ANNUAL REPORT

2017 - 2018



CONFIDENCE CEMENT LIMITED

ANNUAL REPORT
2017 - 2018

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SMART STOCK

Transmittal Letter

Date : 28 November 2018

To
The Valued Shareholders
Bangladesh 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 2018

Dear Sir(s)

We are pleased to transmit a copy of the Annual Report 2018 comprising the Notice of the 27th Annual General Meeting, Directors' Report, Audit Committee Report, Nomination and Remuneration Committee Report, Certificate of Corporate Governance Compliance Auditors, Statutory Auditors Report along with the Audited Financial Statements including Statement of Financial Position as at 30 June 2018 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended together with Notes thereon and Proxy Form for your kind information and record .

Thanking You.

Yours Sincerely,

Md. Delowar Hossain ACS
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, Chattogram.
Liaison Office: Ispahani Building, (3rd Floor), 14-15 Motijheel C/A, Dhaka-1000. Tel: 02-9562431

Notice of the 27th Annual General Meeting

Notice is hereby given that the 27th Annual General Meeting of the Shareholders of Confidence Cement Limited will be held on Sunday, the 23rd December 2018 at 11:00 a. m at the Factory premises of the Company at Madambibirhat, Bhatiary, Sitakunda, Chattogram to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 30 June 2018 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend as recommended by the Board of Directors for the year ended on 30 June, 2018.
3. To elect / re-elect Directors in terms of the relevant provisions of Article of Association of the company.
4. To approve the appointment of Mr. Zahir Uddin Ahmed as Managing Director of the Company.
5. To appoint the Statutory Auditors for the year ending on 30 June 2019 and to fix their remuneration.
6. To appoint the Compliance Auditors for the year ending on 30 June, 2019 and to fix their remuneration.

By order of the Board

Md. Delowar Hossain ACS
Company Secretary

Date: 27 November, 2018

Notes:

a) 22 November, 2018 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) The Annual Report 2017-2018 of the Company will be available at the company's website at http:// www.confidencecement.com.

f) No benefit in cash or kind, other than in the form of cash or stock dividend shall be offered to the shareholders for attending the AGM as per Circular No. SEC/ CMRRCD/2009-193/154 dated October 24, 2013 of BSEC.

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 10,50,000 Metric Tons annually and it has Ten 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 Holdings Limited
* Digicon Telecommunication Limited
* Confidence Steel Export Limited
* Zodiac Dredging Limited
* Confidence Infrastructure Limited
* Electropac Industries Limited
* Confidence Electric Limited
* Asian Paints (BD) Limited
* Confidence Concrete Engineering Limited
* Confidence Batteries Limited

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Engr. Rezaul Karim	Chairman
Mr. Rupam Kishore Barua	Vice Chairman
Mr. Imran Karim	Vice Chairman
Mr. Shah Muhammed Hasan	Director
Mrs. Runu Anwar	Director
Mr. Salman Karim	Director
Mr. Shamsul Alam BU	Director
Mr. A.Z.M. Sazzadur Rahman	Independent Director
Mr. A.K. Rashiduddin Ahmed	Independent Director
Mr. Zahir Uddin Ahmed	Managing Director

AUDIT COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

Mr. A.Z.M. Sazzadur Rahman	Chairman
Mr. Shamsul Alam BU	Member
Mr. A.K. Rashiduddin Ahmed	Member

MANAGEMENT TEAM

Mr. Newaz Mohammed Iqbal Yousuf	Chief Financial Officer
Mr. Abdullah Al Mahmud	Advisor
Mr. Md. Sohel Talukdar	General Manger - Plant
Mr. A B M Iftekher Alam Siddiqui	General Manger - Sales & Marketing
Mr. Md. Delowar Hossain ACS	Company Secretary
Mr. Md. Sharif Billah Bhuiyan ACGA	Head of Internal Audit & Compliance

AMAR STOCK

Name Of Banks

Bank Asia Limited
Agrabad Branch, Chattogram.

Eastern Bank Limited
Agrabad Branch, Chattogram.

HSBC Bank
Agrabad Branch, Chattogram.

Mutual Trust Bank Limited
Agrabad Branch, Chattogram.

One Bank Limited
Agrabad Branch, Chattogram.

Pubali Bank Limited
Agrabad Branch, Chattogram.

Prime Bank Limited
Agrabad Branch, Chattogram.

Standard Chartered Bank
Chattogram Main Branch.

The City Bank Limited
Agrabad Branch, Chattogram.

Trust Bank Limited
CDA Avenue Branch, Chattogram.

United Commercial Limited
Agrabad Branch, Chattogram.

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

CG AUDITOR
Ahmed Zaker & Co.
Chartered Accountants
74, Sk. Mujib Road, Agrabad, C/A
Chattogram – 4100.

TAX ADVISOR
M.A Mallick & Co.
Chartered Accountants
Aziz Chamber (2nd floor),
6, Jubilee Road, Chattogram.

CREDIT RATING AGENCY

Credit Rating Information and Services Limited (CRISL)

Registered Office :
"Confidence Heights"
Plot-1, Lane-1, Road-2, Block-L,
Halishahar H/E,
Agrabad Access Road, Chattogram.

Liaison Office :
Ispahani Building (3rd floor)
14-15, Motijheel C/A, Dhaka.
Phone : +880 2 9562431, Fax : +880 2 9565317
e-mail : ccldhk@bbts.net

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

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 39 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, Confidence Electric Limited, Confidence Batteries Limited and Zodiac Dredging Limited.

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.

Mr. Rupam Kishore Barua, Vice Chairman 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. He is a member of Audit Committee of the Confidence Cement Limited.

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.



Mr. Rupam Kishore Barua
Vice Chairman

BOARD OF DIRECTORS



Mr. Imran Karim
Vice Chairman

Mr. Imran Karim joined Confidence Group in 2003 as the Director of Confidence Cement Limited and Confidence Power Limited. Mr. Karim has been serving as Vice-Chairman of Confidence Cement Limited as well as Confidence Group. 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.



Mr. 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 a member of the Audit Committee of Confidence Cement Limited. 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.

BOARD OF DIRECTORS



Mrs. 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.



Mr. 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.

FAMILY STOCK

BOARD OF DIRECTORS



Group Captain (Retd.) **Shamsul Alam,**
Swadhinota Padak, Bir Uttam, psc
Director

Group Captain (Retd.) Shamsul Alam, Swadhinota Padak, Bir Uttam, psc, has been nomited by Confidence Steel Limited to represent as director in the Board of Confidence Cement Limited. He is a member of the Nomination and Remuneration Committee of the Company. He joined Pakistan Air Force in 1964 in GD (P) Branch to become a Fighter Pilot, Bomber Pilot and Transport Pilot. After 25th March, 1971 then Flt. Lt. Shamsul Alam, while being posted at PAF Base, Chaklala, escaped from West Pakistan to join our freedom struggle. He was one of the key founding members of Bangladesh Air Force which was established in exile as KILO FLIGHT on 28th Sept, 1971 in India. He lead first operational night strike mission from an airfield of eastern India with a converted Single Engined OTTER Aircraft with Rockets, Bombs and Guns on the night of 3rd December, 1971 to destroy all fuel storage tanks of Eastern Refinery, Chittagong at 00:10 hrs. mid night of 4th December, 1971. After this successful mission the total fuel supply source of Pakistani Military Establishments was neutralised from 4th December, 1971. For this act of valour and courage Flt. Lt. Shamsul Alam was awarded BIR UTTAM. Later for his further contribution in building Bangladesh Air Force after independence right from the scratch and as a recognition to his work Group Captain (Retd.) Shamsul Alam further received SWADHINOTA PADAK in 2017.

During his professional career in BAF he was responsible to establish and build the first Transport Flying Squadron of BAF. He was also assigned with the responsibility as a VVIP Captain to fly the AN-24 aircraft designated for our Father of Nation Bangabandhu Sheikh Mujibur Rahman. He commanded Transport Flying Squadron, Officer Commanding BAF Base Matiur Rahman, Commandant BAF Flying Training Academy, BAF Matiur Rahman and held other important professional assignments in Air HQ, BAF before his voluntary retirement.

After taking voluntary retirement from BAF in 1984 as a Group Captain, Shamsul Alam entered into business world from 1985. After establishing and undertaking numerous successful trading business ventures dealing in imported FMCG, Food and Dairy Products of international brands, Shamsul Alam joined as a sponsor Director of Confidence Cement Ltd. right from its inception and held its position as first founding Chairman. Subsequently he joined other commercial ventures of Confidence Group in phases.

Group Captain (Retd.) Shamsul Alam is happily married with wife and two children. He is actively involved in various socio-cultural activities and an ardent lover of music, spends his leisure time reading books.



Mr. 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.

After successful completion of 1st tenure as Independent Director of the company then He had been re-appointed for the 2nd term as Independent Direcor. He is the Chairman of the Audit Committee and Nomination and Remuneration Committee of the Company.

BOARD OF DIRECTORS



Mr. 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. After successful completion of 1st tenure as Independent Director of the company then He had been re-appointed for the 2nd term as Independent Direcor. He is a member of the Audit Committee and Nomination and Remuneration Committee of the Company.

Mr. Zahir Uddin Ahmed, Managing Director of Confidence Cement Ltd. He completed his M.Com (Management) in 1994 from University of Chittagong.

He started his career with Confidence Cement Limited and till now serving the company as Managing Director.

He has completed the Executive Management Training from AOTS Japan in 2005. He visited in Japan, Turkey, China, Singapore, Malaysia, India, Thailand, Srilanka, Maldives, Myanmar, Nepal, Bhutan, and Saudi Arabia. He is the chief architect of Performance with Purpose of Confidence Cement's pledge to do what's right for the business by being responsive to the needs of the demand of time. As part of Performance with Purpose, Confidence Cement is focusing on delivering sustained growth by making more qualitative products, protecting the environment and empowering the employees and people in the communities we serve.

He is engaged with various socio cultural organizations. He is the active member of International Lions Club. He was the Ex-President of Lions Club of Chittagong Karnafully. He was the Ex- Cabinet Treasurer of Lions Club International District 315 B4.He is a permanent member of Chittagong Boat Club.



Mr. Zahir Uddin Ahmed
Managing Director

Image gallery



The Board of Directors at 26th Annual General Meeting



A view of inaguration ceremony of Sadorghat Lighter Jetty-5



View of Retailors' Conference-2018 hosted by Confidence Cement Ltd.

STOCK

Image gallery



Karnaphuli Tunnel , one of the first tract development projet of the Government. Confidence Cement is one of the elated partner for being supplied cement to it.



Partial view of honorable shareholders presence at 26th Annual General Meeting



A view of Confidence Cement Peninsula Premier League-2018 sponsored by Confidence Cement Ltd.

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/18493/18

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 : February 18, 2018		**Valid up to:** February 17, 2019
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. 1,050.00	*blr A+*
	**WCLO of Tk.97.30	*blr A+*
Bank Asia Limited	WCL of Tk.680.00	*blr A+*
City Bank Ltd.	WCL of Tk.1,430.00	*blr A+*
	WCLO of Tk.20.00	*blr A+*
One Bank Limited	WCL of Tk.500.00	*blr A+*
Eastern Bank Limited	WCL of Tk.651.00	*blr A+*
	***TLO of Tk.0.00	*blr A+*
HSBC	WCL of Tk.64.64	*blr A+*
Mutual Trust Bank Ltd.	WCL of Tk.800.00	*blr A+*
Trust Bank Ltd.	WCL of Tk.950.00	*blr A+*
Pubali Bank Ltd.	WCL of Tk.750.00	*blr A+*
	TLO of Tk.256.13	*blr A+*
IPDC	WCLO of Tk.203.00	*blr A+*

WCL-Working Capital Limit, ***WCLO-Working Capital Loan Outstanding, * 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 profitable business performance, adequate infrastructural arrangement, increased capacity, experienced and qualifid management team, regular loan repayment history etc. However, the above are constrained, to some extent, by factors such as long cash conversion cycle, debt based capital structure, increasing bank dependency, fall of profitability from core operation, 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 1,350,000 M. Ton.

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

Address:
CRISL
Nakshi Homes
(4 th& 5 thFloor)
6/1A, Segunbagicha,
Dhaka-1000
Tel: 9530991-4
Fax: 88-02-953-0995
Email:
crisldhk@crislbd.com

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 and Selling

DATE OF INCORPORATION
May 02, 1991

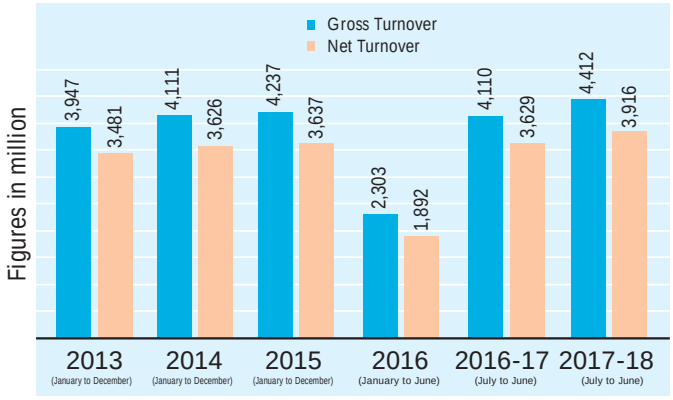
CHAIRMAN
Engr. Rezaul Karim

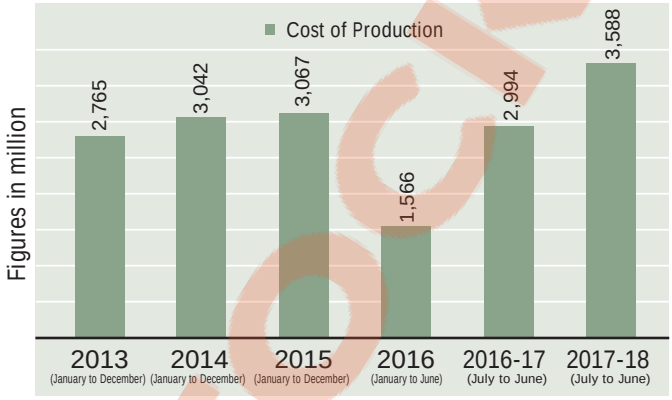
EQUITY
Tk.3,783.76 million

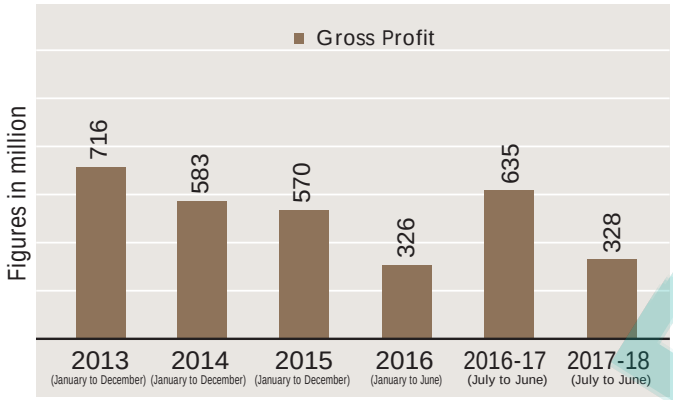
TOTAL ASSETS
Tk.7,724.06 million

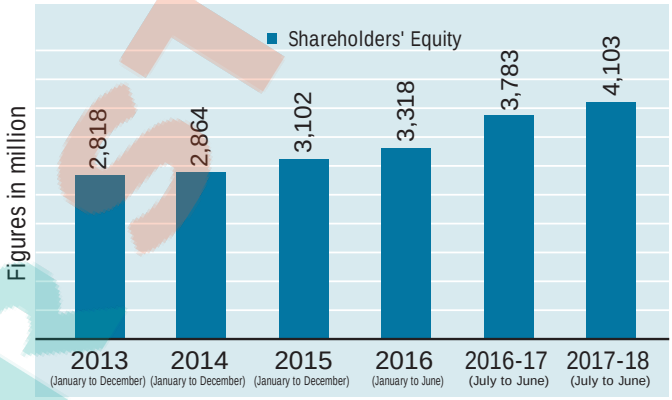
The flagship concern of Confidence Group

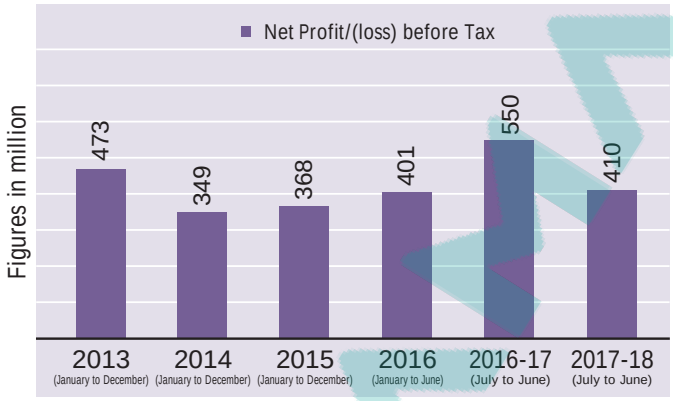
Graphical Presentation of the Financial Highlights

