bank Limited		27,699,339	-
	Sub total		**27,699,339**	**-**
	Grand total (i+ii)		**76,419,194**	**93,840,323**
20.03	**Time Loan/ Demand Loan/ Loan General/ Short Term Loan**			
	Trust Bank Limited		120,638,775	22,037,462
	Bank Asia Limited		3,496,800	41,340,688
	ONE Bank Limited		44,723,766	3,661,302
	Mutual Trust Bank Limited		21,991,135	2,429,623
	Prime Bank Limited		96,734,578	-
	The City Bank Limited		43,296,978	-
	Sub total		**330,882,032**	**69,469,075**
	ii. At Ready-mix plant			
	Trust Bank Limited		18,393,036	-
	Sub total		**18,393,036**	**-**
	Grand total (i+ii)		**349,275,068**	**69,469,075**
20.04	**Cash Credit (Hypothecation)/ OD General**			
	Bank Asia Limited		22,803,638	4,479,117
	The City Bank Limited		22	-
	Mutual Trust Bank Limited		49,614,029	50,225,354
	One Bank Limited		91,438,065	-
	Prime Bank Limited		176,691,767	22,288,058
	Premier Bank Limited		-	437,624
	Pubali Bank Limited		86,900,337	-
	Trust Bank Limited		44,939,470	44,518,859
			472,387,328	**121,949,012**

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		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
20.05	**Short Term loan/ Express loan (for working capital loan)**			
	IPDC		-	100,015,000
			-	**100,015,000**
	Short Term loan/ Express loan (for Expansion project unit-3)			
	Bank Asia Limited		504,222,222	-
	The City Bank Limited		460,518,338	269,473,670
	IPDC		201,888,889	695,000,000
	Prime Bank Limited		78,953,968	-
	Pubali Bank Limited		251,090,278	-
			1,496,673,695	**964,473,670**

20.06 Nature of Security

i) Personal guarantee of all directors and post dated cheques
ii) Corporate guarantee of Confidence Steel Limited
iii) Mortgage of 268 decimal of land with Prime Bank Limited , Agrabad Branch

20.07 Rate of Bank Interest

Rate of interest is ranging from 8.00% to 10%

20.08 Bank facilities:

The company is currently availing the following facilities from different bank.

Bank Name	Branch	Limit (taka in crore)				
		L/C	LTR	Time / Demand / Import Duty	OD / CC	Short Term Loan
Prime Bank Limited	Agrabad	80.00	50.00	50.00	20.00	50.00
Bank Asia Limited	Agrabad	45.00	15.00	16.00	2.00	-
The City Bank Limited	Agrabad	50.00	28.80	16.00	1.00	50.00
Eastern Bank Limited	Agrabad	20.00	19.00	10.00	2.00	-
Mutual Trust Bank Limited	Agrabad	55.00	5.00	15.00	5.00	-
ONE Bank Limited	Agrabad	50.00	50.00	10.00	10.00	-
Premier Bank Limited	Agrabad	36.00	24.00	10.00	10.00	-
Pubali Bank Limited	Agrabad	50.00	5.00	5.00	-	-
Trust Bank Limited	Agrabad	55.00	5.00	20.00	5.00	-
HSBC	Agrabad	30.00	-	8.00	5.00	-
IPDC Bangladesh Limited	Chittagong	-	-	-	-	10.00

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
21.00	**Current portion of long term loan**			
	At Ready-mix Plant			
	Prime Bank Limited	16.00	4,149,813	17,280,000
			4,149,813	**17,280,000**
22.00	**Provision for WPPF and welfare fund**			
	Opening balance		28,775,767	34,030,661
	Add: Provided during the year		5,218,933	20,049,443
			33,994,700	54,080,104
	Less: Paid during the year		(28,775,767)	(25,304,337)
			5,218,933	**28,775,767**
23.00	**Current tax liability**			
	Opening Balance		182,413,304	170,743,488
	Add: Provision for the year		54,098,708	111,028,922
			236,512,012	281,772,410
	Less: Paid/ Adjusted during the year		(158,082,668)	(99,359,106)
			78,429,344	**182,413,304**

