ANNUAL REPORT | 2015-16



EMERALD OIL INDUSTRIES LIMITED

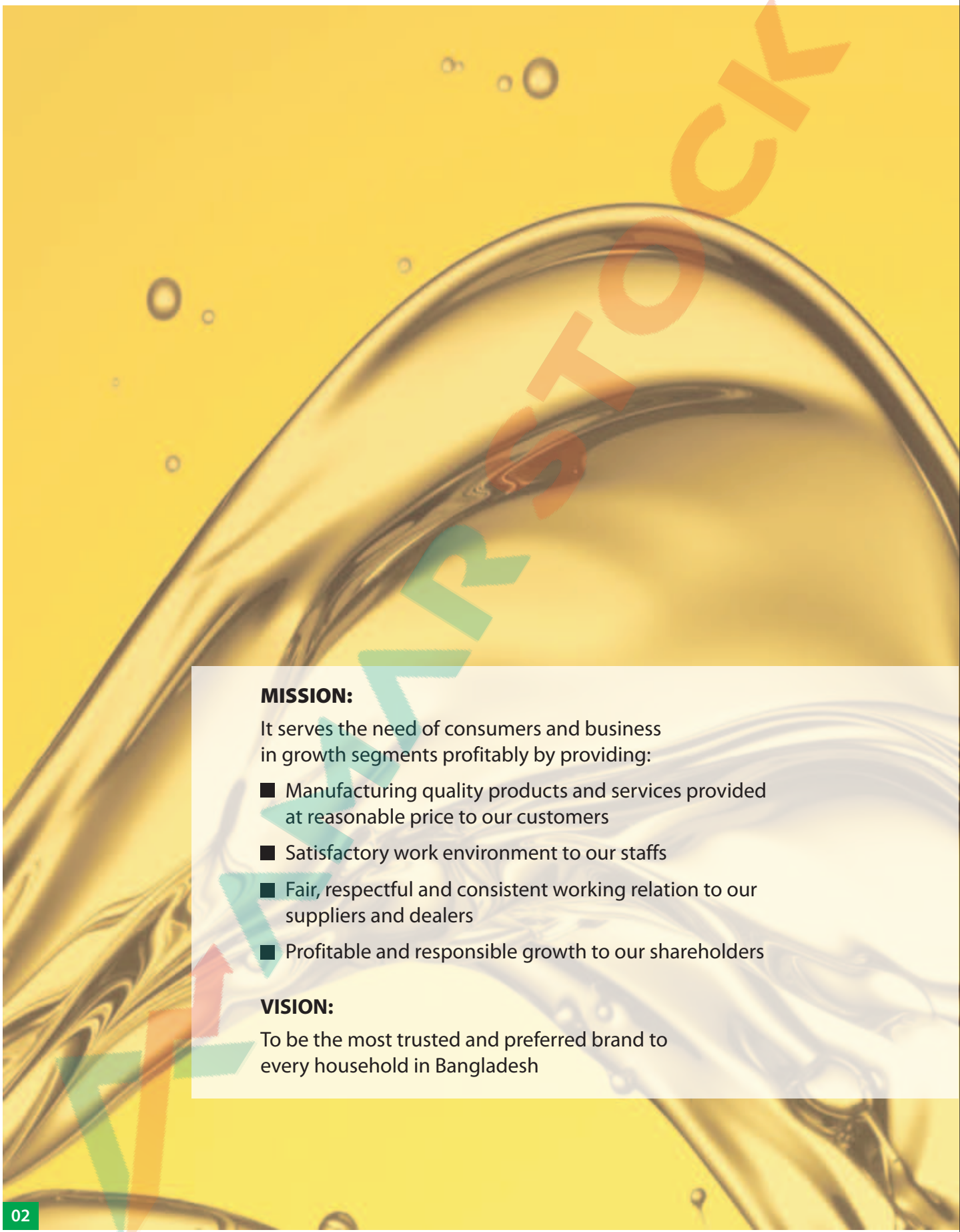
ANNUAL REPORT
2015-16



EMERALD

EMERALD OIL INDUSTRIES LIMITED

AMAR STOCK



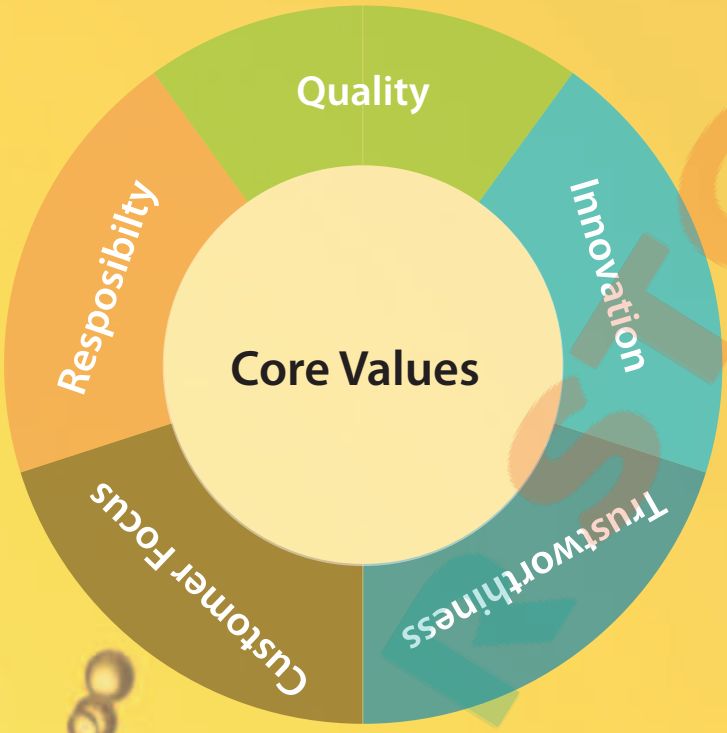
MISSION:

It serves the need of consumers and business in growth segments profitably by providing:

- Manufacturing quality products and services provided at reasonable price to our customers
- Satisfactory work environment to our staffs
- Fair, respectful and consistent working relation to our suppliers and dealers
- Profitable and responsible growth to our shareholders

VISION:

To be the most trusted and preferred brand to every household in Bangladesh



Quality	We are committed to offer the highest quality products at all times to our customers
Innovation	We anticipate change and shape it to fit our purpose
Trustworthiness	Our customer can trust our products because we can act with integrity and do what is right
Customer Focus	We are passionate about our customers and embrace their priorities as our own
Responsibility	We take responsibility, ensure safety of our people and products, contribute to our local communities & care for our environment

picture of

8TH ANNUAL GENERAL MEETING



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ARSTOCK

EMERALD OIL INDUSTRIES LIMITED
Saiham Sky View Tower, Floor-10/D
45, Bijoy Nagar, Dhaka-1000
Ph. : +88 02 8391511-3, Fax: +88 02 8391514
E-mail : emldoil@yahoo.com
www.spondonoil.com

LETTER OF TRANSMITTAL

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

Subject: Submission of Annual Report for the year ended June 30, 2016

Dear Sir(s),

We are pleased to submit a copy of the Annual Report together with the Audited Financial Statements including Balance Sheet, Profit or Loss Account, Statement of Changes in Equity and Cash Flows for the year ended 30 June 2016 along with notes thereon for your records.

Thank you for your support and confidence on us.

Best regards.

Sd/-
(Meharunnessa Rosy)
Company Secretary