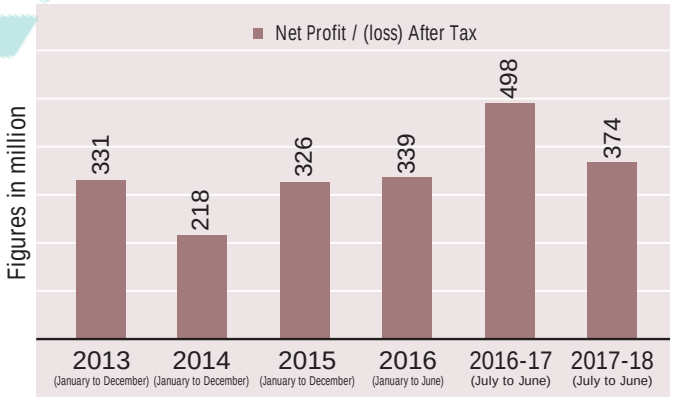


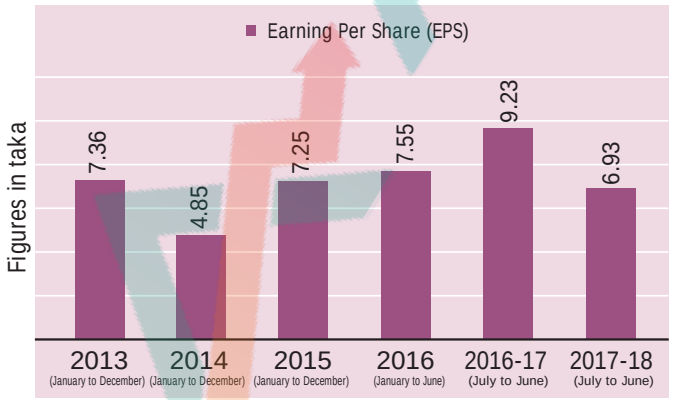


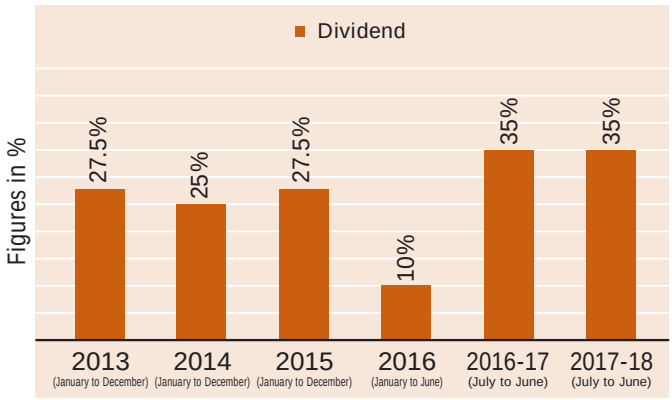






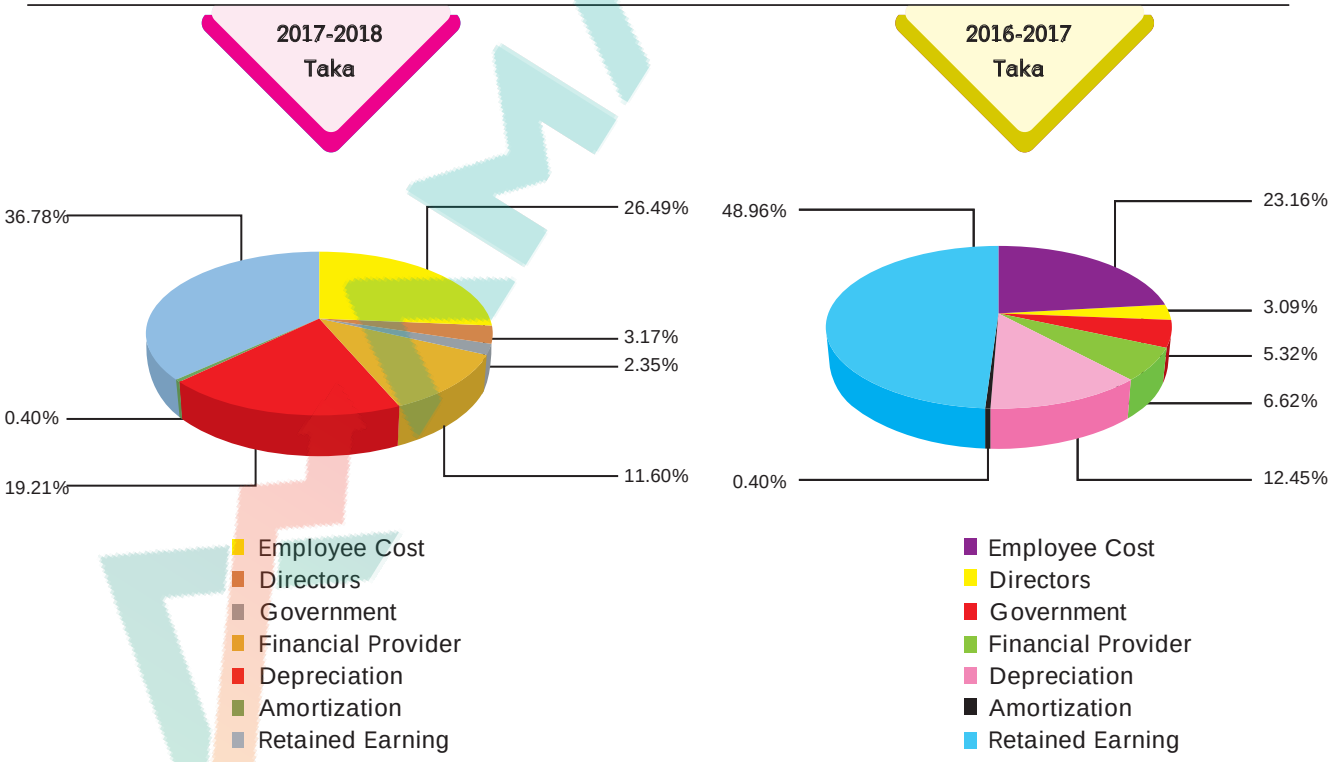






Value Added Statement

Value Added	2017-2018 Amount in Tk.	% %	2016-2017 Amount in Tk.	% %
Revenue	3,916,783,517		3,629,375,210	
Other Income	499,736,842		462,684,700	
	4,416,520,359		4,092,059,910	
Payment to suppliers for materials & other services	(3,398,967,969)		(3,074,618,314)	
	1,017,552,390	100.00%	1,017,441,596	100.00%
Distribution as follows				
Employee Cost	269,533,799	26.49%	235,661,984	23.16%
Directors	32,299,913	3.17%	31,436,364	3.09%
Govt.	23,895,777	2.35%	54,098,708	5.32%
Finance Provider	118,053,117	11.60%	67,324,185	6.62%
	443,782,606	43.61%	388,521,241	38.19%
Retained for Re-investment & future growth				
Depreciation	195,473,323	19.21%	126,721,211	12.45%
Amortization	4,056,138	0.40%	4,075,000	0.40%
Retained Earning	374,240,323	36.78%	498,124,144	48.96%
	573,769,784	56.39%	628,920,355	61.81%
	1,017,552,390	100.00%	1,017,441,596	100.00%



Others Financial information, Ratio analysis & Manpower position :

Taka in '000

Particulars	01 July,2017 to 30 June,2018	01 July,2016 to 30 June,2017	01 January,2016 to 30 June,2016	01 January,2015 to 31 December,2015	01 January,2014 to 31 December,2014	01 January,2013 to 31 December,2013
Other Financial Information						
No. of Share	539,922	44,993,520	44,993,520	44,993,520	44,993,520	44,993,520
Earning per share	Tk. 6.93	Tk. 9.23	Tk. 10.22	Tk. 7.25	Tk. 4.85	Tk. 7.36
Cash Dividend	15.00%	15.00%	10.00%	27.50%	25.00%	27.50%
Stock Dividebd	20.00%	20.00%	-	-	-	-
Net Asset value per share	Tk. 76.00	Tk. 84.01	Tk. 73.72	Tk. 68.95	Tk. 63.67	Tk. 62.64
Net operating Cash flow per share	Tk. (9.41)	Tk. 9.35	Tk. 7.84	Tk. 9.02	Tk. (2.72)	Tk. 8.39
Ratio Analysis :						
Current Ratio	0.85:1	0.84:1	1.01:1	1.05:1	1.13:1	1.52 :1
Quick Ratio	0.38:1	0.70:1	0.87:1	0.92:1	0.94:1	1.34:1
Debt/Equity ratio	1.00:1	1.04:1	0.88:1	0.79:1	0.76:1	0.60:1
Gross Profit to Sales	8.39%	17.51%	16.22%	15.68%	16.09%	20.57%
Net Profit to Sales	9.55%	15.17%	12.04%	8.97%	16.01%	9.51%
Return on Capital Employeed	9.22%	13.59%	21.53%	10.88%	10.88%	15.12%
Return on Equity	9.49%	14.03%	21.54%	7.19%	5.16%	12.47%
Price earning ratio	21.93	10.54	5.45	10.54	16.64	16.83
Interest Coverage Ratio	3.49 times	8.18 times	6.48 times	4.57 times	5.38 times	4.52 times
Dividend coverage ratio	0.20 times	.32 times	0.39 times	.29 times	.19 times	0.29 times
Asset Turnover ratio	0.88 times	.90 times	1.53 times	.96 times	.89 times	1.08 times
Market price per share as on June / Dec.	Tk. 156.50	Tk. 134.60	Tk. 80.70	Tk. 86.60	Tk. 106.07	Tk. 123.90
Manpower Position :						
Managers & Officer	175	190	172	160	151	129
Staffs	415	438	430	440	417	285
Workers	190	259	240	242	238	250
Total Manpower position	**780**	**887**	**842**	**842**	**806**	**664**

Directors' Report

For the period ended 30 June 2018

Dear Shareholders

It is my great privilege and honor to welcome you all at the 27th 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, 2018 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-I (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 7.65 percent in 2017-2018.

The average growth rate is projected at above 08% percent over the next Five Years Plan (2016-2020) period. Bangladesh exports increased to about US$ 36.67 billion in 2018, and country's GDP per capita - USD1,751 (2018).

Growth in FY 2018 (ended 30 June 2018) was higher than expected as consumption picked up in response to rising income, and as public investment strengthened. Inflation was lower than projected, due to slow down in cost of food.

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 nine top priority Fast Track Projects costing around $50 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 large power plant 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) Karnaphuli Tunnel project : USD 1.20 billion
g) Chattogram -Cox's bazar Rail Line project : USD 2.20 billion
h) Chattogram Water-logging mitigation projet: USD 0.67 billion
i) Elevated Express Way from Chattogram Lalkhan Bazar to Shah Amanat International Airport : USD 0.39 billion.

The cement industry of Bangladesh is the 40th largest market in the world. Bangladesh is one of the fastest developing countries and its has a broader scope of growth for cement sector 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.

Financial Results

In 2017-18, total revenue of the Company was Tk. 3,917 million, an increase of Tk. 287 million from 2016-17,resulting 7.92% higher revenue over last year . But Gross profit has reduced by 48.27% compared to 2016-17 due to lower selling price for volatile market scenario than expected, increased raw & packing materials and factory overhed cost.

The operating cost has decreased 37% due to less commission paid to dealers on the other financing cost has increased by 75% over last year because of the end of January 2018, the third unit has commercialized to production and the interest charged on the financing against it and the company was not able to get expected level of production for the period under review. In 2017-18, net profit after tax of the Company was Tk. 374 million while Tk. 498 in 2016-17. The operating financial results of the Company for the year ended 30 June, 2018 as compared to previous year is summarized hereunder:

Particulars	2017-18 Taka	2016-17 Taka
Net turnover	3,916,783,517	3,629,375,210
Gross profit	328,639,727	635,350,277
Profit before income tax	410,613,343	550,632,198
Provision for taxation	36,373,020	52,508,054
Net profit after tax	374,240,323	498,124,144
Gross profit to Turnover	8.39%	17.51%
Net profit to Turnover	9.55%	13.72%
Earning per share (EPS)	Tk 6.93	Tk 9.23

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 Confidence Batteries Limited. During the period under review of year ended 30 June 2018, Tk. 438.35 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	2017-2018 Taka	2016-2017 Taka
Confidence Power Limited	25%	85,759,026	60,611,797
Confidence Electric Limited	49%	340,026,826	146,170,803
Confidence Batteries Limited	49%	12,562,816	-
Energypac Confidence Power Venture Limited	nil	-	30,976,685
		438,348,669	237,759,285

The company had transferred the entire share of Energypac Confidence Power Venture Limited, one of its associates company, with sales consideration for an amount 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 577,192 M.T as against 520,736 M.T in previous period and at Ready-mix plant 1,514,373 cft as against 1,151,249 cft in previous period which is summarized in the following table:

			2017-18	2016-17
Cement Plant	Production	M.T	577,192	520,736
	Capacity Utilization	(%)	55	69
Ready-mix Plant	Production	Cft	1,514,373	1,151,249
	Capacity Utilization	(%)	63	48

Sales

The overall sales performance for the year ended 30 June 2018 showed a steady upward trend. During the period under review sales increased at Cement Plant by 10.84% in quantity and 6.09% in value due to timely excellent market policy taken by the management .On the other side sales also increased at Ready-mix Plant by 31.54% in quantity and 25.58% 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	2017-18		2016-17		Groiwth %	
		Qty	Tk.	Qty	Tk.	Qty	Tk.
Cement Plant	M.T	577,192	3,484,458,471	520,736	3,284,597,764	10.84	6.08
Ready mix Plant	Cft	1,514,373	432,325,046	1,151,249	344,777,446	31.54	25.39

Contribution to the National Exchequer

The company contributed total amount of Tk. 884,961,553 to 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	2017-18 Taka	2016-17 Taka
Vat	495,483,038	479,989,492
Customs duty	229,203,462	147,138,103
Advance income tax	160,275,053	129,149,144
Total Taka	**884,961,553**	**756,276,739**

Dividend

The Board of Directors of Confidence Cement Limited recommended for declaration of dividend @ 35%(@15% cash and @ 20% bonus) for the year ended 30 June 2018 subject to approval in 27th Annual General Meeting.

Appointment and re-appointment of Directors

As per Section 91(2) of the Companies Act 1994 and Articles 127 of the Articles of Association of the Company, Mr. Rupam Kishore Barua and Mr. Salman Karim both Directors shall retire by rotation from the Board in the ensuing 27th 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 Managing Director

Mr. Rupam kishore Barua has tendered the resignation letter to the company seeking released from the post of Managing Directors by showing personal reason i.e. unable to continue as Managing Director and expressed to continue as Director only and that the Board of Directors of the company received the resignation letter so tendered by Mr. Rupam Kishore Barua by its Meeting held on 30 January 2018 and that the Board of Directors in the same meeting appointed Mr. Zahir Uddin Ahmed as Managing Director of the company for the period of three years with effect from 01 February, 2018. The appointment of Mr. Zahir Uddin Ahmed as Managing Director of the Company is being placed at the ensuing 27th Annual General Meeting of the company for the approval of honorable shareholders.

Appointment of Statutory Auditors:

The Current Auditors of the Company- M/s. Rahman Mostafa Alam & Co., Chartered Accountants retires at the ensuing General Meeting. They have satisfactorily completed audit of accounts of your company for the second year. Being eligible in terms of the conditions imposed by the Bangladesh Securities and Exchange Commission vide its Order No. SEC/CMRRCD/2009-193/174/Admin/61 dated 08/07/2015; they seek reappointment for the next term. The honorable shareholders are therefore requested to appoint Auditors for the next term and to fix their remuneration.

Appointment of Corporate Governance Compliance Auditors

Every year our Company obtains a certificate from a Practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Codes of the Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. BSEC/CMRRCD/2006 -158/207/Admin/80 dated 3 June 2018. During the year under review M/s. Ahmed Zaker & Co., Chartered Accountants, has issued the Compliance Certificate.

M/s. Ahmed Zaker & Co., Chartered Accountants expressed their interest to be appointed as Corporate Governance Compliance Auditors of the Company for the year 2018-2019. The company has received the letter of interest from M/s. Ahmed Zaker & Co., Chartered Accountants expressing willingness to be appointed as Corporate Governance Compliance Auditors for the year ending 30 June 2019, which is to be placed in the ensuing 27th Annual General Meeting for approval of honorable shareholders.

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. Mr. A.Z.M. SazzadurRahman	(Independent Director)	Chairman
2. Mr. Rupam Kishore Barua	(Vice Chairman)	Member
3. Mr. Shah Muhammed Hasan	(Director)	Member
4. Mr. A.K Rashiduddin Ahmed	(Independent Director)	Member

Nomination and Remuneration Committee of the Board

In pursuance of the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, the Board of Directors of the Company has constituted the Nomination and Remuneration Committee to set the principles, parameters and governance framework for the nomination and remuneration of the Directors, Key Managerial Personnel, top-level Executives and other employee comprising the senior management. The Composition of the Nomination and Remuneration Committee is given below:

1. Mr. A. Z. M. Sazzadur Rahman	(Independent Director)	Chairman
2. Mr. Shamsul Alam BU	(Director)	Member
3. Mr. A.K. Rashiduddin Ahmed	(Independent Director)	Member

Subsequent Events:

Nothing happened affecting financial position of the company since end of the financial year under review save and except that the Board of Directors constituted the Nomination and Remuneration Committee as a sub-committee of the Board in its meeting held on 11th August 2018 and recommended for declaration of 35% dividend (15 % cash & 20 % Stock) for the year ended 30th June 2018 in its meeting held on 29th October 2018 subject to the approval thereof by the shareholders in the forthcoming Annual General Meeting.

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 inconformity 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 most of the relevant guidelines of Bangladesh Securities and & Exchange Commission's (BSEC) Notification no.SEC/CMRRCD/2006-158/134/Admin/80 dated 3 June 2018 and the few are under process to comply with in the stipulated time bound. The compliance report is appended herewith as Annexure-C. Further, a Certificate of Compliance required underthe said Guidelines, is provided by M/s. Ahmed Zaker & Co, Chartered Accountants also annexed to this report in Annexure-B.

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 StockExchange (DSE), Chittagong Stock Exchange (CSE) , the Company'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

Date : October 29, 2018

Engr. Rezaul Karim
Chairman



AMAR STOCK

পরিচালকমন্ডলীর প্রতিবেদন
৩০শে জুন ২০১৮ সালের সমাপ্ত বছরের জন্য

সম্মানিত শেয়ারহোল্ডারবৃন্দ

কনফিডেন্স সিমেন্ট লিমিটেড এর ২৭তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। মাননীয় পরিচালকমন্ডলীর পক্ষ থেকে ৩০শে জুন ২০১৮ 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 শতাংশের উপরে অর্জিত হয় তারই ধারাবাহিকতায় ২০১৭-১৮ অর্থ বছরে তা ৭.৬৫শতাংশে উন্নীত হয়। আগামী পঞ্চ বার্ষিক পরিকল্পনায় (সময়সীমা ২০১৬-২০২০) তা বৃদ্ধি করে ৮ শতাংশে উন্নীত করার প্রত্যাশা করা হয়। ২০১৭ সালে বাংলাদেশের রপ্তানী আয় ৩৬.৬৭ বিলিয়ন মার্কিন ডলারে উন্নীত হয়েছে এবং মাথাপিছু গড় জিডিপি ১৭৫১ মার্কিন ডলারে দাঁড়িয়েছে।

২০১৮ সালের ৩০শে জুন অর্থবছরে, জনসাধারণের আয় বৃদ্ধি পাওয়ার কারনে বিনিয়োগ বৃদ্ধি পেয়েছে ফলে প্রবৃদ্ধিও অপ্রত্যাশিত ভাবে বৃদ্ধি পায়। অন্যদিকে খরচ কম হওয়াতে মুদ্রাস্ফীতি প্রত্যাশার তুলনায় কম ছিল।

সময়ের প্রেক্ষিতে, বাংলাদেশ সর্বক্ষেত্রে উন্নয়নের স্বাক্ষর রেখেছে। নগরায়ন অর্থনৈতিক সমৃদ্ধির প্রতিচ্ছবি, যা অবকাঠামোগত উন্নয়ন ও নির্মাণের উপর নির্ভর করে। প্রায় ৫০ বিলিয়ন মার্কিন ডলার ব্যয়ে গৃহীত সাতটি 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 মার্কিন ডলার
২. রূপপুর পারমাণবিক বিদ্যুৎ কেন্দ্র ঃ ১৩.৬৫ বিলিয়ন মার্কিন ডলার
৩. পায়রা সমুদ্র বন্দও ঃ ১৫ বিলিয়ন মার্কিন ডলার
৪. মাতারবাড়ী ও রামপালের কয়লা ভিত্তিক বিদ্যুৎ কেন্দ্রগুলোতেঃ ৪.৬ বিলিয়ন মার্কিন ডলার + ১.৫ বিলিয়ন মার্কিন ডলার
৫. মেট্রো রেল ও এল.এন.জি-টারমিরালঃ ২.৭০ বিলিয়ন মার্কিন ডলার + ৫বিলিয়ন মার্কিন ডলার
৬. কর্ণফুলী টানেল প্রজেক্ট ঃ ১.২০ বিলিয়ন মার্কিন ডলার
৭. চট্টগ্রাম-কক্সবাজার রেললাইন প্রজেক্ট ঃ ২.২ বিলিয়ন মার্কিন ডলার
৮. চট্টগ্রাম জলবদ্ধতা নিরাসন প্রকল্পঃ ০.৬৭ বিলিয়ন মার্কিন ডলার
৯. এলিভেটেড এক্সপ্রেসওয়ে চট্টগ্রাম লালখান বাজার হতে শাহ আমানত আর্ন্তজাতিক বিমানবন্দর পর্যন্তঃ ০.৩৯ বিলিয়ন মার্কিন 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 প্রতিযোগিতামূলক সিমেন্টের বাজারে দাম বৃদ্ধি সময়োপযোগী।