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		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
24.00	**Other liabilities**			
	i. At Cement plant			
	Advance against sales		9,297,885	16,680,135
	Security deposits from dealers & others		3,582,600	3,512,600
	Share subscription refundable		47,900	47,900
	Unclaimed cash dividend	24.01	72,280,469	186,084,565
	Unclaimed fractional dividend	24.0	2,855,747	2,856,210
	Source tax deductions		22,553,436	12,202,089
	Source VAT deductions		1,661,242	1,711,586
	Confidence Steel Limited		-	34,500,000
	Employees' Provident Fund		953,353	937,209
	Workers' Profit Participation Fund Loan realised from employees		171,990	286,774
	Sub total		**113,404,622**	**258,819,068**
	ii. At Ready-mix plant			
	Advance against sales		9,387,992	371,718
	Source tax deductions		599,363	1,066,152
	Source VAT deductions		155,360	28,079
	Employees' Provident Fund		81,750	110,078
	Sub total		**10,224,465**	**1,576,027**
	Grand total (i+ii)		**123,629,087**	**260,395,095**
24.01	**Unclaimed cash dividend**			
	Opening balance		186,084,565	152,905,166
	Cash dividend for (Interim/ Final)		44,995,320	123,732,180
			231,079,885	**276,637,346**
	Payment warrants cleared		(158,799,416)	(90,552,781)
			72,280,469	**186,084,565**
24.02	**Unclaimed fractional dividend**			
	Opening balance		2,856,210	2,856,290
	Payment warrants cleared		(463)	(80)
			2,855,747	**2,856,210**
25.00	**Revenue**			
	i. At Cement plant			
	Revenue from local sales	25.01	3,199,929,945	3,243,374,256
	Revenue from export	25.02	84,667,819	104,955,760
	Sub total		**3,284,597,764**	**3,348,330,016**
	ii. At Ready-mix plant			
	Revenue from corporate sales		322,325,242	253,261,615
	Revenue from individual sales		22,452,204	12,152,393
	Sub total		**344,777,446**	**265,414,008**
	Grand total (i+ii)		**3,629,375,210**	**3,613,744,024**
25.01	**Revenue from local sales**			
	Gross sales		3,679,919,437	3,729,880,394
	Less: Value Added Tax (VAT)		(479,989,492)	(486,506,138)
	Net sales		**3,199,929,945**	**3,243,374,256**
25.02	**Revenue from export**			
	Export proceeds - cost and freight		85,134,248	105,964,180
	Less: Export expenses		(466,429)	(1,008,420)
			84,667,819	**104,955,760**

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		Unit	30 June 2017	30 June 2016
			Taka	Taka
25.03	**Sales Quantity Analysis**			
	i. At Cement plant			
	Local	M.Ton	508,125	493,067
	Export	M.Ton	12,611	15,541
	Total		**520,736**	**508,608**
	ii. At Ready-mix plant			
	Corporate	CFT.	1,074,074	855,867
	Individual	CFT.	77,175	42,840
	Total		**1,151,249**	**898,707**

		Note(s)		
26.00	**Cost of sales**			
	Raw materials consumed	26.01	2,187,056,942	2,007,008,208
	Packing materials consumed	26.02	177,566,659	177,760,205
	Factory overhead	26.03	660,096,662	631,080,449
	Differnce between Opening and Closing WIP		(30,695,330)	6,891,896
			2,994,024,933	**2,822,740,758**
26.01	**Raw materials consumed**			
	i. At Cement plant			
	Opening stock		177,704,800	80,379,335
	Add: Purchased during the year		1,909,205,085	1,851,792,696
	Raw materials available for use		**2,086,909,885**	**1,932,172,031**
	Less: Closing stock		(194,578,244)	(177,704,800)
	Sub total		**1,892,331,641**	**1,754,467,231**
	ii. At Ready-mix plant			
	Opening stock		16,559,344	35,040,514
	Add: Purchased during the year		321,710,053	234,059,807
	Raw materials available for use		**338,269,397**	**269,100,321**
	Less : Closing stock		(43,544,096)	(16,559,344)
	Sub total		**294,725,301**	**252,540,977**
	Grand total (i+ii)		**2,187,056,942**	**2,007,008,208**
26.02	**Packing materials consumed**			
	At Cement plant			
	Opening stock		6,144,871	13,659,409
	Add: Purchased during the year		182,135,123	170,245,667
	Packing materials available for use		**188,279,994**	**183,905,076**
	Less : Closing stock		(10,713,335)	(6,144,871)
			177,566,659	**177,760,205**