EMERALD OIL INDUSTRIES LIMITED
Saiham Sky View Tower, Floor-10/D
45, Bijoy Nagar, Dhaka-1000
Ph. : +88 02 8391511-3, Fax: +88 02 8391514
E-mail : emldoil@yahoo.com
www.spondonoil.com

NOTICE OF 9TH ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting of EMERALD OIL INDUSTRIES LTD. shall be held on 31 December 2016 (Saturday) at 10:00 A.M at Institution of Diploma Engineers, Bangladesh, Muktijuddho Smriti Milonayoton Hall, IDEB Bhaban, 160/A, Kakrail VIP Road, Dhaka to transact the following business:

Agenda:

1. To receive, consider and approve the Audited Financial Statements for the year ended 30th June 2016 Directors' and Auditors' Report thereon.
2. To approved Dividend as recommended by the Board of Director for the year ended on 30th June 2016.
3. To appointment /re-appointment Director`s including Independent Directors.
4. To consider appointment of Auditors for the year 2016-2017 and fix their remuneration.
5. To transact any other business of the Company with the permission of the chair.

Dated, Dhaka
19th December 2016

By order of the Board of Directors

Sd/-
(Meharunnessa Rosy)
Company Secretary

Notes:

- The Shareholders, whose names appear in the Depository Register on the Record Date i.e. 18 December 2016, will be eligible to attend the Annual General Meeting and to receive the dividend.
- Any Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend the meeting and vote on his/her behalf. The Proxy Form duly completed, must be affixed with revenue stamp of Tk. 20.00 and deposited at the Registered Office of the Company at least 48 (forty eight) hours the time of holding the meeting.
- Entry to the Annual General Meeting is reserved only for shareholders or their proxy.
- Members are requested to notify their changes of address, if any.
- No gift or benefit in cash or kind shall be paid to the holders of equity securities in terms of Clause (c) of the Notification No.SEC/SRMI/2000-953/1950 dated 24 October 2000 for attending the AGM of the Company.