আর্থিক ফলাফল

২০১৭-১৮ সালে কোম্পানীর মোট বিক্রয়লব্ধ অর্থ দাঁড়িয়েছে ৩,৯১৭ মিলিয়ন টাকা যা ২০১৬-১৭ সালের তুলনায় ২৮৭ মিলিয়ন টাকা বেশী, ফলশ্রুতিতে বিক্রয়লব্ধ অর্থ বৃদ্ধি পেয়েছে মাত্র ৭.৯২%। বিরাজমান বাজার অস্থিরতার কারণে প্রত্যাশার চেয়ে কম মূল্যে পণ্য বিক্রয়, কাঁচামাল, পিপি ব্যাগ এবং পণের উৎপাদন খরচ বৃদ্ধি পাওয়ায় মোট মুনাফা গত বছরের তুলনায় ৪৮.২৭% হ্রাস পেয়েছে।

অপরদিকে প্রত্যাশিত লক্ষ্যমাত্রায় বিক্রয় করতে না পারায় ডিলারদেরকে কম কমিশন দেওয়া হয়েছে যার কারনে পরিচালনা ব্যয় ৩৭% কমেছে। অপরপক্ষে তৃতীয় ইউনিট বাণিজ্যিক উৎপাদনে আসার কারণে ইহার বিনিয়োগের উপর সুদ আরোপিত হয়েছে কিন্তু পর্যালোচনাধীন আর্থিক বছরে এটি থেকে কাঙ্খিত মাত্রায় উৎপাদন পাওয়া যায়নি বিধায় বিগত বছরের থেকে ৭৫% আর্থিক খরচ বেড়েছে। ২০১৭-২০১৮ সালে কর পরবর্তী নীট মুনাফা হয়েছে ৩৭৪ মিলিয়ন টাকা, যা ২০১৬-১৭ সালে ছিল ৪৯৮ মিলিয়ন টাকা।

পূর্ববর্তী বছরের সাথে তুলনা করে ৩০শে জুন ২০১৮ সালের আর্থিক ফলাফল নিম্নে উপস্থাপন করা হলো ঃ

বিবরণ	২০১৭-১৮ টাকা	২০১৬-১৭ টাকা
নীট বিক্রয়	৩,৯১৬,৭৮৩,৫১৭	৩,৬২৯,৩৭৫,২১০
মোট মুনাফা	৩২৮,৬৩৯,৭২৭	৬৩৫,৩৫০,২৭৭
নীট মুনাফা কর পূর্ব	৪১০,৬১৩,৩৪৩	৫৫০,৬৩২,১৯৮
আয়কর সঞ্চিতি	৩৬,৩৭৩,০২০	৫২,৫০৮,০৫৪
কর পরবর্তী নীট মুনাফা	৩৭৪,২৪০,৩২৩	৪৯৮,১২৪,১৪৪
মোট আয়ের হার	৮.৩৯%	১৭.৫১%
নীট আয়ের হার (কর পরবর্তী)	৯.৫৫%	১৩.৭২%
শেয়ার প্রতি আয়	টাঃ ৬.৯৩	টা ঃ ৯.২৩

সহযোগী কোম্পানীগুলো হতে প্রাপ্ত মুনাফা

আপনারা ইতিমধ্যে অবগত আছেন যে, আপনাদের প্রতিষ্ঠান কনফিডেন্স পাওয়ার লিঃ, কনফিডেন্স ইলেকট্রিক লিঃ এবং কনফিডেন্স ব্যাটারিজ লিমিটেড নামের তিনটি সহযোগী প্রতিষ্ঠানে বিনিয়োগ করেছিল। ৩০শে জুন, ২০১৮ সালে, তারিখে সমাপ্ত বছরে উপরোক্ত তিনটি সহযোগী প্রতিষ্ঠান থেকে লাভের অংশ হিসেবে ৪৩৮.৩৫ মিলিয়ন টাকা অর্জিত হয়েছে।

নিম্নে সহযোগী প্রতিষ্ঠান সমূহের লাভের অংশের একটি তুলনামূলক তালিকার চিত্র তুলে ধরা হলঃ

প্রতিষ্ঠান	মালিকানা	জুলাই ২০১৭ জুন ২০১৮ টাকা	জুলাই ২০১৬ জুন ২০১৭ টাকা
কনফিডেন্স পাওয়ার লিমিটেড	২৫%	৮৫,৭৫৯,০২৬	৬০,৬১১,৭৯৭
কনফিডেন্স ইলেকট্রিক লিমিটেড	৪৯%	৩৪০,০২৬,৮২৬	১৪৬,১৭০,৮০৩
কনফিডেন্স ব্যাটারিজ লিমিটেড	৪৯%	১২,৫৬২,৮১৭	-
এনার্জিপ্যাক কনফিডেন্স পাওয়ার ভেঞ্চার লিমিটেড	-	-	৩০,৯৭৬,৬৮৫
		৪৩৮,৩৪৮,৬৬৯	২৩৭,৭৫৯,২৮৫

৩০শে এপ্রিল ২০১৭ ইং তারিখে অনুষ্ঠিত কনফিডেন্স সিমেন্ট লিমিটেড এর পরিচালনা পর্ষদের সভার সিদ্ধান্ত মোতাবেক, এনার্জিপ্যাক কনফিডেন্স পাওয়ার ভেঞ্চার লিমিটেড এর সম্পূর্ণ শেয়ার ৮০৭.৪৬ মিলিয়ন টাকায় এর সহযোগী প্রতিষ্ঠান এনার্জিপ্যাক কনফিডেন্স পাওয়ার ভেঞ্চার লিমিটেড এর নিকট বিক্রয় বাবদ হস্তান্তর করেন।

উৎপাদন

কোম্পানী আলোচ্য বছরে ৫৭৭,১৯২ মেঃ টন সিমেন্ট উৎপাদন করতে সক্ষম হয়েছে যা পূর্ববর্তী বছরে ছিল ৫২০,৭৩৬ মেঃ টন এবং এ বছর রেডিমিক্স শিল্পে ১,৫১৪,৩৭৩ সিএফটি (CFT) উৎপাদন করে যা পূর্ববর্তী বছরে ছিল ১,১৫১,২৪৯ সিএফটি (CFT)। নিম্নে গত দুই বছরের বার্ষিক উৎপাদন ছকে তুলে ধরা হল ঃ

			২০১৭-১৮	২০১৬-১৭
সিমেন্ট প্ল্যান্ট	উৎপাদন	মেঃ টন	৫৭৭,১৯২	৫২০,৭৩৬
	ক্ষমতা ব্যবহার	(%)	৫৫	৬৯
রেডিমিক্স প্ল্যান্ট	উৎপাদন	সিএফটি	১,৫১৪,৩৭৩	১,১৫১,২৪৯
	ক্ষমতা ব্যবহার	(%)	৬৩	৪৮

বিক্রয়

২০১৮ সালে ৩০শে জুন তারিখ পর্যন্ত বিক্রয় সাফল্য স্থায়ী উর্ধ্বমুখী প্রদর্শন করে। আলোচ্য বছর শেষে দেখা যায় যে, সিমেন্ট শিল্পে বিক্রয়ের পরিমান দিক থেকে যথাক্রমে ১০.৮৪% বৃদ্ধি পায় এবং মূল্যের দিক থেকে ৬.০৯% বৃদ্ধি পেয়েছে, যা ব্যবস্থাপনা কর্তৃপক্ষের সময়োপযোগী নীতি গ্রহন কারণে সম্ভব হয়েছে। অন্য দিকে রেডিমিক্স শিল্পের এবং মূল্যের দিকে যথাক্রমে বৃদ্ধি পেয়েছে ৩১.৫৪% এবং ২৫.৫৮%। 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।

বিবরন	ইউনিট	২০১৭-১৮		২০১৬-১৭		বৃদ্ধি (%)	
		পরিমান	টাকা	পরিমান	টাকা	পরিমান	টাকা
সিমেন্ট প্ল্যান্ট	মেঃ টন	৫৭৭,১৯২	৩,৪৮৪,৪৫৮,৪৭১	৫২০,৭৩৬	৩,২৮৪,৫৯৭,৭৬৪	১০.৮৪	৬.০৮
রেডিমিক্স প্ল্যান্ট	সিএফটি	১,৫১৪,৩৭৩	৪৩২,৩২৫,০৪৬	১,১৫১,২৪৯	৩৪৪,৭৭৭,৪৪৬	৩১.৫৪	২৫.৩৯

জাতীয় কোষাগারে অবদান

আলোচ্য বছরে কোম্পানী জাতীয় কোষাগারে মূল্য সংযোজন কর (ভ্যাট), আমদানী শুল্ক এবং অগ্রিম আয়কর বাবদ ৩০শে জুন ২০১৮, তারিখে মোট ৮৮৪,৯৬১,৫৫৩ টাকা প্রদান করেছে। নিম্নে খাতওয়ারী বিবরণ দেয়া হলো ঃ

জাতীয় রাজস্ব	২০১৭-১৮ টাকা	২০১৬-১৭ টাকা
মূল্য সংযোজন কর	৪৯৫,৪৮৩,০৩৮	৪৭৯,৯৮৯,৪৯২
আমদানী শুল্ক	২২৯,২০৩,৪৬২	১৪৭,১৩৮,১০৩
অগ্রিম আয়কর	১৬০,২৭৫,০৫৩	১২৯,১৪৯,১৪৪
	৮৮৪,৯৬১,৫৫৩	**৭৫৬,২৭৬,৭৩৯**

প্রস্তাবিত লভ্যাংশ

কনফিডেন্স সিমেন্ট লিমিটেড এর পরিচালনা পর্ষদ ২৭তম বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে ৩০শে জুন, ২০১৮ তারিখে সমাপ্ত অর্থ বছরের জন্য ৩৫% লভ্যাংশ, যার মধ্যে (১৫% নগদ এবং ২০% বোনাস) ঘোষনার সুপারিশ করেছেন।

পরিচালক মন্ডলীর নির্বাচন ও পুনঃ নিয়োগ

কোম্পানীর আইনের ৯১(২) ধারা এবং আর্টিকেলস অব এসোসিয়েশন ১২৭ এর বিধান অনুযায়ী পরিচালক মন্ডলীর দুজন সদস্য জনাব রূপম কিশোর বড়ুয়া এবং জনাব সালমান করিম ২৭তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। আর্টিকেলস অব এসোসিয়েশনের ১২৭ নং ধারা অনুযায়ী যোগ্য বিধায় অবসর গ্রহনকারী পরিচালকদ্বয় পুনঃ নির্বাচিত হওয়ার ইচ্ছা প্রকাশ করেছেন।

ব্যবস্থাপনা পরিচালক নিয়োগ ঃ

জনাব রূপম কিশোর বড়ুয়া ব্যক্তিগত কারণ দেখিয়ে ব্যবস্থাপনা পরিচালকের পদ থেকে অব্যাহতি চেয়ে কোম্পানীর পরিচালনা পর্ষদ সমীপে পত্র দিয়েছিল এবং শুধুমাত্র পরিচালক হিসেবে থাকার ইচ্ছা পোষন করেছে। পরিচালনা পর্ষদ ৩০ শে জানুয়ারী ২০১৮ তারিখে অনুষ্ঠিত ইহার সভায় জনাব রূপম কিশোর বড়ুয়ার পদত্যাগ পত্রটি গ্রহন করেছেন এবং উক্ত সভায় পরিচালনা পর্ষদ জনাব জহির উদ্দিন আহমদকে ব্যবস্থাপনা পরিচালক হিসেবে ৩ (তিন) বছরের জন্য নিয়োগ দিয়েছেন যা ০১ ফেব্রুয়ারী ২০১৮ তারিখ থেকে কার্যকর। জনাব জহির উদ্দিন আহমদকে ব্যবস্থাপনা পরিচালক হিসেবে পরিচালনা পর্ষদ কর্তৃক নিয়োগ দানের বিষয়টি আসন্ন ২৭তম বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডারগণের অনুমোদনের জন্য উপস্থাপন করা হল।

বিধিবদ্ধ নিরীক্ষক নিয়োগ

কোম্পানীর বর্তমান নিরীক্ষক রহমান মোস্তফা আলম এন্ড কোং, চাটার্ড একাউন্ট্যান্টস আসন্ন বার্ষিক সাধারণ সভায় পদত্যাগ করবেন। তারা দ্বিতীয়বারের মত সন্তোষজনকভাবে আপনাদের কোম্পনীর হিসাব নিরীক্ষা সম্পন্ন করেছে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের অর্ডার নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৭৪/ প্রশাসন/৬১ তারিখ ০৮ জুলাই, ২০১৫ এর শর্ত মোতাবেক যোগ্য বিধায় পরবর্তী মেয়াদের জন্য পুনঃনিয়োগ চেয়েছেন। অতএব সম্পানিত শেয়ারহোল্ডারগনকেপরবর্তী মেয়াদের জন্য নিরীক্ষক নিয়োগ ও তাঁদের পারিশ্রমিক নির্ধারনের জন্য অনুরোধ করছি।

কর্পোরেট গর্ভন্যান্স নিরীক্ষক নিয়োগ

প্রত্যেক বছর আপনাদের কোম্পানী বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের এ সংক্রান্ত সাম্প্রতিক নোটিফিকেশন নং-বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৯/২০৭/প্রশাসন/৮০ তারিখ ০৩ জুন ২০১৮ অনুযায়ী এই কাজে নিয়োজিত পেশাদারগণের নিকট হতে কর্পোরেট গর্ভন্যান্স কমপ্লায়েন্স নিরীক্ষ সম্পন্ন করে সার্টিফিকেট সংগ্রহ করে থাকে। আলোচ্য বছরে মেসার্স আহমেদ জাকের এন্ড কোং চাটার্ড একাউন্ট্যান্টস উক্ত নিরীক্ষা সম্পন্ন করে সার্টিফিকেট প্রদান করেছেন।

আপনাদের কোম্পানীর ২০১৮-২০১৯ হিসাব বছরের আলোচ্য নিরীক্ষার জন্য মেসার্স আহমেদ জাকের এন্ড কোং, চাটার্ড একাউন্ট্যান্টস, কর্পোরেট গর্ভন্যান্স নিরীক্ষক হিসেবে নিয়োগ লাভের আগ্রহ ব্যক্ত করেছেন এবং এই সংক্রান্ত একটি আগ্রহপত্র আপনাদের কোম্পানী মেসার্স আহমেদ জাকের এন্ড কোং, চাটার্ড একাউন্ট্যান্টস এর কাছ থেকে গ্রহন করেছে এবং আসন্ন ২৭তম বার্ষিক সাধারণ সভায় সম্মানিত শেয়ার হোল্ডারগনকে কর্পোরেট গর্ভন্যান্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণের জন্য অনুরোধ করছি।

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 নিরীক্ষার ক্ষেত্রসমূহ মূল্যায়ন করেছেন।

নিম্নবর্ণিত পরিচালকগণের সমন্বয়ে নিরীক্ষা কমিটি গঠিত হয় ঃ

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

পরিচালনা পর্ষদের নমিনেশন এন্ড রেম্যুনারেশন কমিটি

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের জারীকৃত নোটিফিকেশন নং-বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/প্রশাসন/৮০ তারিখ ০৩ জুন ২০১৮ অনুসারে কোম্পানীর পরিচালক এবং উচ্চ পদস্থ কর্মকর্তাসহ অন্যান্য কর্মচারীদের মনোনয়ন ও পারিশ্রমিক নির্ধারণের নীতি, পরিনীতি এবং কাঠামো প্রস্তুতের জন্য নমিনেশন এন্ড রেম্যুনারেশন কমিটি গঠন করেছে।

নিম্নবর্ণিত পরিচালকগণের সমন্বয়ে নমিনেশন এন্ড রেম্যুনারেশন কমিটি গঠিত হয়েছেঃ

১. জনাব এ.জেড.এম. সাজ্জাদুর রহমান	(পরিচালক স্বতন্ত্র)	চেয়ারম্যান
২. জনাব শামসুল আলম, বীর উত্তম	(পরিচালক)	সদস্য
৩. জনাব এ. কে. রশিদ উদ্দিন আহমেদ	(পরিচালক স্বতন্ত্র)	সদস্য

পরবর্তী ঘটনাবলীঃ

পর্যালোচনাধীন আর্থিক বছরের পরবর্তী সময়ে কোম্পানীর আর্থিক অবস্থাকে প্রভাবিত করে এমন কোন ঘটনা ঘটেনি, শুধুমাত্র পরিচালনা পর্ষদ ১১ আগষ্ট ২০১৮ তারিখে অনুষ্ঠিত পর্ষদ সভায় উহার উপকমিটি হিসেবে নমিনেশন এন্ড রেম্যুনারেশন কমিটি গঠন করেছে এবং ২৯শে অক্টোবর ২০১৮ তারিখে অনুষ্ঠিত পর্ষদ সভায় সম্মানিত শেয়ারহোল্ডারগনের অনুমোদন সাপেক্ষে ৩০ শে জুন ২০১৮ সমাপ্ত বছরের জন্য ৩৫% লভ্যাংশ (১৫% নগদ এবং ২০% বোনাস) ঘোষনার জন্য সুপারিশ করেছেন।

কর্পোরেট গর্ভনেন্স

কোম্পানীর পরিচালনা পর্ষদ কর্পোরেট গর্ভনেন্সের সর্বোচ্চ মান নিয়ন্ত্রন এবং তা প্রকাশে বদ্ধ পরিকর। পরিচালনা পর্ষদ একটি দক্ষ কর্পোরেট গর্ভনেন্সের 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 প্রণয়নে এবং কোম্পানী কাজের উপর সুনির্দিষ্ট নজরদারি প্রতিষ্ঠিত করার জন্য নীতি প্রণয়ন করেছেন।

আমরা আপনাদের এই মর্মে নিশ্চিত করছি যে কোম্পানী বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন নোটিশ নং- বিএসইসি/সি এম আর আর সি ডি/২০০৬-১৫৮/২০৭/প্রশাসন/৮০ তারিখঃ ৩ জুন, ২০১৮ অনুযায়ী অধিকাংশ নির্দেশনা পরিপালন করা হয়েছে এবং স্বল্পসংখ্যক প্রক্রিয়াধীন আছে যা নির্দিষ্ট সময়ের মধ্যে পরিপালন করা হবে।অত্র প্রতিবেদনে কোম্পানীর কমপ্লায়েন্স রিপোর্ট-Annexure-C সংযুক্ত করা হয়েছে। মেসার্স আহমেদ জাকের এন্ড কোং, চাটার্ড একাউন্ট্যান্টস, কর্তৃক প্রতিপালন সার্টিফিকেট এ প্রতিবেদনে Annexure-B 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 এক্সচেঞ্জ (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 প্রতিদ্বন্দ্বিতা 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।

পরিচালকমন্ডলীর পক্ষে

তারিখ : অক্টোবর ২৯, ২০১৮

ইঞ্জিনিয়ার রেজাউল করিম
চেয়ারম্যান

Five years financial position :