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		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
26.03	**Factory overhead**			
	i. At Cement plant			
	Salaries, wages and benefits		151,417,111	133,234,589
	Canteen expenses		6,369,710	5,916,127
	Communication expenses		872,300	737,058
	Contribution to employees' provident fund		4,546,114	4,071,588
	Depreciation	4.03	94,801,097	96,339,079
	Dump trucks upkeep		25,359,847	18,708,002
	EDP supplied		131,930	140,067
	Entertainment		2,235,811	2,356,191
	Fees and subscription		996,797	1,615,910
	Gardening expenses		8,875	6,101
	Gas		46,704,840	63,064,157
	Gratuity	17.01	5,093,085	5,797,594
	Insurances		4,464,343	4,645,693
	Motor vehicles upkeep		2,449,789	1,845,702
	Other expenses		637,627	434,110
	Paper, books and periodicals		11,054	9,194
	Power		80,890,555	37,907,682
	Printing and stationery		729,958	775,755
	Rent, rates and taxes		4,674,578	4,220,089
	Repair and maintenance of other assets		365,023	343,653
	Repair to buildings		2,310,056	824,636
	Repair to machineries		8,684,705	5,637,851
	Stores and spares consumed		146,769,096	183,507,508
	Travelling and conveyance		1,149,294	1,991,759
	Uniform		696,194	1,910,027
	Sub total		**592,369,789**	**576,040,122**
	ii. At Ready-mix plant			
	Salaries, wages and benefits		18,174,920	15,718,692
	Canteen expenses		1,180,893	907,094
	Communication expenses		294,706	263,146
	Contribution to employees' provident fund		426,422	384,080
	Depreciation	4.03	14,488,765	14,680,540
	Dump trucks upkeep		3,646,875	2,235,127
	EDP supplied		30,650	20,625
	Entertainment		303,100	252,825
	Fees and subscription		834,150	726,030
	Gardening expenses		810	991
	Gratuity	17.01	425,010	565,852
	Insurances		396,973	562,108
	Motor vehicles upkeep		417,671	340,225
	Other expenses		657,748	697,516
	Paper, books and periodials		5,708	5,747
	Power		1,131,160	1,073,028
	Printing and stationery		144,636	176,946
	Rent, rates and taxes		679,880	136,575
	Repair and maintenance of other assets		35,070	22,836
	Repair to buildings		289,013	413,767
	Repair to machineries		1,128,994	1,301,023

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		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
	Stores and spares consumed		22,685,184	14,270,362
	Software expenses		30,000	15,000
	Travelling and conveyance		318,535	270,192
	Sub total		**67,726,873**	**55,040,327**
	Grand total (i+ii)		**660,096,662**	**631,080,449**
27.00	**Administrative expenses**			
	At Cement plant			
	Salaries, wages and benefits		26,520,727	21,998,147
	Directors' remuneration and benefits		31,392,364	22,188,406
	Directors' fees		44,000	66,000
	AGM expenses		2,333,614	806,146
	Amortization	6.04	4,075,000	4,075,000
	Auditors' remuneration	27.01	483,188	565,500
	Canteen expenses		1,524,901	1,413,098
	Communication expenses		1,165,980	887,642
	Contribution to employees' provident fund		842,567	733,271
	Depreciation	4.03	11,088,385	10,943,651
	EDP supplied		324,878	408,492
	Electricity and water		1,175,147	1,177,196
	Entertainment		1,223,274	1,201,883
	Fees, subscription and license renewal		807,361	1,137,911
	Gardening expenses		10,895	46,586
	Gratuity	17.01	2,187,010	2,161,725
	Insurances		1,067,971	1,045,877
	ISO expenses		129,096	133,312
	Legal and professional charges		1,283,872	643,822
	Motor Vehicle upkeep		2,643,660	2,542,609
	Other expenses		172,272	530,702
	Paper, books and periodicals		24,578	22,744
	Printing and stationery		1,010,592	2,410,630
	Rent, rates and taxes		3,642,017	4,052,460
	Repairs and maintenance generator		439,958	491,562
	Repairs and maintenance other assets		374,395	520,242
	Rest house expenses		-	32,195
	Software development expenses		198,955	495,625
	Travelling and conveyance		1,837,908	2,344,032
	Trainning expenses		22,000	-
	Uniform and liveries		47,983	209,047
			98,094,548	**85,285,513**
27.01	**Auditors' remuneration**			
	Statutory audit fee		312,500	312,500
	Inventory Audit fee		-	230,000
	Total income certification - fees and expenses		115,000	-
	Corporate governance certification audit fees		17,250	-
	Employees' provident fund audit fee		-	23,000
	Others		38,438	-
			483,188	**565,500**