Taka in '000

Particulars	01 July,2017 to 30 June,2018	01 July,2016 to 30 June,2017	01 January,2016 to 30 June,2016	01 January,2015 to 31 December,2015	01 January,2014 to 31 December,2014	01 January,2013 to 31 December,2013
ASSETS :						
Property,plant and equipment	4,155,323	1,766,555	1,853,306	1,896,919	1,935,796	2,009,478
Capital work in progress	90,949	2,269,838	1,194,499	717,995	316,436	108,267
Investment	101,031	366,395	243,549	237,880	291,747	342,801
Investment in associates	670,268	236,399	279,211	115,498	40,450	95,699
Total non-current assets	**5,017,571**	**4,639,187**	**3,570,565**	**2,968,292**	**2,584,429**	**2,556,245**
Inventories	756,294	524,280	381,682	332,230	396,304	233,412
Trade Receivables	1,022,014	859,585	762,689	762,506	739,052	583,170
Advances, deposits and prepayments	1,025,494	578,441	1,129,272	1,066,239	1,023,334	816,433
Other receivable	80,018	128,392	118,853	108,617	90,529	72,934
Short term investment in fixed deposits	250,000	130,613	144,599	148,489	126,099	140,028
Cash and cash equivalents	49,426	863,557	138,340	181,637	68,116	108,087
Total Current assets	**3,183,246**	**3,084,868**	**2,675,435**	**2,599,718**	**2,443,434**	**1,954,064**
Total Assets	**8,200,817**	**7,724,055**	**6,246,000**	**5,568,010**	**5,027,863**	**4,510,309**
EQUITY & LIABILITIES :						
Equity :						
Share Capital	539,922	449,935	449,935	449,935	449,935	449,935
Share Premium	658,090	658,090	658,090	658,089	658,090	658,090
General reserve	371,863	371,863	371,863	371,863	371,863	371,863
Revaluation reserve	537,636	577,705	675,261	697,895	743,162	786,921
Fair Value Reserve	-	-	-	-	(9,168)	42,911
Retained earnings	1,995,828	1,726,156	1,163,470	924,786	650,773	508,462
Total equity	**4,103,339**	**3,783,749**	**3,318,619**	**3,102,568**	**2,864,655**	**2,818,182**
LIABILITIES :						
Non-current liabilities						
Long term loans	89,642	-	3,150	4,308	67,044	78,725
Defined benefit obligation (Gratuity)	64,086	56,765	49,696	45,419	35,662	28,031
Deffered tax liability	209,785	210,536	235,426	233,009	302,316	303,248
Total non-current liabilities	**363,513**	**267,301**	**288,272**	**282,736**	**405,022**	**410,004**
Current Liabilities						
Trade payable	478,082	275,487	187,692	213,757	167,771	96,381
Short term loans	3,069,653	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	60,238	78,429	182,413	130,788	133,869	157,837
Other liability	125,992	123,629	260,395	122,648	105,138	105,657
Total Current Liabilities	**3,733,965**	**3,673,005**	**2,639,109**	**2,182,706**	**1,758,186**	**1,282,123**
Total Liability	**4,097,478**	**3,940,306**	**2,927,381**	**2,465,442**	**2,163,208**	**1,692,127**
Total equity and liabilities	**8,200,817**	**7,724,055**	**6,246,000**	**5,568,010**	**5,027,863**	**4,510,309**

Annexure I

Five Years Comprehensive Income Statement

Taka in '000

Particulars	01 July,2017 to 30 June,2018	01 July,2016 to 30 June,2017	01 January,2016 to 30 June,2016	01 January,2015 to 31 December,2015	01 January,2014 to 31 December,2014	01 January,2013 to 31 December,2013
Revenue	3,916,784	3,629,375	1,892,842	3,637,270	3,626,327	3,481,284
Cost of goods sold	(3,588,144)	(2,994,025)	(1,566,021)	(3,067,034)	(3,042,710)	(2,765,199)
Gross Profit	**328,640**	**635,350**	**326,821**	**570,236**	**583,617**	**716,085**
Selling & distribution expense	(107,520)	(98,094)	(35,262)	(83,090)	(66,462)	(51,168)
Administrative expense	(192,191)	(376,765)	(44,935)	(80,764)	(75,854)	(70,979)
Other operating income	8,195	5,944	2,032	5,031	2,722	13,046
Trading Profit	**37,124**	**166,435**	**248,656**	**411,413**	**444,023**	**606,984**
Finance cost	(118,053)	(67,324)	(33,672)	(86,159)	(65,011)	(100,907)
Finance Income	7,871	5,267	6,248	29,028	21,928	23,616
Profit before workers profit participation fund	**(73,058)**	**104,378**	**221,232**	**354,282**	**400,940**	**529,693**
Contribution to WPPF	-	(5,219)	(11,061)	(17,714)	(20,047)	(25,319)
Operating profit before income tax	**(73,058)**	**99,159**	**210,171**	**336,568**	**380,893**	**504,374**
Non-operating income	45,322	213,713	15,214	(44,764)	11,836	15
Share of profit / (loss) of associates (Net of tax)	438,349	237,760	176,044	76,397	(42,902)	(30,840)
Profit before income tax	**410,613**	**550,632**	**401,429**	**368,201**	**349,827**	**473,549**
Provision for income tax						
Current year	(23,896)	(54,098)	(51,624)	(96,279)	(116,128)	(128,240)
Deferred tax	(12,477)	1,590	(9,960)	54,218	(15,666)	(14,137)
Net profit after tax	**374,240**	**498,124**	**339,845**	**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	**374,240**	**498,124**	**339,845**	**326,140**	**165,954**	**432,638**
Earning per share	**6.93**	**9.23**	**7.55**	**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 2018 were as follows:

Name	Position	Meetings	
		Held	Attended
Engr. Rezaul Karim	Chairman	5	5
Mr. Rupam Kishore Barua	Vice Chairman	5	5
Mr. Imran Karim	Vice Chairman	5	5
Mr. Shah Muhammed Hasan	Director	5	4
Mrs. Runu Anwar	Director	5	5
Mr. Salman Karim	Director	5	5
Mr. Shamsul Alam BU	Director	5	5
Mr. A.Z.M. Sazzadur Rahman	Independent Director	5	5
Mr. A.K. Rashiduddin Ahmed	Independent Director	5	5
Mr. Zahir Uddin Ahmed	Managing Director	5	5

Annexure-III

Pattern of Shareholding :

a) Parent or Subsidiary or Associated companies and other related parties:
The company is not any subsidiary of any company or nor it has any parent company or any associates companies and other related parties which hold share of the company to report.

b) The Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children (name-wise details):

Sl. No.	Names	Position	Number of shares	Percentage
a)	Engr. Rezaul Karim	Director	3,823,189	7.08
	Spouse and Minor Children	xxxxx	Nil	0
b)	Mr. Rupam Kishore Barua	Director	2,529,374	4.68
	Spouse and Minor Children	xxxxx	Nil	0
c)	Mr. Shah Muhammed Hasan	Director	2,010,088	3.72
	Spouse and Minor Children	xxxxx	Nil	0
d)	Mr. Imran Karim	Director	1,857,882	3.44
	Spouse and Minor Children	xxxxx	Nil	0
e)	Mrs. Runu Anwar	Director	1,472,776	2.72
	Spouse and Minor Children	xxxxx	Nil	0
f)	Mr. Salam Karim	Director	1,094,917	2.03
	Spouse and Minor Children	xxxxx	Nil	0
g)	Mr. Shamsul Alam	Director	972,425	1.80
	Spouse and Minor Children	xxxxx	Nil	0
h)	Mr. A.Z.M. Sazzadur Rahman	Independent Director	Nil	0
	Spouse and Minor Children	xxxxx	Nil	0
i)	Mr. A.K. Rashiduddin Ahmed	Independent Director	Nil	0
	Spouse and Minor Children	xxxxx	Nil	0
j)	Mr. Zahir Uddin Ahmed	Managing Director	Nil	0
	Spouse and Minor Children	xxxxx	Nil	0
k)	Mr. Newaz Mohammed Iqbal Yousuf	Chief Financial Officer	Nil	0
	Spouse and Minor Children	xxxxx	Nil	0
l)	Mr. Md. Delowar Hossain ACS	Company Secretary	Nil	0
	Spouse and Minor Children	xxxxx	Nil	0
m)	Mr. Md. Sharif Billah Bhuiyan ACGA	Head of Internal Audit & Compliance	Nil	0
	Spouse and Minor Children	xxxxx	Nil	0

c) Executives – (Top 5 (five) salaried employees of the company other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit & Compliance):

Sl. No.	Names	Position	Number of shares	Percentage
a)	Mr. Md. Sohel Talukder	General Manger-Plant	0	0
	Spouse and Minor Children	xxxxx	0	0
b)	Mr. A B M Iftekher Alam Siddique	General Manager-Sales & Marketing	0	0
	Spouse and Minor Children	xxxxx	0	0
c)	Mr. Ashish Kanti Palit	Dy. General Manager-Sales & Marketing	1,440	0.003
	Spouse and Minor Children	xxxxx	0	0
d)	Mr. Adnanul Hadi Shikdar	Senior Manager-SCM	0	0
	Spouse and Minor Children	xxxxx	0	0
e)	Mr. Mobinul Islam	Senior Manager- Transport	0	0
	Spouse and Minor Children		0	0

d) Shareholders holding 10% or more voting interest in the company (name wise details): No such case to report.

Annexure - A
[As Per condition no. 1(5)(xxvi)]

Declaration by the Managing Director and Chief Financial Officer to the Board

Date: October 29, 2018.

The Board of Directors
Confidence Cement Limited
Agrabad Access Road
Chattogram

Subject: Declaration on Financial Statements for the year ended on 30 June 2018.

Dear Sirs,
Pursuant to the condition No. 1 (5) (xxvi) imposed vide the commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Confidence Cement Limited for the year ended on 30 June 2018 have been prepared in compliance with International accounting Standard(IAS) or International Financial Reporting Standards(IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
(5) Our internal auditors have conducted period audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; And
(6) The Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

(i) We have reviewed the financial statements for the year ended on 30 June 2018 and that to the best of our knowledge and belief:
   (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code for the company's Board of Directors or its member.

Sincerely yours,

Zahir Uddin Ahmed
Managing Director

Newaz Mohammed Iqbal Yousuf
Chief Financial Officer

Annexure - B
[As Per condition no. 1(5)(xxvi)]

AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS

HEAD OFFICE :
89 KAKRAIL, GREEN CITY EDGE (LEVEL 10), DHAKA 1000, BANGLADESH
WEBSITE: WWW. AHMED-ZAKER.COM, EMAIL : AZCBANGLADESH@AHMED-ZAKER.COM

Report to the Shareholders of Confidence Cement limited
on
Compliance on the Corporate Governance Code

We have examined the compliance Status to the Corporate Governance Code by **Confidence Cement limited** (`The Company') for the year ended on **30th June, 2018.** This Code relates to the Notification No. **BSEC/CMRRCD/2006-158/207/Admin/80,** deted **03 June, 2018** of the Bangladesh Securities and Exchange Commission.

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

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

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

a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;

b) The Company has complied with the provisions of the relevant Bangladesh secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as reqired by this Code;

c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

d) The Governance of the company is highly satisfactory.

Place: Chattogram
Dated: 07th November,2018

Ahmed Zaker & Co.
Chartered Accountants
Signed By: Arup Chowdhury FCA
Partner

GGi INDEPENDENT MEMBER

UTTARA OFFICE :
PLOT # 15 (G.FLOOR), ROAD # 17, SECTOR # 4, UTTARA MODEL TOWN. DHAKA-1230
CHITTAGONG OFFICE :
74, SK. MUJIB ROAD (3RD FLOOR) AGRABAD C/A, CHITTAGONG - 4100. EMAIL: ARUPSCHY@YAHOO.COM

Annexure-C

As per condition No. 1 [(5) (xvii)]

Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under condition No. 9)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.0	**BOARD OF DIRECTORS:**			
1.1	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		
1.2 1.2 (a)	**Independent Directors:** At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√		
1.2 (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company:	√		
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 financial year	√		
1.2 (b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company of its subsidiary / associated companies.	√		
1.2 (b) (v)	who is not a member or TREC holder, director or officer of any stock exchange.	√		
1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	√		
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1.2 (b) (viii)	Who is not an independent director in more than 5 (five) listed companies.	√		
1.2 (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.2(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1.2(b)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may extend for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e. three years from his or her completion of consecutive two tenures [i.e. six year)	√		
1.3(a)	**Qualification of Independent Director:-** Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	√		
1.3(b)(i)	Independent Director shall have the following qualifications: Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			No such case.
1.3(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or			No such case.
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	√		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			No such case.
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			No such case.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.3(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1.3(b)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission			No such circumstances arose.
1.4(a)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-** The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1.4(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1.4(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1.4(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1.4(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such circumstances arose.
1.5(i)	**Directors' Report to Shareholders:-** Industry outlook and possible future developments in the industry.	√		
1.5(ii)	Segment-wise or product-wise performance.	√		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1.5(iv)	A discussion on Cost of Goods sold ,Gross profit Margin and Net Profit Margin where applicable	√		
1.5(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1.5(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			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), Rights Offer, Direct Listing, etc. ;	√		
1.5(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5(x)	A statement of remuneration paid to the directors including independent directors;	√		
1.5(xi)	A statement that the financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1.5(xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1.5(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1.5(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1.5(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1.5(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			No such case.
1.5(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1.5(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			No such case.
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1.5(xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-**	√		
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1.5(xxiii)(c)	Executives; and			
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);			No such case.
1.5(xxiv)	**In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-**	√		
1.5(xxiv) (a)	A brief resume of the director;			
1.5(xxiv) (b)	nature of his or her expertise in specific functional areas; and	√		
1.5(xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		
1.5(xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:-**	√		
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements;			
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1.5(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;			
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;			
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and			
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.6	**Meetings of the Board of Directors:-** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1.7(a)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:-** The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			Under process.
1.7(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Under process.
2(a)	**Governance of Board of Directors of Subsidiary Company:-** Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			Under process.
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Under process.
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			Under process.
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			Under process.
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Under process.
3.1(a)	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-** The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
3.1(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3.1(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3.1(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3.1(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3.2	**Requirement to attend Board of Directors' Meetings:-** The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3.3 (a) (i)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3.3 (a) (ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4 (i)	**Board of Directors' Committee:-** Audit Committee; and	√		
4 (ii)	Nomination and Remuneration Committee.	√		
5.1 (a)	**Audit Committee:-** The company shall have an Audit Committee as a sub-committee of the Board;	√		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5.2 (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such circumstances arose.
5.2 (e)	The company secretary shall act as the secretary of the Committee;	√		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such circumstances arose.
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	√		
5.5 (a)	**Role of Audit Committee:** **The Audit Committee shall :-** Oversee the financial reporting process;	√		
5.5 (b)	monitor choice of accounting policies and principles;	√		
5.5 (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5.5 (d)	oversee hiring and performance of external auditors;	√		
5.5 (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5.5 (f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5.5 (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5.5 (h)	review the adequacy of internal audit function;	√		
5.5 (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5.5 (j)	review statement of all related party transactions submitted by the management;	√		
5.5 (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			No Such case
5.5 (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5.5 (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No Such case
5.6 5.6 (a) 5.6 (a) (i)	**Reporting of the Audit Committee** **Reporting to the Board of Directors** The Audit Committee shall report on its activities to the Board.	√		
5.6 (a) (ii) 5.6 (a) (ii) (a)	The Audit Committee shall immediately report to the Board on the following findings, if any:- report on conflicts of interests.			No such matter arisen.
5.6 (a) (ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such matter arisen.
5.6 (a) (ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such matter arisen.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5.6 (a) (ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such matter arisen.
5.6 (b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such matter arisen.
5.7	**Reporting to the Shareholders and General Investors:-** Report on activities carried out by the Audit Committee, including	√		
	Any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			No such matter arisen.
6 6.1 6.1 (a)	**Nomination and Remuneration Committee (NRC):** **Responsibility to the Board of Directors:-** The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			Under process
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).			Under process
6.2 6.2 (a)	**Constitution of the NRC:** The Committee shall comprise of at least three members including an independent director;	√		
6.2 (b)	All members of the Committee shall be non-executive directors;	√		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;			No such matter arisen.
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such matter arisen.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			To be complied within the prescribed time limit if it requires
6.2 (g)	The company secretary shall act as the secretary of the Committee;	√		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			To be complied within the prescribed time limit if it requires
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.			To be complied within the prescribed time limit if it requires
6.3 6.3 (a)	**Chairperson of the NRC:** The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			To be complied within the prescribed time limit if it requires
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:			To be complied within the prescribed time limit if it requires
6.4 6.4 (a)	**Meeting of the NRC** The NRC shall conduct at least one meeting in a financial year;			To be complied within the prescribed time limit if it requires
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			To be complied within the prescribed time limit if it requires
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			To be complied within the prescribed time limit if it requires
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			To be complied within the prescribed time limit if it requires
6.5 6.5 (a)	**Role of the NRC** NRC shall be independent and responsible or accountable to the Board and to the shareholders;			To be complied within the prescribed time limit if it requires
6.5 (b) (i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			Under process
6.5 (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			Under process

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
6.5 (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			Under process
6.5 (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			Under process
6.5 (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			Under process
6.5 (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;			Under process
6.5 (b) (v)	identifying the company's needs for employees at different levels and identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			Under process
6.5 (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;			Under process
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			Under process
7 7.1 7.1 (i)	External or Statutory Auditors The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- appraisal or valuation services or fairness opinions;	√		No such engagement.
7.1 (ii)	financial information systems design and implementation;			No such engagement.
7.1 (iii)	book-keeping or other services related to the accounting records or financial statements;			No such engagement.
7.1 (iv)	broker-dealer services; any service that the Audit Committee determines;			No such engagement.
7.1 (v)	actuarial services;			No such engagement.
7.1 (vi)	internal audit services or special audit services;			No such engagement.
7.1 (vii)	internal audit services or special audit services;			No such engagement.
7.1 (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and			No such engagement.
7.1 (ix)	any other service that creates conflict of interest	√		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		No such possession of shares.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8 8.1	**Maintaining a website by the Company:-** The company shall have an official website linked with the website of the stock exchange.	√		
8.2	The company shall keep the website functional from the date of listing.	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9 9.1	**Reporting and Compliance of Corporate Governance.-** The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.			To be obtained.
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			To be complied within the prescribed time limit.
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

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 composed of the following members:

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

Meeting and Attendance

During the year ended 30 June 2018 the Audit Committee held five 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:

Name	Position	Meetings	
		Held	Attended
Mr. A.Z.M. Sazzadur Rahman	Chairman	5	5
Mr. Rupam Kishore Barua	Member	5	5
Mr. Shah Muhammed Hasan	Member	5	4
Mr. A.K. Rashiduddin Ahmed	Member	5	5

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 process 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 of 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 systems 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 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 2017-2018.

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 ended on 30 June, 2018.

vi) Review of the un-audited second quarter report 2017-2018.

vii) Review of the un-audited third quarter report 2017-2018.

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 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 process 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 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.

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 observed that the Company complied relevant laws, rules and regulation and follows codes of ethics and standards of conducts.

The Committee 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 : October 29, 2018

A.Z.M. Sazzadur Rahman
Chairman

AMAR STOCK

Report of the Nomination and Remuneration Committee (NRC)

In pursuance of the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006 -158/207/Admin/80 dated 3 June 2018, the Board of Directors of the Company has constituted the Nomination and Remuneration Committee in its meeting held on August 11, 2018 to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The NRC formed by the Board in accordance with BSEC's Corporate Governance Code-2018 after the post event of financial year ended on 30 June 2018. NRC is designing its plan under its term of reference set by the Board and started to work ahead for next financial year 2018-2019. So no activities have been carried out by NRC to report for 2017-2018

The remunerations paid to all level of employees are determined by the pay scales as approved by the board of directors which are revised from time to time keeping consistence with other companies. The remuneration committee makes recommendation to the board for its considerations and final approval of remuneration related policy. Company's Human Resources Department fixes salaries and remunerations to the employees as per set pay scales mentioned above. Management ensures that all employees are remunerated fairly. Chief Executive Officer and other contractual employees receive a negotiated remuneration.

Terms of reference (TOR) of Remuneration Committee

Roles and responsibilities

The role of the remuneration committee is to assist and advise the Board to fulfill its responsibilities to members of the Confidence Cement Ltd. (CCL) on matters relating to the compensation, bonuses, incentives and remuneration issues of the Chief Executive Officer (CEO) and other (CCL) staff.

The remuneration committee is not a policy making body but assists the Board/EC by implementing board policy.

Objectives of committee include

- To review and recommend remuneration of the CEO within the terms of the employment contract triennially following the applicable Company regulations.
- To review the CEO's recommendations regarding remunerations of staff.
- To ensure staff remuneration is aligned with market trends.
- To monitor and review the staffs performance and key performance indicators for the determination of the annual bonus components.
- To review and recommend any incentive plans or exgratia payments to the CCL Staff.
- To review any employee grievance or staffs complaints about remuneration.
- To ensure that CCL's remuneration and incentive policies, practices and performance indicators are aligned to the board's vision, values and overall business objectives and are appropriately designed to:
- Motivate the CCL's staff and the CEO to pursue the long term growth success of PICL, and
- Demonstrate clear relationship between the achievement of CCL's objectives and the staff performance and remuneration.

In discharging their responsibilities, the committee members have a duty to act in the best interest of CCL as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

Composition and term

- The remuneration committee is a committee of the board.
- The committee will include at least three members.
- The committee should include one independent director.
- The committee will elect its chairman.
- The board shall approve all appointments to the committee including the appointment of the chairman.
- Appointment to the committee will be for two years or as determined by board.
- The duties and responsibilities of a member of the committee will be in addition to those duties set out for a director of the board.

Meetings

- The committee will hold meetings at least twice a year.
- The presence of two members will form quorum.
- The notice and agenda of meetings will include relevant supporting papers,as appropriate.
- The committee may invite any such other persons to attend as it seems fit, and consult with other persons or seek informationit considers necessary, to fulfill its responsibilities.

Secretariat Duties

- The company secretary will minute the matters arising from all meetings. The minutes will be ratified by members in attendance/discussion and signed by the chairman of the committee.
- The chairman of the committee will table the outcome of deliberations at the next board meeting.

Voting

- Any matters requiring a decision will be decided by a majority of votes of members present.
- The chairman shall have a casting vote.

The Composition of the Nomination and Remuneration Committee is given below:

Mr. A. Z. M. Sazzadur Rahman	(Independent Director)	Chairman
Mr. Shamsul Alam BU,	(Director)	Member
Mr. A.K. Rashiduddin Ahmed	(Independent Director)	Member

On behalf of the Nomination and Remuneration Committee

Date: October 29, 2018

A.Z.M. Sazzadur Rahman
Chairman

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 2018, 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 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 assessment, 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 three associate companies namely Confidence Electric Ltd., Confidence Power Ltd. & Confidence Batteries Ltd. for the year ended 30 June 2018 remain unaudited. Therefore, our opinion so far relates to the amounts included in respect of associate companies based on unaudited financial statements.

Opinion

In our opinion, the financial statements of Confidence Cement Limited prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of the Company as at 30 June 2018 and of its financial performance and cash flows for the year then ended 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.

Rahman Mostafa Alam & Co.

Chattogram, 29 October 2018

Rahman Mostafa Alam & Co.
Chartered Accountants

Statement of Financial Position
As at 30 June 2018

	Note (s)	30 June 2018 Taka	30 June 2017 Taka
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,155,322,547	1,766,555,329
Capital work-in-progress	5	90,948,685	2,269,837,541
Investments	6	101,031,513	366,394,526
Investment in associates	7	670,268,537	236,399,868
Total non-current assets		5,017,571,282	4,639,187,264
Current assets			
Inventories	8	756,294,567	524,279,873
Trade receivables	9	1,022,013,946	859,585,226
Advances, deposits and prepayments	10	1,025,494,236	578,440,993
Other receivables	11	80,017,915	128,391,767
Short term investments in Fixed Deposits	12	250,000,000	130,613,000
Cash and cash equivalents	13	49,425,599	863,557,551
Total current assets		3,183,246,263	3,084,868,410
Total Assets		8,200,817,545	7,724,055,674
EQUITY AND LIABILITIES			
Equity			
Share capital	14	539,922,240	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	537,636,210	577,705,317
Retained earnings		1,995,828,285	1,726,156,151
Total Equity		4,103,339,038	3,783,748,971
Liabilities			
Non-current liabilities			
Long term loans	16	89,641,795	-
Defined benefit obligations (gratuity)	17	64,086,475	56,764,840
Deferred tax liability	18	209,785,503	210,536,218
Total non-current liabilities		363,513,773	267,301,058
Current liabilities			
Trade payables	19	478,082,235	275,486,883
Short term loans	20	3,069,653,003	3,186,091,585
Current portion of long term loans	21	-	4,149,813
Provision for WPPF and welfare fund	22	-	5,218,933
Current tax liability	23	60,237,568	78,429,344
Other liabilities	24	125,991,928	123,629,087
Total current liabilities		3,733,964,734	3,673,005,645
Total Liabilities		4,097,478,507	3,940,306,703
Total Equity and Liabilities		8,200,817,545	7,724,055,674
Net asset value (NAV) per share	35	76.00	84.10
Contingent liabilities and commitments	38		

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

Chairman | Vice Chairman | Managing Director

Chief Financial Officer | Company Secretary

Signed in terms of separate report of even date.

Chattogram, 29 October 2018

Rahman Mostafa Alam & Co.
Chartered Accountants

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2018

	Note (s)	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
Revenue	25	3,916,783,517	3,629,375,210
Cost of sales	26	(3,588,143,790)	(2,994,024,933)
Gross Profit		**328,639,727**	**635,350,277**
Administrative expenses	27	(107,518,706)	(98,094,548)
Selling and distribution expenses	28	(192,191,403)	(376,765,113)
Other operating income	29	8,194,787	5,944,919
Profit from operating activities		**37,124,405**	**166,435,535**
Finance costs	30	(118,053,117)	(67,324,185)
Finance income	31	7,871,029	5,267,311
Profit before Workers profit participation fund		**(73,057,683)**	**104,378,661**
Contribution to WPPF and welfare fund	22	-	(5,218,933)
Profit after Workers profit participation fund		**(73,057,683)**	**99,159,728**
Non-operating income/(loss)	32	45,322,357	213,713,185
Share of profit/(loss) of associates	33	438,348,669	237,759,285
Profit before income tax		**410,613,343**	**550,632,198**
Provision for income tax:			
Current tax	23	(23,895,777)	(54,098,708)
Deferred tax	18	(12,477,243)	1,590,654
Net profit after tax		**374,240,323**	**498,124,144**
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 financial assets		-	-
		-	-
Total comprehensive income		**374,240,323**	**498,124,144**
Basic Earnings per share (EPS)	34	**6.93**	**9.23**

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

Chairman | Vice Chairman | Managing Director

Chief Financial Officer | Company Secretary

Signed in terms of separate report of even date.

Chattogram, 29 October 2018

Rahman Mostafa Alam & Co.
Chartered Accountants

Statement of Changes In Equity
For the year ended 30 June 2018

Amount in Taka

	Share Capital	Share Premium	General Reserve	Fair Value Reserve	Retained Earnings	Total
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**
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
Adjustment for disposal of revalued assets	-	-	-	-	-	-
Cash dividend paid for the year 2015-2016	-	-	-	-	(44,995,320)	(44,995,320)
Stock dividend for the 2015-2016	-	-	-	-	-	-
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**
Balance as on 1 July 2017	**449,935,200**	**658,089,549**	**371,862,754**	**577,705,317**	**1,726,156,151**	**3,783,748,971**
Share of revaluation surplus of equity realised	-	-	-	-	-	-
Adjustment for depreciation on revalued assets	-	-		(52,911,832)	52,911,832	-
Deferred tax adjustment on revalued assets	-	-	-	13,227,958	-	13,227,958
Adjustment for disposal of revalued assets	-	-	-	(385,233)	-	(385,233)
Cash dividend for the year 2016-2017	-	-	-	-	(67,492,980)	(67,492,980)
Stock dividend for the 2016-2017	89,987,040	-	-	-	(89,987,040)	-
Profit after tax for the year 2017-2018	-	-	-	-	374,240,323	374,240,323
Balance as at 30 June 2018	**539,922,240**	**658,089,549**	**371,862,754**	**537,636,210**	**1,995,828,285**	**4,103,339,038**

Chairman | Vice Chairman | Managing Director

Chief Financial Officer | Company Secretary

Statement of Cash Flows
For the year ended 30 June 2018

	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
	Taka	Taka
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and others	3,763,630,678	3,538,733,039
Cash payments to suppliers, employees and others	(4,120,201,004)	(2,897,902,445)
Income tax paid	(42,087,553)	(158,082,668)
Interest paid (Net)	(110,474,696)	(62,042,053)
Net cash (used in)/generated by operating activities	**(509,132,575)**	**420,705,873**
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to Property, plant and equipment & CWIP	(406,762,790)	(1,115,308,501)
Sale proceeds of Property, plant and equipment	2,044,916	1,582,570
Sale of investment in quoted shares	296,927,129	9,735,205
Other investment	300,000	-
Sale proceeds of ECPV Ltd.'s share	-	333,043,193
Received from unquoted share of ECPVL Chittagong Ltd.	-	5,000,000
Short term investments	(119,387,000)	13,986,563
Dividend received	13,769,559	8,029,887
Net cash (used in)/generated by investing activities	**(213,108,186)**	**(743,931,083)**
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Receipt of Long term loans	89,641,795	(3,150,562)
(Repayment) / Receipt of short term borrowings	(120,588,395)	1,210,408,403
Dividend paid	(61,237,198)	(158,799,879)
Net cash provided by /(used in) financing activities	**(92,183,798)**	**1,048,457,962**
Effect of exchange rate changes on cash	**292,608**	**(14,821)**
Net increase/(decrease) in cash and cash equivalents	**(814,131,952)**	**725,217,931**
Opening cash and cash equivalents	863,557,551	138,339,620
Closing cash and cash equivalents	**49,425,599**	**863,557,551**

Chairman | Vice Chairman | Managing Director

Chief Financial Officer | Company Secretary

Notes to the Financial Statements
As st and for the year ended 30 June 2018

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, Chattogram.

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) 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.

ii) 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.

iii) Confidence Batteries Limited

Confidence Batteries Limited was incorporated in Bangladesh on 5 June 2017 as a Private Limited Company. The principal activities of the Company is to carry on the business of manufacturing, selling, marketing, importing, exporting and trading all types of batteries and allied products. Confidence Cement Limited holds 49% of ordinary shares in Confidence Batteries 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 2018
ii) A statement of profit or loss and other comprehensive income for the year ended 30 June 2018.
iii) A statement of changes in equity for the year ended 30 June 2018.
iv) A statement of cash flows for the year ended 30 June 2018.
v) Notes, comprising a summary of significant accounting policies and explanatory information.

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 October 2018

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 - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	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 - 7	Financial Instruments: Disclosures
BFRS - 8	Operating Segments
BFRS - 12	Disclosure of Interest in Other Entities
BFRS - 13	Fair Value Measurement

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: 4	Property, plant and equipment
Note: 8	Inventories
Note: 9	Trade receivables
Note: 11	Other receivables
Note: 17	Defined benefit obligations (gratuity)
Note: 18	Deferred tax liabilities
Note: 23	Current tax liabilities
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 2017 to 30 June 2018.

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 2018 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended 30 June 2017.

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.

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, Slag), 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 is 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.

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.

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.

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 Fund @ 5% of net operating profit before tax as per Bangladesh Labour Law, 2006. Non operating Income and share of associate companys' 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.

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 equipment
The 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 securities
Fair 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 2018
	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	266,718,828	1,005,117,674	(1,359,645)	1,270,476,857	2.50%	77,126,784	17,243,091	(339,911)	94,029,964	1,176,446,893
Plant and Machinery	724,895,131	1,297,158,708	-	2,022,053,839	5% - 15%	355,759,238	59,574,082	-	415,333,320	1,606,720,519
Furniture, Fixtures & Office Equipment	121,459,913	113,077,770	-	234,537,683	5% - 30%	61,434,414	14,748,386	-	76,182,800	158,354,883
Motor Vehicles	296,476,364	169,979,909	(4,696,150)	461,760,123	10% - 20%	200,155,248	36,388,164	(4,690,012)	231,853,400	229,906,723
Sub total	**1,488,453,419**	**2,585,334,061**	**(6,055,795)**	**4,067,731,685**		**694,475,684**	**127,953,723**	**(5,029,923)**	**817,399,484**	**3,250,332,201**
ii. Revaluation Surplus										
Land	305,421,979	-	-	305,421,979		-	-	-	-	305,421,979
Factory Building	72,026,778	-	(453,215)	71,573,563	2.50%	18,940,808	1,800,669	(67,982)	20,673,495	50,900,068
Plant and Machinery	1,022,223,252	-	-	1,022,223,252	5% - 15%	657,698,439	51,111,162	-	708,809,601	313,413,651
Motor Vehicles	74,445,807	-	-	74,445,807	10% - 20%	74,445,806	-	-	74,445,806	-
Sub total	**1,474,117,816**	**-**	**(453,215)**	**1,473,664,601**		**751,085,053**	**52,911,832**	**(67,982)**	**803,928,903**	**669,735,697**
As at 30 June 2018 (i+ii)	**2,962,571,235**	**2,585,334,061**	**(6,509,010)**	**5,541,396,286**		**1,445,560,737**	**180,865,555**	**(5,097,905)**	**1,621,328,387**	**3,920,067,899**
As at 30 June 2017	**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**

4.02 At Ready-mix plant

Class of Assets	Cost				Rate of Depreciation (%)	Accumulated Depreciation				Written Down Value as at 30 June 2018
	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	142,121,111	-	-	142,121,111		-	-	-	-	142,121,111
Civil Construction	35,017,157	-	-	35,017,157	10%	13,936,449	3,501,711	-	17,438,160	17,578,997
Plant and Machinery	71,814,752	-	-	71,814,752	5% - 15%	19,057,191	5,009,998	-	24,067,189	47,747,563
Furniture, Fixtures & Office Equipment	10,638,484	317,585	-	10,956,069	15% - 30%	4,920,995	1,311,705	-	6,232,700	4,723,369
Motor Vehicles	46,338,542	-	-	46,338,542	10% - 20%	18,470,580	4,784,354	-	23,254,934	23,083,608
As at 30 June 2018	**305,930,046**	**317,585**	**-**	**306,247,631**		**56,385,215**	**14,607,768**	**-**	**70,992,983**	**235,254,648**
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**
Grand total 30 June 2018 (4.01+4.02)	**3,268,501,281**	**2,585,651,646**	**(6,509,010)**	**5,847,643,917**		**1,501,945,952**	**195,473,323**	**(5,097,905)**	**1,692,321,370**	**4,155,322,547**
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**

	Note (s)	30 June 2018	30 June 2017
4.03 Allocation of Depreciation		Taka	Taka
Factory overhead			
i. At Cement plant	26.03	165,362,500	94,801,097
ii. At Ready-mix Plant	26.03	14,607,768	14,488,765
		179,970,268	**109,289,862**
Administrative expenses			
At Cement plant	27.00	**10,451,948**	**11,088,385**
Selling and distribution expenses			
At Cement plant	28.00	**5,051,106**	**6,342,964**
Grand total		**195,473,322**	**126,721,211**
5.00 Capital work-in-progress			
Opening capital work-in-progress		2,269,837,541	1,194,498,749
Add: Expenditure incurred during the year	5.01	266,927,395	1,099,771,807
		2,536,764,936	2,294,270,556
Less: Capitalized during the year	5.01	(2,445,816,251)	(24,433,015)
Closing balance		**90,948,685**	**2,269,837,541**

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)	931,552,151	73,565,523	(1,005,117,674)	-
Plant & machinery (expansion Unit 3)	1,090,701,324	97,557,689	(1,188,259,013)	-
Electrical installation (expansion Unit 3)	88,703,628	3,071,134	(91,774,762)	-
Vehicle	151,037,947	26,449,176	(152,537,947)	24,949,176
Plant and machinery (Existing Unit)	7,842,491	2,769,956	(8,126,855)	2,485,592
Civil works (Existing Unit)	-	63,513,917	-	63,513,917
Sub total	**2,269,837,541**	**266,927,395**	**(2,445,816,251)**	**90,948,685**
ii. At ready-mix Plant				
Civil works	-	-	-	-
Sub total	**-**	**-**	**-**	**-**
Grand total (i+ii)	**2,269,837,541**	**266,927,395**	**(2,445,816,251)**	**90,948,685**

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 2018	30 June 2017
6.00 Investments		Taka	Taka
Investment in quoted shares	6.01	18,296,001	279,302,876
Investment in unquoted shares	6.02	21,894,450	21,894,450
Other investment	6.03	60,841,062	65,197,200
		101,031,513	**366,394,526**
6.01 Investments in quoted shares			
Opening balance		279,302,876	147,381,836
Add/ (less) : Purchase/(Sales) during the year		(296,927,129)	(6,414,890)
Add/ (less) : Changes in fair value of tradeable securities		(1,611,295)	138,335,930
Add: Profit reliased on tradeable securities		37,531,549	-
		18,296,001	**279,302,876**

		30 June 2018	30 Juny 2017
		Taka	Taka
6.02	**Investment in unquoted shares Taka**		
	Asian Paints (BD) Limited	18,325,000	18,325,000
	New Vision Information Technology Limited	2,000,000	2,000,000
	Central Depository Bangladesh Limited	1,569,450	1,569,450
		21,894,450	**21,894,450**
6.03	**Other investment**		
	CBC-Confidence Cement Convention Centre	65,197,200	69,272,200
	Less : Profit portion of rent received during the year	300,000	-
	Less : Amortization during the year	4,056,138	4,075,000
		60,841,062	**65,197,200**

(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.