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		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
28.00	**Selling and distribution expenses**			
	i. At Cement plant			
	Salaries, wages and benefits		23,906,490	18,972,281
	Advertisement		16,697,354	17,286,498
	Communication expenses		1,248,288	845,002
	Contribution to employees' provident fund		748,638	628,644
	CSCR expenses		269,019	-
	Depreciation	4.03	6,342,964	4,463,709
	Entertainment		198,819	155,751
	Fees, subscription and license renewal		2,160,945	1,979,249
	Gratuity	17.01	1,373,890	1,392,492
	Motor Vehicle upkeep		2,199,106	2,063,188
	Other expenses		105,030	439,393
	Printing and stationary		4,485,200	2,282,983
	Sales commission		284,090,677	173,897,958
	Sales promotion		24,252,411	20,097,007
	Tender schedule purchase		220,390	111,450
	Travelling and conveyance		6,751,256	4,949,162
	Sub total		**375,050,477**	**249,564,767**
	ii. At Ready-mix plant			
	Salaries, wages and benefits		-	159,134
	Advertisement		765,097	388,400
	Communication expenses		-	27,500
	Contribution to employees' provident fund		-	9,162
	Gratuity	17.01	-	5,090
	Sales promotion		949,539	473,994
	Travelling and conveyance		-	77,316
	Sub total		**1,714,636**	**1,140,596**
	Grand total (i+ii)		**376,765,113**	**250,705,363**
29.00	**Other operating income**			
	Sale of scrap		4,323,852	2,501,007
	Gain/ (loss) on sale of non-current assets		1,582,567	3,117,567
	Sale of tender schedule		38,500	120,500
			5,944,919	**5,739,074**
30.00	**Finance costs**			
	i. At Cement plant			
	Interest on Cash Credit / Overdraft	30.01	21,673,217	12,468,766
	Interest on LATR	30.02	6,050,488	5,636,927
	Interest on Time/Demand Loan	30.03	16,189,967	6,074,645
	Interest on Short Term /Express Loan	30.04	8,618,055	45,748,610
	DP L/C for discounting interest		9,343,818	6,964,514
	Bank charges		792,347	624,609
	Bank guarantee commission		1,690,775	-
	Excise duty		782,750	591,270
	Sub total		**65,141,417**	**78,109,341**
	ii. At Ready-mix plant			
	Interest on Long Term Loan	30.05	1,331,735	3,845,324
	Interest on LATR Loan	30.06	502,255	-
	Interest on Time Loan	30.07	298,092	-
	Excise duty		22,500	-
	Bank charge		28,186	20,771
	Sub total		**2,182,768**	**3,866,095**
	Grand total (i+ii)		**67,324,185**	**81,975,436**

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
30.01	**Interest on Cash Credit / Overdraft**			
	Bank Asia Limited		704,643	479,432
	The City Bank Limited		430,231	-
	Eastern Bank Limited		-	32,869
	Mutual Trust Bank Limited		2,332,152	598,148
	ONE Bank Limited		4,378,020	-
	Premier Bank Limited		13,091	2,365,383
	Prime Bank Limited		8,456,289	7,771,688
	Pubali Bank Limited		3,183,870	-
	Trust Bank Limited		2,174,921	1,221,246
			21,673,217	**12,468,766**
30.02	**Interest on LATR**			
	Bank Asia Limited		417,447	430,149
	The City Bank Limited		1,334,878	-
	HSBC		138,458	-
	Mutual Trust Bank Limited		816,384	816,287
	ONE Bank Limited		633,107	53,178
	Premier Bank Limited		-	144,925
	Prime Bank Limited		2,473,293	3,785,159
	Pubali Bank Limited		33,895	-
	Trust Bank Limited		203,026	407,229
			6,050,488	**5,636,927**
30.03	**Interest on Time/Demand Loan**			
	Bank Asia Limited		1,633,073	1,343,077
	The City Bank Limited		420,256	1,314,269
	Eastern Bank Limited		-	59,888
	Mutual Trust Bank Limited		993,595	765,085
	ONE Bank Limited		1,618,742	30,259
	Prime Bank Limited		8,453,282	1,114,686
	Pubali Bank Limited		-	697,153
	Trust Bank Limited		3,071,019	750,228
			16,189,967	**6,074,645**
30.04	**Interest on short term/ express Loan**			
	The City Bank Limited		-	24,861,111
	IPDC (Bangladesh) Limited		8,618,055	7,760,000
	Prime Bank Limited		-	13,127,499
			8,618,055	**45,748,610**
30.05	**Interest on long term loan (Ready-mix plant)**			
	Prime Bank Limited -Term loan		842,951	1,200,042
	Prime Bank Limited - Lease finance loan		488,784	2,645,282
			1,331,735	**3,845,324**
30.06	**Interest on LATR (Ready-mix plant)**			
	Trust Bank Limited		502,255	-
			502,255	**-**
30.07	**Interest on Time Loan (Ready-mix plant)**			
	Trust Bank Limited		298,092	-
			298,092	**-**

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
31.00	**Finance income**			
	i. At Cement plant			
	Interest income from FDR		11,486,566	20,419,382
	Interest on STD		2,089,090	2,939,543
	Foreign currency exchange gain/ (loss)		(8,421,965)	(1,284,821)
	Sub total		**5,153,691**	**22,074,104**
	ii. At Ready-mix plant			
	Interest on STD		113,620	138,723
	Sub total		**113,620**	**138,723**
	Grand total (i+ii)		**5,267,311**	**22,212,827**
32.00	**Non-operating income/ (loss)**			
	Dividend received from listed company		6,601,932	6,439,913
	Dividend received from CDBL		1,427,955	1,427,955
	Dividend received from Asian Paints (BD) Limited		-	2,748,750
	Profit/ (loss) on sale of investment in quoted shares		3,320,316	1,493,489
	Changes of value of Investment on quoted shares		138,335,930	7,705,795
	Insurance claim received		257,260	-
	Profit on sale shares of Energypac Confidence Power Venture Limited		63,769,792	-
			213,713,185	**19,815,902**
33.00	**Share of profit/ (loss) of associates (Net of tax)**			
	Confidence Electric Limited	33.01	146,170,803	83,387,308
	Energypac Confidence Power Venture Limited	33.02	30,976,685	58,244,185
	Confidence Power Limited	33.03	60,611,797	23,115,079
			237,759,285	**164,746,572**
33.01	**Confidence Electric Limited**			
	Net profit attributable to the shareholders' of associate		298,307,762	170,178,181
	Ownership		49%	49%
	Net profit / (Loss) attributable to Confidence Cement Limited	7.01	146,170,803	83,387,308
			146,170,803	**83,387,308**
33.02	**Energypac Confidence Power Venture Limited**			
	Net profit attributable to the shareholders' of associate as at 31 December 2016		66,205,887	116,488,370
	Ownership		50%	50%
	Net profit / (loss) attributable to Confidence Cement Limited	7.02	30,976,685	58,244,185
			30,976,685	**58,244,185**
33.03	**Confidence Power Limited**			
	Net profit attributable to the shareholders' of associate		242,447,191	92,460,316
	Ownership		25%	25%
	Net profit / (loss) attributable to Confidence Cement Limited	7.03	60,611,797	23,115,079
			60,611,797	**23,115,079**
34.00	**Earnings per share**			
	Profit attriutable to the ordinary shareholders		498,124,144	459,760,225
	Weighted average number of ordinary shares outstanding during the year		44,993,520	44,993,520
	Basic earnings per share (EPS)		**11.07**	**10.22**

34.01 Diluted earnings per share (DEPS)

No diluted EPS was required to be calculated for the year since there was no scope for dillution of share during the year under review.

		Note(s)	30 June 2017	30 June 2016
			Taka	Taka
35.00	**Net Asset Value Per Share (NAV)**			
	Total Assets		7,724,055,674	6,234,702,707
	Less: Liabilities		3,940,306,703	2,917,690,665
	Net Asset Value (NAV)		**3,783,748,971**	**3,317,012,042**
	Number of ordinary shares outstanding during the year		44,993,520	44,993,520
	Net Asset Value (NAV) per share		**84.10**	**73.72**
36.00	**Net operating cash flow per share**			
	Net operating cash flow (from Statement of Cash Flows)		420,691,052	353,138,523
	Number of ordinary shares outstanding during the year		44,993,520	44,993,520
	Net operating cash flows per share		**9.35**	**7.85**