		Note (s)	30 June 2018	30 June 2017
			Taka	Taka
7.00	**Investment in associates**			
	Confidence Electric Limited	7.01	413,216,233	78,334,407
	Confidence Power Limited	7.02	239,099,487	158,065,461
	Confidence Batteries Limited	7.03	17,952,817	-
			670,268,537	**236,399,868**
7.01	**Confidence Electric Limited**			
	Movement of investment in associates			
	Investment in equity share		7,350,000	7,350,000
	Equity shares transferred to Confidence Batteries Limited		(5,145,000)	-
	Share of profit/(loss)			
	Opening balance		70,984,407	(75,186,396)
	Share of profit/(loss) for the year	33.01	340,026,826	146,170,803
			411,011,233	70,984,407
			413,216,233	**78,334,407**
	Summary of financial information of equity accounted investee:			
	Non-current assets		391,415,130	948,159,543
	Current assets		2,270,736,694	2,142,073,449
	Total Assets		**2,662,151,824**	**3,090,232,992**
	Share capital		4,500,100	15,000,000
	Share money deposit		85,500,000	285,000,000
	Retained earnings		856,306,434	144,866,137
	Shareholders' equity		**946,306,534**	**444,866,137**
	Non-current liabilities		84,290,797	157,695,963
	Current liabilities		1,631,554,493	2,487,670,892
	Total Liabilities		**1,715,845,290**	**2,645,366,855**
	Total Equity & Liabilities		**2,662,151,824**	**3,090,232,992**

	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
	Taka	Taka
Revenue	6,263,983,583	4,102,484,848
Other income	14,721,889	14,832,868
Expenses	(5,259,073,573)	(3,618,779,620)
Provision for income tax	(325,699,601)	(200,230,334)
Profit/(Loss) attributable to the owners of the company	**693,932,298**	**298,307,762**

		Note (s)	30 June 2018	30 June 2017
			Taka	Taka
7.02	**Confidence Power Limited**			
	Movement of investment in associates			
	Investment in equity share		13,500,000	13,500,000
	Share of profit/(loss)			
	Opening balance		144,565,461	83,953,664
	Share of profit/(loss) for the year	33.03	85,759,026	60,611,797
	Cash dividend received/receivable		(4,725,000)	-
			225,599,487	144,565,461
			239,099,487	158,065,461
	Summary of financial information of equity accounted investee:			
	Non-current assets		628,841,269	132,863,067
	Current assets		1,589,893,824	1,088,632,444
	Total Assets		2,218,735,093	1,221,495,511
	Share capital		54,000,000	54,000,000
	Revaluation surplus		485,727,796	-
	Retained earnings		932,923,019	578,261,842
	Shareholders' equity		1,472,650,815	632,261,842
	Non-current liabilities		20,524,834	685,383
	Current liabilities		725,559,444	588,548,286
	Total Liabilities		746,084,278	589,233,669
	Total Equity & Liabilities		2,218,735,093	1,221,495,511
			01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
			Taka	Taka
	Revenue		2,464,577,997	2,439,992,474
	Other income		7,827,327	6,190,583
	Expenses		(2,044,102,453)	(2,079,956,105)
	Provision for income tax		(85,266,763)	(123,779,761)
	Profit/(Loss) attributable to the owners of the company		343,036,108	242,447,191
7.03	**Confidence Batteries Limited**			
	Movement of investment in associates			
	Investment in equity share		5,390,000	-
	Share of profit/(loss)			
	Opening balance		-	-
	Share of profit/(loss) for the year	33.04	12,562,817	-
			12,562,817	-
			17,952,817	-
	Summary of financial information of equity accounted investee:			
	Non-current assets		780,956,557	-
	Current assets		1,690,469,437	-
			2,471,425,994	-
			-	
	Share capital		11,000,100	-
	Revaluation surplus		39,387,958	-
	Retained earnings		31,597,716	-
	Share money deposit		199,500,000	
	Shareholders' equity		281,485,774	-
	Non-current liabilities		153,793,495	-
	Current liabilities		2,036,146,725	-
	Total Liabilities		2,189,940,220	-
	Total Equity & Liabilities		2,471,425,994	-

	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
Revenue	518,704,616	-
Other income	456,159	-
Expenses	(479,937,240)	-
Provision for income tax	(13,585,134)	-
Profit/(Loss) attributable to the owners of the company	**25,638,401**	**-**

		30 June 2018 Taka	30 June 2017 Taka
8.00 Inventories			
Raw materials	8.01	255,039,419	238,122,340
Raw materials in transit-Cement Plant		120,613,733	565,723
Raw materials in transit- Ready-mix Plant		21,497,695	13,937,958
Stores, spares and loose tools	8.02	277,688,305	225,678,006
Packing materials	8.05	17,110,976	10,713,335
Work-in-progress	8.06	64,344,439	35,262,511
		756,294,567	**524,279,873**
8.01 Raw materials			
i. At Cement plant			
Clinker		146,712,675	142,518,262
Gypsum		13,889,502	8,840,242
Fly ash		24,603,281	5,203,723
Lime stone		226,295	36,368,488
Slags		30,935,947	-
Grinding Aid		-	1,647,529
Sub total		**216,367,700**	**194,578,244**
ii. At Ready-mix plant			
Cement		220,520	447,908
Chemicals		6,511,500	2,411,750
Stone Chips (20 mm)		10,232,321	34,714,218
Stone Chips (10 mm)		18,399,613	5,970,220
Sylhet sand		3,307,765	-
Sub total		**38,671,719**	**43,544,096**
Grand total (i+ii)		**255,039,419**	**238,122,340**

There was no stock of Finished Goods as at the close of business as on 30 June 2018.

	30 June 2018 Taka	30 June 2017 Taka
8.02 Stores, spares and loose tools		
i. At Cement plant		
Stores	80,543,951	79,751,166
Spare parts	172,168,366	124,394,351
Spare parts in transit	9,383,853	6,034,512
Loose tools	2,510,575	2,761,667
Sub total	**264,606,745**	**212,941,696**
ii. At Ready-mix plant		
Stores	7,380,080	6,444,940
Spare parts	5,382,092	6,026,340
Loose tools	319,388	265,030
Sub total	**13,081,560**	**12,736,310**
Grand total (i+ii)	**277,688,305**	**225,678,006**

8.03 Raw materials reconciliation- 2017-2018

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	31,394	142,518,262	425,649	1,957,526,765	-	-	29,186	146,712,675	427,857	1,953,332,352
Gypsum	3,060	8,840,242	19,585	55,641,239	-	-	4,102	13,889,502	18,543	50,591,979
Fly ash	2,491	5,203,723	-	-	85,781	160,239,082	12,862	24,603,281	75,410	140,839,524
Lime stone	17,939	36,368,488	50,297	118,681,052	-	-	76	226,295	68,160	154,823,245
Slags	-	-	14,561	44,727,693	-	-	9,813	30,935,947	4,748	13,791,746
Grinding Aid	10	1,647,529	183	26,318,573	-	-	-	-	193	27,966,102
Total		**194,578,244**		**2,202,895,322**		**160,239,082**		**216,367,700**		**2,341,344,948**

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	64	447,908	-	-	16,602	119,168,016	30	220,520	16,636	119,395,404
Chemicals	17	2,411,750	-	-	186	25,746,965	47	6,511,500	156	21,647,215
Stone Chips (20 mm)	8,908	34,714,218	17,662	74,135,604	11,921	48,965,967	2,244	10,232,321	36,247	147,583,468
Stone Chips (10 mm)	1,797	5,970,220	11,990	50,261,581	2,911	12,951,903	4,312	18,399,613	12,386	50,784,091
Sylhet sands	-	-	-	-	31,312	47,843,230	1976	3,307,765	29,336	44,535,465
Total		**43,544,096**		**124,397,185**		**254,676,081**		**38,671,719**		**383,945,643**

8.04 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 (10 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**

8.05 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' 17-June' 18	608,680	10,713,335	10,581,550	189,097,656	970,143	17,110,976	10,220,087	182,700,015
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

8.06 Work -in-Process

As on 30 June, 2018 Work-in-process of cement was 12,116 M. Ton which included consumption of clinker 8,898 M. Ton , Gypsum 371 M. Ton , Fly ash 1,713 M. Ton ,Slags 792 M.T and Lime Stone 610 M. Ton.

		Note(s)	30 June 2018	30 June 2017
			Taka	Taka
9.00	**Trade receivables**			
	Against local sales	9.01	972,985,432	838,028,662
	Against export		49,028,514	21,556,564
			1,022,013,946	859,585,226
9.01	**Against local sales**			
	i. At Cement plant			
	Dealers		491,265,945	568,421,170
	Corporate		405,717,330	204,151,310
	Individual		4,473,845	4,415,660
	Sub total		901,457,120	776,988,140
	ii. At Ready-mix plant			
	Corporate		65,858,926	60,037,114
	Individual		5,669,386	1,003,408
	Sub total		71,528,312	61,040,522
	Grand total (i+ii)		972,985,432	838,028,662
9.02	**Ageing of trade receivables**			
	Up to 3 months		672,568,945	709,941,228
	Over 3 months but up to 6 months		190,399,890	72,654,581
	Over 6 months		159,045,111	76,989,417
			1,022,013,946	859,585,226

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

10.00	**Advances, deposits and prepayments**			
	Advances	10.01	952,837,619	527,807,264
	Deposits	10.02	63,267,494	43,312,549
	Prepayments	10.03	9,389,123	7,321,180
			1,025,494,236	578,440,993
10.01	**Advances**			
	i. At Cement plant			
	Income tax	10.01.01	350,882,994	244,916,423
	Against expenses		11,050,601	11,801,136
	Share money deposits	10.01.02	483,574,682	132,650,000
	VAT Current Account		52,438,541	11,354,639
	Against purchase		7,092,384	2,020,550
	Contractors		289,000	90,727,795
	Employees		11,765,977	11,073,454
	Other advances	10.01.03	8,845,957	8,845,957
	Sub total		925,940,136	513,389,954
	ii. At Ready-mix plant			
	Income tax	10.01.04	26,511,442	13,345,513
	Against expenses		44,128	41,311
	Against purchase		144,177	982,321
	Employees		197,736	48,165
	Sub total		26,897,483	14,417,310
	Grand total (i+ii)		952,837,619	527,807,264
10.01.01	**Income tax (For Cement Plant)**			
	Opening balance		244,916,423	281,633,217
	Add: Paid during the year		148,054,124	121,365,874
			392,970,547	402,999,091
	Less: Adjusted during the year		(42,087,553)	(158,082,668)
			350,882,994	244,916,423

		Note(s)	30 June 2018	30 June 2017
			Taka	Taka
10.01.02	**Share money deposits**			
	Confidence Electric Limited		132,650,000	132,650,000
	Confidence Power Holdings Limited		300,000,000	-
	Confidence Cement Dhaka Limited		50,924,682	-
			483,574,682	132,650,000
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 apartment has not yet been completed and accordingly it has not been considered as Investment Property as per BAS 40: Investment Property.

		Note(s)	30 June 2018	30 June 2017
			Taka	Taka
10.01.04	**Income tax (For Ready-mix Plant)**			
	Opening balance		13,345,513	5,562,243
	Add: Paid during the year		13,165,929	7,783,270
			26,511,442	13,345,513
	Less: Adjusted during the year		-	-
			26,511,442	13,345,513
10.02	**Deposits**			
	i.At Cement plant			
	Margin/ Guarantee deposit		8,250,253	10,406,059
	Rental		14,322,460	14,603,748
	Statutory authorities		40,694,781	18,302,742
	Sub total		63,267,494	43,312,549
	ii. At Ready-mix Plant			
	Margin deposit		-	-
	Sub total		-	-
	Grand total (i+ii)		63,267,494	43,312,549
10.03	**Prepayments**			
	i. At Cement plant			
	Insurance premium		5,510,314	3,675,343
	Prepaid expenses		3,738,316	3,450,460
	Sub total		9,248,630	7,125,803
	ii. At Ready-mix plant			
	Insurance premium		140,493	195,377
	Sub total		140,493	195,377
	Grand total (i+ii)		9,389,123	7,321,180
11.00	**Other receivables**			
	i. At Cement plant			
	Delta Life Insurance Co. Ltd.		18,047,025	15,431,280
	Accrued interest on FDR		46,673,946	107,451,718
	Receivable from Asian Paints (BD) Limited		2,748,750	-
	Receivable from IIDFC Securities Limited		1,156,148	2,960,930
	Receivable from A.B Ispahani Securities Limited		9,088,193	1,327
	Receivable from Globe Securities Limited		376,120	617
	Receivable from others		970,035	1,807,962
	Sub total		79,060,217	127,653,834
	ii. At Ready-mix plant			
	Delta Life Insurance Co. Ltd.		957,698	723,513
	Receivable from Pragati Insurance Co.Ltd.		-	14,420
	Sub total		957,698	737,933
	Grand total (i+ii)		80,017,915	128,391,767

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.

12.00 Short term investments in Fixed Deposits			30 June 2018 Taka	30 June 2017 Taka
Name of the Banks	Purpose	Interest Rate		
Lanka Bangla Finance Limited	Cash Deposit	8.75%	50,000,000	-
LankaBangla Finance Limited	Cash Deposit	8.75%	50,000,000	-
Prime Bank Limited	Lien against CC Hypo	5%-8.75%	10,000,000	10,000,000
LankaBangla Finance Limited	Cash Deposit	7.25%-8%	10,000,000	10,000,000
LankaBangla Finance Limited	Cash Deposit	7.25%	4,000,000	4,000,000
City Bank Limited	Cash Deposit	7.50%	50,000,000	-
Brac Bank Limited	Cash Deposit	7.50%	36,000,000	-
United Finance Limited	Cash Deposit	8.25%	20,000,000	-
Union Capital Limited	Cash Deposit	8.75%	20,000,000	-
Prime Bank Limited	Cash Deposit	4.50%-5%	-	50,000,000
Prime Bank Limited	Cash Deposit	4.50%-5%	-	50,000,000
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
			250,000,000	130,613,000

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
13.00 Cash and cash equivalents			
Cash in hand	13.01	435,429	569,994
Cash at banks	13.02	48,990,170	862,987,557
		49,425,599	863,557,551
13.01 Cash in hand			
i. At Cement plant		350,360	527,128
ii. At Ready-mix plant		85,069	42,866
		435,429	569,994

13.02 Cash at banks

i. At Cement plant

Name of the Banks	Branch	Account Type		
AB Bank Limited	Agrabad	CD	1,077,350	321,426
AB Bank Limited	CDA Avenue	CD	7,010	8,275
Agrani Bank Limited	Laldighi	CD	106,344	106,344
Agrani Bank Limited	Madambibirhat	CD	12,452	12,452
Agrani Bank Limited	CEPZ	CD	12,543	12,543
Bank Asia Limited	Agrabad	CD	186,608	2,371,761
Bank Asia Limited	Agrabad	SND	(90,863)	163,371
Bank Asia Limited	Agrabad	SND	593,751	96,194
The City Bank Limited	Agrabad	CD	2,449,667	5,127,578
The City Bank Limited	Agrabad	SND	675,265	1,148,551
Dhaka Bank Limited	Halishahar	SND	(1,029,591)	1,557,171
Dutch Bangla Bank Limited	Agrabad	CD	506,482	347,068
Eastern Bank Limited	Agrabad	CD	274,841	714,004
Eastern Bank Limited	Agrabad	STD	432,462	808,802,828
Eastern Bank Limited	Agrabad	CD	9,451	5,226
EXIM Bank Limited	Halishahar	SND	2,612,651	249,417
First Security Islami Bank Ltd	Agrabad	SND	1,833,213	1,770,685
HSBC	Agrabad	CD	56,388	281,347
IFIC Bank Limited	Agrabad	CD	129,522	238,271
IFIC Bank Limited	Motijheel	STD	482,084	602,764
Islami Bank Bangladesh Ltd.	Agrabad	CD	2,243,375	2,677,031
Mercantile Bank Limited	Madambibirhat	CD	88,323	665,718
Midland Bank Limited	Agrabad	SND	223,617	18,660

Name of the Banks	Branch	Account Type	30 June 2018 Taka	30 June 2017 Taka
Mutual Trust Bank Limited	Agrabad	SND	2,099,900	398,853
Natonal Bank Limited	Halishahar	SND	1,528,463	243,803
NCC Bank Limited	Halishahar	SND	901,328	673,754
One Bank Limited	Agrabad	SND	(1,292,188)	2,842,139
Premier Bank Limited	Agrabad	SB	117,381	235,525
Premier Bank Limited	Agrabad	SND	423,496	(47,670)
Premier Bank Limited	Motijheel	SND	33,313	415,281
Premier Bank Limited	Agrabad	CD	-	9
Prime Bank Limited	Motijheel	SND	479,158	(415,608)
Prime Bank Limited	Agrabad	CD	13,796,520	4,285,362
Prime Bank Limited	Agrabad	USD	7,622,806	7,554,450
Prime Bank Limited	Agrabad	SND	240,211	378,486
Prime Bank Limited	Agrabad	SND	384,230	237,005
Southeast Bank Limited	Agrabad	CD	(1,907,389)	2,520,145
Southeast Bank Limited	Madambibirhat	CD	1,823,581	248,267
Standard Chartered Bank	Agrabad	CD	14,220	1,112,622
Standard Chartered Bank	Kolkata	CD	486,748	486,748
State Bank of India	Chittagong	CD	5,850	1,233,287
Standard Bank Limited	Agrabad	STD	2,053,753	2,887,379
Trust Bank Limited	CDA Avenue	CD	32,198	154,329
Trust Bank Limited	CDA Avenue	SND	107,019	364,693
United Commercial Bank Ltd.	Agrabad	CD	451,042	1,634,301
United Commercial Bank Ltd.	Halishahar	SND	2,932,305	380,160
Sub total			**45,226,890**	**855,122,005**
ii. At Ready-mix plant				
Prime Bank Limited	Agrabad	CD	3,728,091	5,756,771
Trust Bank Limited	CDA Avenue	CD	35,189	2,108,781
Sub total			**3,763,280**	**7,865,552**
Grand total (i+ii)			**48,990,170**	**862,987,557**

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
8,998,704 Bonus shares of Tk. 10 each	89,987,040	-
Total 53,992,224 ordinary shares of Tk 10 each	**539,922,240**	**449,935,200**

The Company issued 20% bonus shares (8,998,704 shares) as declared in 26th annual general meeting for the year 2016-2017.

14.01 Composition of shareholders

Name of Shareholders	As at 30 June 2018		As at 30 June 2017	
	No. of Shares	Holding (%)	No. of Shares	Holding (%)
Sponsors	16,133,830	29.88	11,472,181	25.50
Non-resident shareholders	1,464	0.00	1,596	0.00
Financial Institutions	17,791,569	32.95	3,920,727	8.71
Investment Corporation of Bangladesh	20,309	0.04	2,190,174	4.87
Mutual Fund(s)	1,702,931	3.15	4,480,105	9.96
Investors Discretionary Account	89,835	0.17	1,068,505	2.37
General Public	18,252,286	33.81	21,860,232	48.59
	53,992,224	**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 (%)
Up to 5,000	10,498	4,925,865	9.12
From 5,001 to 50,000	425	5,833,701	10.80
From 50,001 to 100,000	36	2,464,705	4.56
From 100,001 to 200,000	36	4,912,143	9.10
From 200,001 to 300,000	19	4,785,693	8.86
From 300,001 to 400,000	3	950,073	1.76
From 400,001 to 500,000	2	827,220	1.53
From 500,001 to 1,000,000	8	6,047,206	11.20
From 1,000,001 to 10,000,000	11	23,245,618	43.05
	11,038	**53,992,224**	**100.00**

	30 June 2018	30 June 2017
	Taka	Taka
15.00 Reserves	371,862,754	371,862,754
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.

	30 June 2018	30 June 2017
	Taka	Taka
15.02 Revaluation reserve	537,636,210	577,705,317
	537,636,210	**577,705,317**

Revaluation reserve relates to the revaluation of property, plant and equipment.

	Note(s)	30 June 2018	30 June 2017
		Taka	Taka
16.00 Long term loans	16.01	89,641,795	-
i) Cement Plant		**89,641,795**	**-**
Syndication of term Loan			
Total			

16.01 **a) Lenders :** The Company entered in to a syndication term loan agreement for expansion project (Unit-3) on 10 August 2016 with Eastern Bank Limited the lead arranger and nine other banks and financial institution.

b) Loan Facilities: BD Taka 1,707 million

c) Interest Rate: 11.50% per p.a.

d) Disbursement: First disbursement made on 17 May, 2018

e) Securities :
i) Registered Mortgage on 640 decimals of land of the factory premises located at Madambibirhat, Sitakunda, Chattogram.
ii) Fixed and floating charges over Fixed Assets
iii) Irrevocable general power of attorney
iv) Demand promissory note for full loan amount

f) Repayments : This term loan is repayable in 24 equal quarterly installments after 1 (one) year of grace period.

g) Purpose : For capital expenditure on expansion project (Unit-3) with an additional capacity of 2,000 M.T per day.

		Note(s)	30 June 2018 Taka	30 June 2017 Taka
17.00	**Defined benefit obligations (gratuity)**			
	i. At Cement Plant			
	Opening balance		55,355,460	48,671,000
	Add: Provided during the year	17.01	22,353,910	8,653,985
			77,709,370	**57,324,985**
	Less: Paid during the year		(15,541,940)	(1,969,525)
	Sub total		**62,167,430**	**55,355,460**
	ii. At Ready-mix Plant			
	Opening balance		1,409,380	1,025,235
	Add: Provided during the year	17.01	620,055	425,010
			2,029,435	**1,450,245**
	Less: Paid during the year		(110,390)	(40,865)
	Sub total		**1,919,045**	**1,409,380**
	Grand Total (i+ii)		**64,086,475**	**56,764,840**
17.01	**Provided during the year**			
	i. At Cement Plant			
	Factory overhead	26.03	9,783,905	5,093,085
	Administrative expenses	27.00	5,494,645	2,187,010
	Selling and distribution expenses	28.00	7,075,360	1,373,890
	Sub total		**22,353,910**	**8,653,985**
	ii. At Ready-mix Plant			
	Factory overhead	26.03	620,055	425,010
	Sub total		**620,055**	**425,010**

AMAR STOCK

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.