37.00 Operating segment report

37.01 Segment-wise statement of financial position as on 30 June 2017

	Cement plant	Ready-mix plant	Total
	Taka	Taka	Taka
ASSETS			
Non-current assets			
Property, plant and equipment	1,517,010,498	249,544,831	1,766,555,329
Capital work-in-progress	2,269,837,541	-	2,269,837,541
Investments	366,394,526	-	366,394,526
Investment in associates	236,399,868	-	236,399,868
Total non-current assets	**4,389,642,433**	**249,544,831**	**4,639,187,264**
Current assets			
Inventories	454,061,509	70,218,364	524,279,873
Trade receivables	798,544,704	61,040,522	859,585,226
Advances, deposits and prepayments	563,828,306	14,612,687	578,440,993
Other receivables	127,653,834	737,933	128,391,767
Short term investment in Fixed Deposits	130,613,000	-	130,613,000
Cash and cash equivalents	855,649,133	7,908,418	863,557,551
Total current assets	**2,930,350,486**	**154,517,924**	**3,084,868,410**
Total Assets	**7,319,992,919**	**404,062,755**	**7,724,055,674**
EQUITY AND LIABILITIES			
Equity			
Share capital	449,935,200	-	449,935,200
Share premium	658,089,549	-	658,089,549
General reserve	371,862,754	-	371,862,754
Revaluation surplus	577,705,317	-	577,705,317
Retained earnings	1,726,156,151	-	1,726,156,151
Inter unit balance	(294,931,933)	294,931,933	-
Total Equity	**3,488,817,038**	**294,931,933**	**3,783,748,971**

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	Cement plant	Ready-mix plant	Total
Liabilities	Taka	Taka	Taka
Non-current liabilities			
Long term loan	-	-	-
Defined benefit obligations (gratuity)	56,764,840	-	56,764,840
Deferred tax liability	210,536,218	-	210,536,218
Total non-current liabilities	**267,301,058**	**-**	**267,301,058**
Current liabilities			
Trade payables	226,822,714	48,664,169	275,486,883
Short term loans	3,139,999,210	46,092,375	3,186,091,585
Current portion of long term loan	-	4,149,813	4,149,813
Provision for WPPF and welfare fund	5,218,933	-	5,218,933
Current tax liability	78,429,344	-	78,429,344
Other liabilities	113,404,622	10,224,465	123,629,087
Total current liabilities	**3,563,874,823**	**109,130,822**	**3,673,005,645**
Total Liabilities	**3,831,175,881**	**109,130,822**	**3,940,306,703**
Total Equity and Liabilities	**7,319,992,919**	**404,062,755**	**7,724,055,674**

37.02 Segment-wise statement of profit or loss and other comprehensive income For the year ended 30 June 2017

Revenue	3,284,597,764	344,777,446	3,629,375,210
Cost of sales	(2,631,572,759)	(362,452,174)	(2,994,024,933)
Gross Profit	**653,025,005**	**(17,674,728)**	**635,350,277**
Selling and distribution expenses	(375,050,477)	(1,714,636)	(376,765,113)
Administrative expenses	(98,094,548)	-	(98,094,548)
Other operating income	5,944,919	-	5,944,919
Profit from operating activities	**185,824,899**	**(19,389,364)**	**166,435,535**
Finance costs	(65,141,417)	(2,182,768)	(67,324,185)
Finance income	5,153,691	113,620	5,267,311
Profit before Workers profit participation fund	**125,837,173**	**(21,458,512)**	**104,378,661**
Contribution to WPPF and welfare fund	(5,218,933)	-	(5,218,933)
Non-operating income/(loss)	213,713,185	-	213,713,185
Share of profit/(loss) of associates (Net of tax)	237,759,285	-	237,759,285
Profit before income tax	**572,090,710**	**(21,458,512)**	**550,632,198**

38.00 Contingent liabilities

Contingent liabilities at the reporting date are as follows:

	30 June 2017	30 June 2016
38.01 Guarantee	Taka	Taka
Bakharabad Gas System Limited	8,039,292	7,476,786
Army Head Quarter (Navy)	-	2,975,000
Army Head Quarter Dhaka Cantonment	7,365,200	2,535,000
QMG's Branch Army Bhatiary	-	2,505,500
Bureau of India Standard	-	780,000
Commissioner of Customs, Custom House, Chittagong	15,104,346	-
Bangladesh Power Development Board	95,013,000	-
Comodore BN DW & CE (Navy) Dhaka	5,529,100	-
	131,050,938	**16,272,286**
38.02 L/C liabilities	**145,732,617**	**100,933,222**

39.00 Related party transactions

During the year under review, the company carried out a number of transactions with related parties in the normal course of business. The name of the related parties, nature of business and their value have been set out below in accordance with the provisions of BAS 24 " Related Party Disclosure".