	30 June 2018	30 June 2017
	Taka	Taka
Opening balance	210,536,218	225,734,977
Add/(Less): Provision / adjustment made during the year		
Against temporary difference	12,477,243	(1,590,654)
Adjusted during the year against impact of depreciation on revaluation surplus	(13,227,958)	(13,608,105)
	(750,714.92)	(15,198,759)
Closing Balance	**209,785,503**	**210,536,218**

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

	Carrying Amount	Tax Base	Taxable/ (Deductible) TemporaryDifference
	Taka	Taka	Taka
As at 30 June 2018			
Property, Plant and Equipment	3,264,562,555	2,361,334,062	903,228,493
Gratuity	(64,086,475)	-	(64,086,475)
Net taxable temporary difference			**839,142,018**
Applicable rate			25%
Deferred tax liability			**209,785,505**

	Note(s)	30 June 2018	30 June 2017
		Taka	Taka
19.00 Trade payables			
i. At Cement plant			
Payable to suppliers		170,563,664	91,886,697
Payable to contractors		10,077,186	14,261,500
Salaries, wages and other benefits		24,509,865	2,921,096
Auditors' remuneration		312,500	312,500
Power and gas		6,219,791	9,967,377
Other expenses		178,301,324	107,473,544
Sub total		**389,984,330**	**226,822,714**
ii. At Ready-mix Plant			
Payable to suppliers		75,343,380	44,798,221
Payable to contractors		2,005,600	706,067
Salaries, wages and other benefits		977,756	410,216
Electricity bill		111,168	81,222
Other expenses		9,660,001	2,668,443
Sub total		**88,097,905**	**48,664,169**
Grand total (i+ii)		**478,082,235**	**275,486,883**
20.00 Short term loans			
Deferred payment of LC	20.01	1,262,543,666	791,336,300
Loan against Trust Receipt (LATR)	20.02	140,304,217	76,419,194
Time/Demand Loan/ General/Short Term Loan	20.03	759,009,996	349,275,068
Cash Credit (Hypothecation)/OD General	20.04	597,776,031	472,387,328
Short Term/Express loan (for working capital loan)	20.05	310,019,093	-
Short Term/Express loan (Expansion project unit-3)	20.06	-	1,496,673,695
		3,069,653,003	**3,186,091,585**

		Note(s)	30 June 2018 Taka	30 June 2017 Taka
20.01	**Deferred payment of LC**			
	i. At Cement plant			
	Bank Asia Limited		153,109,881	139,457,535
	City Bank Limited		191,429,571	236,443,894
	Eastern Bank Limited		131,780,328	-
	Mutual Trust Bank Limited		171,495,377	51,527,560
	ONE Bank Limited		11,824,409	-
	Prime Bank Limited		165,463,476	124,221,670
	Pubali Bank Limited		112,650,827	99,892,223
	Trust Bank Limited		284,897,442	139,793,418
	Sub total		**1,222,651,311**	**791,336,300**
	ii. At Ready-mix Plant			
	Trust Bank Limited		39,892,355	-
	Sub total		**39,892,355**	**-**
	Grand total (i+ii)		**1,262,543,666**	**791,336,300**
20.02	**Loan against Trust Receipt (LATR)**			
	i. At Cement plant			
	Bank Asia Limited		-	16,772,578
	City Bank Limited		-	8,551,475
	Mutual Trust Bank Limited		47,933,279	4,881,480
	One Bank Limited		50,709,136	12,879,467
	Prime Bank Limited		20,019,318	5,634,855
	Trust Bank Limited		21,642,484	-
	Sub total		**140,304,217**	**48,719,855**
	ii. At Ready-mix Plant			
	Trust Bank Limited		-	27,699,339
	Sub total		**-**	**27,699,339**
	Grand total (i+ii)		**140,304,217**	**76,419,194**
20.03	**Time/Demand Loan/ General/Short Term Loan**			
	i. At Cement plant			
	Bank Asia Limited		34,047,007	3,496,800
	City Bank Limited		105,894,688	43,296,978
	Eastern Bank Limited		64,096,023	-
	Mutual Trust Bank Limited		52,128,140	21,991,135
	ONE Bank Limited		4,950,819	44,723,766
	Prime Bank Limited		206,986,406	96,734,578
	Pubali Bank Limited		197,502,037	-
	Trust Bank Limited		80,860,276	120,638,775
	Sub total		**746,465,396**	**330,882,032**
	ii. At Ready-mix Plant			
	Trust Bank Limited		12,544,600	18,393,036
	Sub total		**12,544,600**	**18,393,036**
	Grand total (i+ii)		**759,009,996**	**349,275,068**
20.04	**Cash Credit (Hypothecation)/OD General**			
	Bank Asia Limited		50,572,161	22,803,638
	City Bank Limited		10,284,458	22
	Eastern Bank Limited		22,108,962	-
	Mutual Trust Bank Limited		44,531,507	49,614,029
	One Bank Limited		78,085,264	91,438,065
	Prime Bank Limited		207,045,906	176,691,767
	Pubali Bank Limited		85,745,763	86,900,337
	Trust Bank Limited		99,402,010	44,939,470
			597,776,031	**472,387,328**

		Note(s)	30 June 2018 Taka	30 June 2017 Taka
20.05	**Short Term/Express loan (for working capital loan)**			
	ONE Bank Limited		310,019,093	-
			310,019,093	**-**
20.06	**Short Term/Express loan (for Expansion project unit-3)**			
	Bank Asia Limited		-	504,222,222
	City Bank Limited		-	460,518,338
	IPDC		-	201,888,889
	Prime Bank Limited		-	78,953,968
	Pubali Bank Limited		-	251,090,278
			-	**1,496,673,695**

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, Chattogram

20.07 Rate of Bank Interest

Rate of interest is ranging from 9.00% to 13%.

20.08 Bank facilities

The company is currently availing the following facilities from different banks:-

Bank Name	Branch	Limit (taka in crore)				
		L/C	LTR	Time / Demand / Import Duty	OD / CC	Short Term Loan
Bank Asia Limited	Agrabad	45	15	16.00	2.00	-
The City Bank Limited	Agrabad	50	-	16.00	1.00	50.00
Eastern Bank Limited	Agrabad	20	19	10.00	2.00	-
HSBC	Agrabad	30	-	8.00	5.00	-
Mutual Trust Bank Limited	Agrabad	55	5	15.00	5.00	-
ONE Bank Limited	Agrabad	50	50	10.00	10.00	-
Prime Bank Limited	Agrabad	80	50	50.00	20.00	50.00
Pubali Bank Limited	Agrabad	50	5	5.00	-	-
Trust Bank Limited	Agrabad	55	5	20.00	5.00	-
United Commercial Bank Ltd.	Agrabad	50	10	15.00	10.00	-

		Note(s)	30 June 2018 Taka	30 June 2017 Taka
21.00	**Current portion of long term loans**			
	At Ready-mix Plant			
	Prime Bank Limited	16.00	-	4,149,813
			-	**4,149,813**
22.00	**Provision for WPPF and welfare fund**			
	Opening balance		5,218,933	28,775,767
	Add: Provided during the year		-	5,218,933
			5,218,933	**33,994,700**
	Less: Paid during the year		5,218,933	28,775,767
			-	**5,218,933**
23.00	**Current tax liability**			
	Opening Balance		78,429,344	182,413,304
	Add: Provision for the year		23,895,777	54,098,708
			102,325,121	**236,512,012**
	Less: Paid/Adjusted during the year		42,087,553	158,082,668
			60,237,568	**78,429,344**

		Note(s)	30 June 2018	30 June 2017
24.00	**Other liabilities**		Taka	Taka
	i. At Cement plant			
	Advance against sales		19,009,289	9,297,885
	Security deposits from dealers & others		3,662,600	3,582,600
	Share subscription refundable		47,900	47,900
	Share money payable to Confidence Batteries Limited		245,000	-
	Unclaimed cash dividend	24.01	78,182,496	72,280,469
	Unclaimed fractional dividend	24.02	3,209,502	2,855,747
	Source tax deductions		14,205,884	22,553,436
	Source VAT deductions		1,663,479	1,661,242
	Employees' Provident Fund		2,807,962	953,353
	Workers' Profit Participation Fund Loan realised from employees		98,412	171,990
	Sub total		**123,132,524**	**113,404,622**
	ii. At Ready-mix Plant			
	Advance against sales		1,419,182	9,387,992
	Source tax deductions		849,756	599,363
	Source VAT deductions		429,507	155,360
	Employees' Provident Fund		160,959	81,750
	Sub total		**2,859,404**	**10,224,465**
	Grand total (i+ii)		**125,991,928**	**123,629,087**
24.01	**Unclaimed cash dividend**			
	Opening balance		72,280,469	186,084,565
	Cash dividend (Interim/Final)		67,492,980	44,995,320
			139,773,449	**231,079,885**
	Payment warrants cleared		(61,590,953)	(158,799,416)
			78,182,496	**72,280,469**
24.02	**Unclaimed fractional dividend**			
	Opening balance		2,855,747	2,856,210
	Sale proceeds received of fractional bonus share (2016-17)		517,959	-
	Payment warrants cleared		(164,204)	(463)
			3,209,502	**2,855,747**

			01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
25.00	**Revenue**		Taka	Taka
	i. At Cement plant			
	Revenue from local sales	25.01	3,303,220,255	3,199,929,945
	Revenue from Export	25.02	181,238,216	84,667,819
	Sub total		**3,484,458,471**	**3,284,597,764**
	ii. At Ready-mix plant			
	Revenue from corporate sales		406,083,997	322,325,242
	Revenue from individual sales		26,241,049	22,452,204
	Sub total		**432,325,046**	**344,777,446**
	Grand total (i+ii)		**3,916,783,517**	**3,629,375,210**
25.01	**Revenue from local sales**			
	Gross sales		3,798,703,293	3,679,919,437
	Less: Value Added Tax (VAT)		(495,483,038)	(479,989,492)
	Net sales		**3,303,220,255**	**3,199,929,945**
25.02	**Revenue from Export**			
	Export proceeds - cost and freight		181,916,135	85,134,248
	Less: Export expenses		677,919	466,429
			181,238,216	**84,667,819**

			01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
25.03	**Sales Quantity Analysis**	**Unit**	**Taka**	**Taka**
	i. At Cement plant			
	Local	M.Ton	550,158	508,125
	Export	M.Ton	27,034	12,611
	Total		**577,192**	**520,736**
	ii. At Ready-mix plant			
	Corporate	CFT.	1,421,037	1,074,074
	Individual	CFT.	93,336	77,175
	Total		**1,514,373**	**1,151,249**
25.04	**Production and Capacity**			
	i. At Cement plant			
	Production capacity	M.Ton	1,050,000	750,000
	Actual production	M.Ton	577,192	520,736
	Utilization		**55%**	**69%**
	ii. At Ready-mix plant			
	Production capacity	CFT.	2,400,000	2,400,000
	Actual production	CFT.	1,514,373	1,151,249
	Utilization		**63%**	**48%**
26.00	**Cost of sales**			
	Raw materials consumed	26.01	2,725,290,591	2,187,056,942
	Packing materials consumed	26.02	182,700,015	177,566,659
	Factory overhead	26.03	709,235,112	660,096,662
	Difference between Opening and Closing WIP		(29,081,928)	(30,695,330)
			3,588,143,790	**2,994,024,933**
26.01	**Raw materials consumed**			
	i. At Cement plant			
	Opening stock		194,578,244	177,704,800
	Add: Purchased during the year		2,363,134,404	1,909,205,085
	Raw materials available for use		**2,557,712,648**	**2,086,909,885**
	Less : Closing stock		(216,367,700)	(194,578,244)
	Sub total		**2,341,344,948**	**1,892,331,641**
	ii. At Ready-mix plant			
	Opening stock		43,544,096	16,559,344
	Add: Purchased during the year		379,073,266	321,710,053
	Raw materials available for use		**422,617,362**	**338,269,397**
	Less : Closing stock		(38,671,719)	(43,544,096)
	Sub total		**383,945,643**	**294,725,301**
	Grand total (i+ii)		**2,725,290,591**	**2,187,056,942**
26.02	**Packing materials consumed**			
	At Cement plant			
	Opening stock		10,713,335	6,144,871
	Add: Purchased during the year		189,097,656	182,135,123
	Packing materials available for use		**199,810,991**	**188,279,994**
	Less : Closing stock		(17,110,976)	(10,713,335)
			182,700,015	**177,566,659**

	Note(s)	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
26.03 Factory overhead		Taka	Taka
i. At Cement plant			
Salaries, wages and benefits		164,276,158	151,417,111
Canteen expenses		6,949,504	6,369,710
Communication expenses		1,121,020	872,300
Contribution to employees' provident fund		4,587,960	4,546,114
Depreciation	4.03	165,362,500	94,801,097
Dump trucks upkeep		20,950,145	25,359,847
EDP supplied		94,170	131,930
Entertainment		2,296,327	2,235,811
Fees and subscription		190,525	996,797
Gardening expenses		35,810	8,875
Gas		60,064,932	46,704,840
Gratuity	17.01	9,783,905	5,093,085
Insurances		6,307,530	4,464,343
Motor vehicles upkeep		2,154,456	2,449,789
Other expenses		601,434	637,627
Paper, books and periodicals		10,348	11,054
Power		100,579,577	80,890,555
Printing and stationery		426,072	729,958
Rent, rates and taxes		4,748,420	4,674,578
Repair and maintenance of other assets		357,626	365,023
Repair to buildings		36,369	2,310,056
Repair to machineries		620,251	8,684,705
Stores and spares consumed		82,165,112	146,769,096
Travelling and conveyance		1,250,376	1,149,294
Uniform		705,498	696,194
Sub total		**635,676,025**	**592,369,789**
ii. At Ready-mix plant			
Salaries, wages and benefits		19,214,721	18,174,920
Canteen expenses		1,220,055	1,180,893
Communication expenses		251,298	294,706
Contribution to employees' provident fund		435,830	426,422
Depreciation	4.03	14,607,768	14,488,765
Dump trucks upkeep		4,501,011	3,646,875
EDP supplied		1,460	30,650
Entertainment		401,777	303,100
Fees and subscription		1,056,071	834,150
Gardening expenses		950	810
Gratuity	17.01	620,055	425,010
Insurances		375,695	396,973
Motor vehicles upkeep		512,538	417,671
Other expenses		66,699	657,748
Paper, books and periodials		5,721	5,708
Power		1,420,915	1,131,160
Printing and stationery		270,459	144,636
Rent, rates and taxes		176,400	679,880
Repair and maintenance of other assets		25,310	35,070
Repair to buildings		296,095	289,013
Repair to machineries		861,007	1,128,994
Stores and spares consumed		26,897,471	22,685,184
Software expenses		-	30,000
Travelling and conveyance		339,781	318,535
Sub total		**73,559,087**	**67,726,873**
Grand total (i+ii)		**709,235,112**	**660,096,662**

		Note(s)	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
			Taka	Taka
27.00	**Administrative expenses**			
	At Cement plant			
	Salaries, wages and benefits		29,414,899	26,520,727
	Directors' remuneration and benefits		32,189,913	31,392,364
	Directors' fees		110,000	44,000
	AGM & EGM expenses		2,557,386	2,333,614
	Amortization	6.03	4,056,138	4,075,000
	Audit fees		312,500	312,500
	Canteen expenses		1,470,669	1,524,901
	Communication expenses		952,462	1,165,980
	Contribution to employees' provident fund		1,273,855	842,567
	Depreciation	4.03	10,451,948	11,088,385
	EDP supplied		356,093	324,878
	Electricity and water		1,555,726	1,175,147
	Entertainment		1,200,180	1,223,274
	Fees, subscription and license renewal		1,290,970	807,361
	Gardening expenses		10,930	10,895
	Gratuity	17.01	5,494,645	2,187,010
	Insurances		1,071,596	1,067,971
	ISO expenses		256,250	129,096
	Legal and professional charges		1,625,353	1,454,560
	Motor Vehicle upkeep		2,654,261	2,643,660
	Other expenses		373,160	172,272
	Paper, books and periodicals		35,574	24,578
	Printing and stationery		342,080	1,010,592
	Rent, rates and taxes		5,166,438	3,642,017
	Repairs and maintenance generator		462,255	439,958
	Repairs and maintenance other assets		567,366	374,395
	Software development expenses		142,000	198,955
	Travelling and conveyance		2,055,679	1,837,908
	Training expenses		16,000	22,000
	Uniform and liveries		52,380	47,983
			107,518,706	98,094,548
28.00	**Selling and distribution expenses**			
	i. At Cement plant			
	Salaries, wages and benefits		26,400,445	23,906,490
	Advertisement		18,730,384	16,697,354
	Communication expenses		1,373,850	1,248,288
	Contribution to employees' provident fund		955,966	748,638
	CSR expenses		-	269,019
	Depreciation	4.03	5,051,106	6,342,964
	Entertainment		311,389	198,819
	Fees, subscription and license renewal		2,449,996	2,160,945
	Gratuity	17.01	7,075,360	1,373,890
	Motor Vehicle upkeep		1,926,898	2,199,106
	Other expenses		77,820	105,030
	Printing and stationery		522,523	4,485,200
	Sales commission		108,421,422	284,090,677
	Sales promotion		8,189,249	24,252,411
	Tender schedule purchase		246,030	220,390
	Travelling and conveyance		7,982,569	6,751,256
	Sub total		189,715,007	375,050,477
	ii. At Ready-mix plant			
	Advertisement		321,581	765,097
	Sales promotion		2,154,815	949,539
	Sub total		2,476,396	1,714,636
	Grand total (i+ii)		192,191,403	376,765,113

		Note(s)	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
			Taka	Taka
29.00	**Other operating income**			
	Sale of scrap		7,138,243	4,323,852
	Gain on sale /(loss) of non-current assets		1,019,044	1,582,567
	Sale of tender schedule		37,500	38,500
			8,194,787	**5,944,919**
30.00	**Finance costs**			
	i. At Cement plant			
	Interest on Cash Credit / Overdraft	30.01	43,012,415	21,673,217
	Interest on LATR	30.02	4,728,940	6,050,488
	Interest on Time/Demand Loan	30.03	39,114,291	16,189,967
	Interest on Short Term /Express Loan	30.04	6,229,628	8,618,055
	Interest on Syndication term loan		1,270,340	-
	DP LC for discounting interest		17,549,088	9,343,818
	Bank charges		394,886	792,347
	Bank guarantee commission		857,547	1,690,775
	Excise duty		1,568,500	782,750
	Sub total		**114,725,635**	**65,141,417**
	ii. At Ready-mix plant			
	Interest on Long Term Loan	30.05	57,841	1,331,735
	Interest on LATR Loan	30.06	1,021,545	502,255
	Interest on Time Loan	30.07	1,706,368	298,092
	DP LC for discounting interest		416,473	-
	Excise duty		69,000	22,500
	Bank charges		56,255	28,186
	Sub total		**3,327,482**	**2,182,768**
	Grand total (i+ii)		**118,053,117**	**67,324,185**
30.01	**Interest on Cash Credit / Overdraft**			
	Bank Asia Limited		3,383,368	704,643
	City Bank Limited		631,261	430,231
	Eastern Bank Limited		881,779	-
	Mutual Trust Bank Limited		3,819,300	2,332,152
	ONE Bank Limited		6,995,460	4,378,020
	Premier Bank Limited		-	13,091
	Prime Bank Limited		12,822,934	8,456,289
	Pubali Bank Limited		6,938,809	3,183,870
	Trust Bank Limited		7,539,504	2,174,921
			43,012,415	**21,673,217**
30.02	**Interest on LATR**			
	Bank Asia Limited		474,454	417,447
	City Bank Limited		126,134	1,334,878
	HSBC		-	138,458
	Mutual Trust Bank Limited		2,099,894	816,384
	ONE Bank Limited		907,543	633,107
	Prime Bank Limited		541,027	2,473,293
	Pubali Bank Limited		-	33,895
	Trust Bank Limited		579,888	203,026
			4,728,940	**6,050,488**
30.03	**Interest on Time/Demand Loan**			
	Bank Asia Limited		4,569,038	1,633,073
	City Bank Limited		4,470,748	420,256
	Eastern Bank Limited		3,378,976	-
	HSBC		539,884	-
	Mutual Trust Bank Limited		2,567,387	993,595
	ONE Bank Limited		1,810,625	1,618,742
	Prime Bank Limited		12,111,865	8,453,282
	Pubali Bank Limited		3,537,087	-
	Trust Bank Limited		6,128,681	3,071,019
			39,114,291	**16,189,967**