SL No.	Name of the related party	Nature of transaction	Type of relationship	Transactions during the year	Balance as on 30 June 2017
1.	Confidence Power Limited	Sale of cement	Associate	407,825,842	40,526,766
3.	Confidence Electric Limited	Sale of cement	Associate	1,495,750	157,650
5.	Elecropac Industries Limited	Sale of cement	Sister company	51,459,972	221,767
5.	Confidence Concrete Eng. Limited	Sale of cement	Sister company	8,963,750	6,500
6.	Confidence Steel Limited	Sale of cement	Sister company	12,690,648	1,360,915

40.00 Employees

	30 June 2017	30 June 2016
	Number	Number
Cement plant	801	751
Ready-mix plant	86	91
	887	**842**

All employees received salary more than Tk. 3,000 per month.

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41.00 Remuneration of directors, managers and executives

The details are as follows :

i. At Cement plant

	30 June 2017					30 June 2016				
	Board of Directors	Executive Directors	Managers	Executives	Total	Board of Directors	Executive Directors	Managers	Executives	Total
Basic salary	10,020,000	4,824,000	8,782,920	14,290,075	37,916,995	11,100,000	5,580,000	8,371,350	14,267,448	39,318,798
House rent	5,511,000	2,894,400	5,159,372	8,574,043	22,138,815	6,105,000	3,348,000	5,022,810	8,559,730	23,035,540
Medical	2,004,000	1,206,000	2,195,370	3,637,795	9,043,165	2,220,000	1,395,000	2,093,085	3,566,864	9,274,949
Transport	-	-	2,054,670	3,637,795	5,692,465	-	-	2,027,881	3,566,864	5,594,745
Festival bonus	3,340,000	1,608,000	2,927,440	4,495,451	12,370,891	3,700,000	1,860,000	2,890,450	5,771,935	14,222,385
Other allowance	10,308,432	3,856,800	1,901,847	1,180,354	17,247,433	4,406,424	1,487,973	948,744	1,249,449	8,092,590
Total Taka	**31,183,432**	**14,389,200**	**23,021,619**	**35,815,513**	**104,409,764**	**27,531,424**	**13,670,973**	**21,354,320**	**36,982,290**	**99,539,007**
Total Nos.	**6**	**3**	**30**	**149**	**-**	**5**	**3**	**26**	**136**	**-**

a. Managing Director has been paid during the year Tk. 5,896,000 as remuneration and other allowances
b. Directors, Managers and Executives are paid cash house rent allowance
c. Directors, Managers and Executives are covered under the Group Insurance Scheme

ii. At Ready-mix plant

	30 June 2017			30 June 2016		
	Managers	Executives	Total	Managers	Executives	Total
Basic salary	310,440	839,400	1,149,840	281,580	757,680	1,039,260
House rent	18,664	503,640	522,304	168,948	454,608	623,556
Medical	77,610	209,850	287,460	70,348	189,420	259,768
Transport	77,610	209,850	287,460	70,394	189,420	259,814
Festival bonus	103,480	279,800	383,280	93,860	252,560	346,420
Other allowance	290,612	91,398	382,010	222,236	89,004	311,240
Total Taka	**878,416**	**2,133,938**	**3,012,354**	**907,366**	**1,932,692**	**2,840,058**
Total Nos.	1	10	-	1	10	-

42.00 Events after the reporting period

The Board of Directors of the company recommended 35% dividend in its board of directors' meeting held on 29 October 2017 For the year ended 30 June 2017 which is subject to approval of the shareholders in the upcoming Annual General Meeting out of which 15% cash and 20% bonus.

43.00 Financial risk management

Bangladesh Financial Reporting Standard BFRS 7 - Financial Instruments : Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

a) Credit risk
b) Liquidity risk
c) Market risk

43.01 Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from dealers, corporate and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.
In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Trade receivables are related to sale of Cement and Ready-mix.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	30 June 2017	30 June 2016
	Taka	Taka
Trade receivable-Local	838,028,662	733,954,930
Trade receivable-Export	21,556,564	28,734,489
	859,585,226	**762,689,419**
Other Receivables	127,653,834	118,370,226
Advance, deposit and prepayments	578,440,993	1,129,272,069
Cash and cash equivalents	863,557,551	138,339,620
	1,569,652,378	**1,385,981,915**
b) Ageing of receivables		
Dues up to 3 months	709,941,228	642,681,299
Dues over 3 months but up to 6 months	72,654,581	51,910,335
Dues over 6 months	76,989,417	68,097,785
	859,585,226	**762,689,419**

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c) Credit exposure by credit rating

		30 June 2017	
	Credit rating	Amount	(%)
Trade receivables	NR	859,585,226	35.38
Other receivables	NR	127,653,834	5.25
Advance, deposit and prepayments	NR	578,440,993	23.81
Cash and cash equivalents :			
Cash in hand		569,994	0.02
Cash at bank		862,987,548	35.53
AB Bank Limited	AA3	329,701	0.01
Agrani Bank Limited	AA-	131,339	0.01
Bank Asia Limited	AA2	2,631,326	0.11
Dutch Bangla Bank Limited	AA1	347,068	0.01
Eastern Bank Limited	AA+	809,522,058	33.32
First Security Bank Limited	ST-2	1,770,685	0.07
IFIC Bank Limited	AA2	841,035	0.03
Islami Bank Bangladesh Limited	AA+	2,677,031	0.11
Mercantile Bank Limited	AA	665,718	0.03
Midland Bank Limited	A	18,660	0.00
Mutual Trust Bank Limited	AA-	398,853	0.02
NCC Bank Limited	AA	673,754	0.03
One Bank Limited	AA	2,842,139	0.12
Premier Bank Limited	AA+	603,136	0.02
Prime Bank Limited	AA	17,796,466	0.73
Southeast Bank Limited	AA	2,768,412	0.11
Standard Bank Limited	AA	2,887,379	0.12
Standard Chartered Bank	AA-	1,599,370	0.07
State Bank of India	AA+	1,233,287	0.05
The City Bank Limited	AAA	6,276,129	0.26
Trust Bank Limited	AA2	2,627,803	0.11
United Commercial Bank Limited	AA	2,014,461	0.08
Dhaka Bank Limited	AA-	1,557,171	0.06
EXIM Bank Limited	AA-	249,417	0.01
HSBC	AAA	281,347	0.01
National Bank Limited	AA	243,803	0.01

43.02 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to manage liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk of damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the company seeks to maintain short term loans of credit with scheduled commercial banks (Note :20) to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit loans with banks are negotiated accordingly.

In extreme stressed conditions, the company may get support from the associate company in the form of inter-company loan.

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The following are the contractual maturities of financial liabilities:

Category of Liabilities	Carrying amount As on 30 June 2017	Nominal Interest rate	Contractual cash flows	Within 6 months or less	Within 6-12 months
	Taka		Taka	Taka	Taka
Trade and other liabilities	399,115,970	N/A	399,115,970	399,115,970	-
Short term bank loan	3,186,091,585	8% - 10%	3,186,091,585	3,186,091,585	-
Current portion of long term loan	4,149,813	10%	4,149,813	4,149,813	-
Contribution to WPPF & WF	5,218,933	N/A	5,218,933	5,218,933	-

43.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments.

a) Currency risk

The company is exposed to currency risk on certain purchase such as import of raw material. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials from abroad.

Exposure to currency risk

Foreign currency monetary assets and liabilities	30 June 2017 (BDT Equivalent)	30 June 2016 (BDT Equivalent)
Assets		
Trade receivables	21,556,564	28,734,489
Cash at bank	7,554,450	7,872,998
	29,111,014	**36,607,487**
Liabilities		
Bank borrowing	791,336,300	612,805,915
Net exposure	**762,225,286**	**576,198,428**
The following significant exchange rates are applied at the balance sheet date:		
Exchange rate of US Dollar	**79.69**	**78.70**

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

	30 June 2017 Effective rates %	30 June 2016 Effective rates %	30 June 2017 Taka	30 June 2016 Taka
Financial Assets				
Term Deposit	4.50% - 9.50%	4.50% - 8.75%	130,613,000	144,599,563
Financial Liabilities				
Loans & Others	8% - 10%	8.25% - 8.95%	3,190,241,398	1,982,983,557

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43.04 Accounting classification and fair value

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial position are as follows:

	Carrying amount	Fair value
	Taka	Taka
Assets carried at fair value through profit and loss	**279,302,876**	**279,302,876**
Held to maturity assets		
FDR with banks	130,613,000	130,613,000
Receivables and other assets		
Trade and other receivable	987,976,993	987,976,993
Security deposit	43,312,549	43,312,549
Cash and cash equivalents	863,557,551	863,557,551
Available for sale financial assets	Nil	Nil
Liabilities carried at fair value through profit and loss	Nil	Nil
Liabilities carried at amortized cost		
Trade and other liabilities	399,115,970	399,115,970
Short term bank borrowing	3,186,091,585	N/A
Current portion of long term borrowing	4,149,813	N/A
Contribution to WPPF & WF	5,218,933	N/A

Determination of fair value is not required as per the requirements of IFRS/ BFRS 7 : Financial Instruments

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Trust in

Registered Office

Confidence Heights

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