		Note(s)	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
			Taka	Taka
30.04	**Interest on Short Term /Express Loan**			
	City Bank Limited		548,650	-
	IPDC (Bangladesh) Limited		-	8,618,055
	ONE Bank Limited		5,680,978	-
			6,229,628	**8,618,055**
30.05	**Interest on Long Term Loan (Ready-mix plant)**			
	Prime Bank Limited -Term loan		39,564	842,951
	Prime Bank Limited -Lease finance loan		18,277	488,784
			57,841	**1,331,735**
30.06	**Interest on LATR (Ready-mix plant)**			
	Trsut Bank Limited		1,021,545	502,255
			1,021,545	**502,255**
30.06	**Interest on Time Loan (Ready-mix plant)**			
	Trsut Bank Limited		1,706,368	298,092
			1,706,368	**298,092**
31.00	**Finance income**			
	i. At Cement plant			
	Interest income from FDR		16,435,918	11,486,566
	Interest on STD		1,431,229	2,089,090
	Foreign currency exchange gain/(loss)		(10,024,235)	(8,421,965)
	Sub total		**7,842,912**	**5,153,691**
	ii. At Ready-mix plant			
	Interest on STD		141,630	113,620
	Foreign currency exchange gain/(loss)		(113,513)	-
	Sub total		**28,117**	**113,620**
	Grand total (i+ii)		**7,871,029**	**5,267,311**
32.00	**Non-operating income/(loss)**			
	Dividend received from listed company		2,119,104	6,601,932
	Dividend received from CDBL		1,427,955	1,427,955
	Dividend received from Asian Paints (BD) Limited		5,497,500	-
	Profit/(loss) on sale of investment in quoted shares		37,531,549	3,320,316
	Changes of value of Investment on quoted shares		(1,611,295)	138,335,930
	Insurance claim received		357,544	257,260
	Profit on sale shares of Energypac Confidence Power Venture Limited		-	63,769,792
			45,322,357	**213,713,185**
33.00	**Share of profit/(loss) of associates**			
	Confidence Electric Limited	33.01	340,026,826	146,170,803
	Energypac Confidence Power Venture Limited	33.02	-	30,976,685
	Confidence Power Limited	33.03	85,759,026	60,611,797
	Confidence Batteries Limited	33.04	12,562,817	-
			438,348,669	**237,759,285**
33.01	**Confidence Electric Limited**			
	Net profit attributable to the shareholders' of associate	7.01	**693,932,298**	**298,307,762**
	Ownership		**49%**	**49%**
	Net profit/(Loss) attributable to Confidence Cement Ltd.		340,026,826	146,170,803
			340,026,826	**146,170,803**

	Note(s)	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
		Taka	Taka
33.02 Energypac Confidence Power Venture Limited			
Net profit attributable to the shareholders' of associate		-	66,205,887
Ownership		50%	50%
Net profit / (Loss) attributable to Confidence Cement Limited		-	30,976,685
		-	30,976,685
33.03 Confidence Power Limited			
Net profit attributable to the shareholders' of associate	7.02	343,036,108	242,447,191
Ownership		25%	25%
Net profit / (Loss) attributable to Confidence Cement Ltd		85,759,026	60,611,797
		85,759,026	60,611,797
33.04 Confidence Batteries Limited			
Net profit attributable to the shareholders' of associate	7.03	25,638,401	-
Ownership		49%	49%
Net profit / (Loss) attributable to Confidence Cement Ltd		12,562,817	-
		12,562,817	-
34.00 Basic Earnings per share (EPS)			
Net profit after tax attributable to shareholders		374,240,323	498,124,144
Weighted average number of ordinary shares		53,992,224	53,992,224
Basic earnings per share (EPS)		6.93	9.23

34.01 Diluted earnings per share (DEPS)

No diluted EPS was required to be calculated for the year since there was no scope for dilution of shares during the year.

	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
	Taka	Taka
35.00 Net asset value (NAV) per share		
Total Assets	8,200,817,545	7,724,055,674
Less: Liabilities	4,097,478,507	3,940,306,703
Net asset value (NAV)	4,103,339,037	3,783,748,971
Number of ordinary shares outstanding during the year	53,992,224	44,993,520
Net asset value (NAV) per share	76.00	84.10
36.00 Net operating cash flows per share		
Net operating cash flows	(509,132,575)	420,705,873
Weighted average number of ordinary shares	53,992,224	44,993,520
Net operating cash flows per share	(9.43)	9.35

37.00 Operating segment report

37.01 Segment-wise statement of financial position as on 30 June 2018

	Cement plant Taka	Ready-mix plant Taka	Total Taka
ASSETS			
Non-current assets			
Property, plant and equipment	3,920,067,899	235,254,648	4,155,322,547
Capital work-in-progress	90,948,685	-	90,948,685
Investments	101,031,513	-	101,031,513
Investment in associates	670,268,537	-	670,268,537
Total non-current assets	**4,782,316,633**	**235,254,648**	**5,017,571,281**
Current assets			
Inventories	683,043,593	73,250,974	756,294,567
Trade receivables	950,485,634	71,528,312	1,022,013,946
Advances, deposits and prepayments	998,456,260	27,037,976	1,025,494,236
Other receivables	79,060,217	957,698	80,017,915
Short term investment in Fixed Deposits	250,000,000	-	250,000,000
Cash and cash equivalents	45,577,250	3,848,349	49,425,599
Total current assets	**3,006,622,954**	**176,623,309**	**3,183,246,263**
Total Assets	**7,788,939,587**	**411,877,957**	**8,200,817,544**
EQUITY AND LIABILITIES			
Equity			
Share capital	539,922,240	-	539,922,240
Share premium	658,089,549	-	658,089,549
General reserve	371,862,754	-	371,862,754
Revaluation surplus	537,636,210	-	537,636,210
Retained earnings	2,162,296,933	(166,468,648)	1,995,828,285
Inter unit balance	(433,033,296)	433,033,296	-
Total Equity	**3,836,774,390**	**266,564,648**	**4,103,339,038**
Liabilities			
Non-current liabilities			
Long term loan	89,641,795	-	89,641,795
Defined benefit obligations (gratuity)	62,167,430	1,919,045	64,086,475
Deferred tax liability	209,785,503	-	209,785,503
Total non-current liabilities	**361,594,728**	**1,919,045**	**363,513,773**
Current liabilities			
Trade payables	389,984,330	88,097,905	478,082,235
Short term loans	3,017,216,048	52,436,955	3,069,653,003
Current tax liability	60,237,568	-	60,237,568
Other liabilities	123,132,524	2,859,404	125,991,928
Total current liabilities	**3,590,570,470**	**143,394,264**	**3,733,964,734**
Total Liabilities	**3,952,165,198**	**145,313,309**	**4,097,478,507**
Total Equity and Liabilities	**7,788,939,589**	**411,877,957**	**8,200,817,546**

37.02 Segment-wise statement of profit or loss and other comprehensive income for the year ended 30 June 2018

	Cement plant	Ready-mix plant	Total
	Taka	Taka	Taka
Revenue	3,484,458,471	432,325,046	3,916,783,517
Cost of sales	(3,130,639,060)	(457,504,730)	(3,588,143,790)
Gross Profit	**353,819,411**	**(25,179,684)**	**328,639,727**
Administrative expenses	(107,518,706)	-	(107,518,706)
Selling and distribution expenses	(189,715,007)	(2,476,396)	(192,191,403)
Other operating income	8,194,787	-	8,194,787
Profit from operating activities	**64,780,485**	**(27,656,080)**	**37,124,405**
Finance costs	(114,725,635)	(3,327,482)	(118,053,117)
Finance income	7,842,912	28,117	7,871,029
Profit before provision for WPPF	**(42,102,238)**	**(30,955,445)**	**(73,057,683)**
Contribution to WPPF and welfare fund	-	-	-
Non-operating income/(loss)	45,322,357	-	45,322,357
Share of profit/(loss) of associates (Net of tax)	438,348,669	-	438,348,669
Profit before income tax	**441,568,788**	**(30,955,445)**	**410,613,343**

38.00 Contingent liabilities and commitments

Contingent liabilities at the reporting date are as follows:

	30 June 2018	30 June 2017
	Taka	Taka
38.01 Guarantee		
Karnaphully Gas Distribution Company	6,662,982	8,039,292
Commissioner of Customs, Custom House ,Chattogram	857,192	15,104,346
E&C Branch Army Head Quarter	1,311,000	-
DW & CE (Air)	1,000,000	-
AHQ QMG's Branch	1,394,600	-
Bangladesh Power Development Board	-	95,013,000
Army Head Quarter Dhaka Cantonment	9,040,000	7,365,200
Chittagong Port Authority	3,875,000	-
Comodore BN DW & CE (Navy) Dhaka	12,143,000	5,529,100
	36,283,774	**131,050,938**
38.02 L/C liabilities	**266,710,352**	**145,732,617**

39.00 Related party transactions

During the year the company carried out a number of transactions with related party 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".

Name of the related party	Nature of transaction	Type of relationship	Transactions during the year	Balance as on 30 June 2018
Confidence Power Limited	Cement sale	Associate	111,040,200	1,856,444
Confidence Electric Limited	Cement sale	Associate	453,900	157,650
Elecropac Industries Ltd.	Cement sale	Sister company	44,525,900	3,128,133
Confidence Concrete Eng. Ltd	Cement sale	Sister company	-	6,500
Confidence Steel Limited	Cement sale	Sister company	6,921,000	371,803

40.00 Employees

	30 June 2018	30 June 2017
	Taka	Taka
Cement plant	711	801
Ready-mix plant	69	86
	780	**887**

All employees received salary more than Tk. 5,500 per month.

41.00 Directors' Remuneration

Salary, allowances and benefits	32,102,000

a. Board of Directors have been paid Tk. 26,800,000 as remuneration and other benefits during the year.
b. Managing Director has been paid Tk. 5,302,000 as remuneration and other allowances during the year.
c. No amount is lying as receivable from the directors.

41.01 Directors' Fees

Tk. 110,000 has been paid as directors' fees to independent directors of the Company for attending board meetings.

42.00 Events after the reporting period

The Board of Directors of the company in its meeting held on 29 October 2018 recommended 35% dividend (15% cash & 20% bonus) for the year 2018 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

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 counterparty 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 2018 Taka	30 June 2017 Taka
Trade receivable-Local	972,985,432	838,028,662
Trade receivable-Export	49,028,514	21,556,564
	1,022,013,946	859,585,226
Other Receivables	80,017,915	127,653,834
Advance, deposit and prepayments	1,025,494,236	578,440,993
Cash and cash equivalents	49,425,599	863,557,551
	1,154,937,750	1,569,652,378

b) Ageing of receivables

Dues within 3 months	672,568,945	709,941,228
Dues over 3 months but up to 6 months	190,399,890	72,654,581
Dues over 6 months	159,045,111	76,989,417
	1,022,013,946	859,585,226

c) Credit exposure by credit rating

		30 June 2018	
	Credit rating	Amount	(%)
Trade receivable	NR	1,022,013,946	46.97
Other receivables	NR	80,017,915	3.68
Advance, deposit and prepayments	NR	1,025,494,236	47.13
Cash and cash equivalents :			
Cash in hand		435,429	0.02
Cash at bank		48,990,170	2.25
AB Bank Limited	A1	1,084,360	0.05
Agrani Bank Limited	AAA	131,339	0.01
Bank Asia Limited	AA2	689,496	0.03
Dhaka Bank Limited	A1	(1,029,591)	(0.05)
Dutch Bangla Bank Limited	AA1	506,482	0.02
Eastern Bank Limited	AA+	716,754	0.03
EXIM Bank Limited	AA-	2,612,651	0.12
First Security Bank Limited	A+	1,833,213	0.08
HSBC	AAA	56,388	0.00
IFIC Bank Limited	AA2	611,606	0.03
Islami Bank Bangladesh Limited	AAA	2,243,375	0.10
Mercantile Bank Limited	AA	88,323	0.00
Midland Bank Limited	A3	223,617	0.01
Mutual Trust Bank Limited	AA-	2,099,900	0.10
Natonal Bank Limited	AA	1,528,463	0.07
NCC Bank Limited	AA	901,328	0.04
One Bank Limited	AA	(1,292,188)	(0.06)
Premier Bank Limited	AA+	574,190	0.03
Prime Bank Limited	AA2	26,251,016	1.21
Southeast Bank Limited	AA	(83,808)	(0.00)
Standard Bank Limited	AA	2,053,753	0.09
Standard Chartered Bank	AAA	500,968	0.02
State Bank of India	AA+	5,850	0.00
The City Bank Limited	AA2	3,124,932	0.14
Trust Bank Limited	AA2	174,406	0.01
United Commercial Bank Limited	AA	3,383,347	0.16

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 managing 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 lines 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 flow projections and credit lines with banks are negotiated accordingly.
In extreme stressed conditions, the company may get support from the associate companies in the form of inter-company loan.

The following are the contractual maturities of financial liabilities :-

Category of Liabilities	Carrying amount As on 30 June 2018	Nominal Interest rate	Contractual cash flows	Within 6 months or less	Within 6-12 months
	Taka		Taka	Taka	Taka
Trade and other liabilities	604,074,163	N/A	604,074,163	604,074,163	-
Short term bank loan	3,069,653,003	9% - 13%	3,069,653,003	3,069,653,003	-
Contribution to WPPF	-	N/A	-	-	-

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 2018 (BDT Equivalent)	30 June 2017 (BDT Equivalent)
Assets		
Trade receivables	49,028,514	21,556,564
Cash at bank	7,622,806	7,554,450
	56,651,320	**29,111,014**
Liabilities		
Bank borrowing	**1,262,543,666**	**791,336,300**
Net exposure	**1,205,892,346**	**762,225,286**
The following significant exchange rates are applied at the balance sheet date:		
Exchange rate of US Dollar	**82.80**	**79.69**

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.

At the reporting date, average interest rate of the Company's interest bearing financial instrument as follows :

	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	Effective rates %		Taka	
Financial Assets				
Term Deposit	4.50% - 8.75%	4.50% - 9.50%	250,000,000	144,599,563
Financial Liabilities				
Loans & Others	9% - 13%	8% - 10%	3,159,294,798	1,982,983,557

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	18,296,001	18,296,001
Held to maturity assets		
FDR with banks	250,000,000	250,000,000
Receivables and other assets		
Trade and other receivable	1,102,031,861	1,102,031,861
Security deposit	63,267,494	63,267,494
Cash and cash equivalents	49,425,599	49,425,599
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	604,074,163	604,074,163
Short term bank borrowing	3,069,653,003	*N/A
Current portion of long term borrowing	-	*N/A
Contribution to WPPF & WF	-	*N/A

* Determination of fair value is not required as per the requirements of IFRS/BFRS 7 : Financial Instruments: Disclosures (ref: Para 29). However, fair value of such instruments is not likely to be significantly different from the carrying amounts of such instruments.

CONFIDENCE CEMENT LIMITED

Registered Office : "Confidence Heights", Plot-1, Lane-1, Road-2, Block-L, Halishahar H/E, Agrabad Access Road, Chattogram.
Liaison Office : Ispahani Building (3rd floor), 14-15 Motijheel C/A, Dhaka-1000. Tel : 02-9562431

PROXY FORM

I / We.....
of (address)..... being shareholder(s) of Confidence Cement Limited hereby appoint, Mr. / Mrs. / Miss ..... of (address) .....
.... as my / our proxy to attend and vote for me/us and on my / our behalf at the 27th Annual General Meeting (AGM) to be held on 23 December, 2018 at 11:00 a.m at Madambibirhat, Bhatiary, Sitakunda, Chattogram and at any adjournment thereof and the poll may be taken in consequence therof as witness my / our hand this ..... day of .....2018.

Revenue Stamp Tk. 20.00

(Signature of the Proxy)

(Signature of Shareholder)

BO ID No. | | | | | | | | | | | | | | | | or

Folio No.

BO ID No. | | | | | | | | | | | | | | | | or

Folio No.

No. of share held : .....

Note : i) Signature must be in accordance with specimen signature registered with the company.
ii) The Proxy Form must be deposited at the Registered Office / Liaison Office of the company not later than 48 hours before the time fixed for the meeting. Otherwise, the proxy form will not be treated as valid.

CONFIDENCE CEMENT LIMITED

ATTENDANCE SLIP

I / We hereby record my / our presence at the 27th Annual General Meeting (AGM) of the company being held on 23 December, 2018 at Madambibirhat, Bhatiary, Sitakunda, Chattogram.

Name of Shareholder /Proxy.....

BO ID No. of Member : | | | | | | | | | | | | | | | | / Folio No.

No. of share held : .....

.....
Signature of Shareholder(s)

N. B. 1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception Desk.





সর্বোচ্চমানের সিমেন্টে দরকার

A গ্রেড ক্লিংকার

সর্বোচ্চমানের সিমেন্ট উৎপাদনের জন্য প্রয়োজন A গ্রেড ক্লিংকার। সিমেন্ট উৎপাদনে শুধুমাত্র কনফিডেন্স সিমেন্টই ব্যবহার করছে A গ্রেড ক্লিংকার। যা আপনাকে দিচ্ছে সর্বোচ্চমানের সিমেন্টের নিশ্চয়তা।

কনফিডেন্সসিমেন্ট | আস্থা রাখুন

কনফিডেন্স হাইট্স, প্লট-১, লেইন-১, রোড-২, ব্লক-এল
হালিশহর হাউজিং এষ্টেট, আগ্রাবাদ এক্সেস রোড, চট্টগ্রাম।
ফোন : ৭১১৪৭১-৩, ৭২৮৩০৪, ২৫১০৩৮৬, ০১৭৩০-৩১০০৯২

confidencecement
Trust in

Registered Office

Confidence Heights

Plot-1, Lane-1, Road-2, Block-L,Halishahar H/E,
Agrabad Access Road, Chattogram.
Tel : 711471-3, 711475, 2518962, 2510386
Fax : 880-31-711474, E-mail: confi@bbts.net

Liaison Office

Ispahani Building (3rd Floor)
14-15, Motijheel C/A, Dhaka.
Tel : 9562431
Fax : 880-2-9565317
E-mail : ccldhk@bbts.net

Factory

Madambibirhat, Bhatiary
Sitakunda, Chattogram.
Tel : 880-31-2781161-3
Fax : 880-031-2781164
E-mail : ccl@confidencegroup.com.bd

AMAR STOCK