EMARSTOCK

CORPORATE DIRECTORY



Board of Directors	
Mr. Syed Monwarul Islam	Chairman & Sponsor
Mr. Syed Hasibul Gani Galib	Managing Director & Sponsor
Mr. A.S.M Monirul Islam	Director
Mr. Sajan Kumar Basak	Director
Mr. Amitabha Bhowmik	Director
Mr. Kazi Tarek Mahmud	Independent Director
Advocate Bikash Chandra Sarker	Independent Director

Audit Committee	
Mr. Kazi Tarek Mahmud	Independent Director
Mr. Sajan Kumar Basak	Director
Mr. Amitabha Bhowmik	Director

Management Team	
Mr. Syed Mahbubur Rahman	Executive Director (Factory)
Mr. Ahsanul Haque Tushar	General Manager
Ms. Meharunnessa Rosy	Company Secretary
Mr. D.M. Zillul Alam	Procurement Manager
Mr. M.A. Tapan Chowdhury	National Sales Manager

COMPANY PROFILE

1.	**NAME OF THE COMPANY**	: Emerald Oil Industries Limited
2.	**INCORPORATION NO. & DATE**	: C72229 (271)/08 dated July 17, 2008
3.	**LEGAL STATUS**	: Public Limited Company
4.	**REGISTERED OFFICE**	: Saiham Sky View Tower, Floor-10/D, 45, Bijoy Nagar, Dhaka-1000
5.	**FACTORY LOCATION**	: Sheripara, Sherpur Sadar, Sherpur
6.	**LISTINGS**	: Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited
7.	**DATE OF COMMERCIAL OPERATION**	: 02 July 2011
8.	**NATURE OF BUSINESS**	: Manufacture, Marketing and Sale of Rice Bran Edible Oil
9.	**BRAND NAME**	: Spondon
10.	**MAIN RAW MATERIALS**	: Rice Bran
11.	**PRODUCTION CAPACITY**	: 48 MT of Refined Rice Bran Oil and 240 MT of De-Oiled Rice Bran from 300 MT of Rice Bran per day
12.	**AUDITOR**	: Mahfel Huq & Co., Chartered Accountants
13.	**TAX CONSULTANT**	: ADN Associates, Ali's Center (8th Floor) 40, Bijoy Nagar, Dhaka-1000.
14.	**BANKERS**	: The Farmers Bank Ltd., National Bank of Pakistan, Basic Bank Ltd., Bank Asia Ltd., BRAC Bank Ltd., Bangladesh Krishi Bank Ltd., Dutch Bangla Bank Ltd., Islami Bank Bangladesh Ltd., National Bank Ltd., Jamuna Bank Ltd., Janata Bank Ltd., Mutual Trust Bank Ltd., Prime Bank Ltd., Sonali Bank Ltd.

CHAIRMAN's MESSAGE TO SHAREHOLDERS



Dear Shareholders,

Assalamu Alaikum,

It is indeed a great privilege and honor to welcome you all to the 9th Annual General Meeting of Emerald Oil Industries Limited. Thank you for your support, guidance and loyalty over the years.

At first we regret to inform you that, in March 2016, Mr. Syed Hasibul Gani Galib, Managing Director of the company was arrested by the Anti Corruption Commission for loans taken from Basic Bank Ltd., which ultimately became a national issue. There was several negative news about the MD as well as the company in the newspapers and among the dealers, distributors, retailers and the customers also, which seriously hampered the business of the company. For which we could not do well particularly in the last quarter resulting in reduction in the revenue as well as profitability of the company. Beside this, the result of operation is good with compared to prior year.

On the other hand, we would like to inform you that after getting the bail of the mentioned case the Managing Director went abroad for medical treatment of severe kidney disease. He was about to return in 25 November 2016, but unfortunately he does not communicate with us until then for unknown reasons. We tried to communicate with him several times and waited for him, but failed to communicate until date. Due to like this unconsciousness behavior we are passing a recession period.

The top management of the company are trying their best and we hope the worst situation will be overcome within a couple of month.

Most sincere thanks to our Consumers, Bankers, Financial institutions, Suppliers, Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited, CDBL, RJSC, Tax authorities and Auditor of the company who extended their continue support, co-operation, suggestion & guidance for running our business successfully.

Finally, we would not be where we are today without the hard work, dedication and unwavering commitment of our Management team and staffs.

Sincerely,

Sd/-
Syed Monwarul Islam
Chairman

REPORT OF THE DIRECTORS

Dear Shareholders,

It is a great pleasure for us to welcome you all to the 09th Annual General Meeting of the Emerald Oil Industries Limited.

We feel honored to submit you the Annual Report together with the Auditors' Report and Audited Financial Statements of the Company for the year ended 30 June 2016.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission's (BSEC) notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012.

I. Industry outlook and possible future developments in the industry

We had faced a lot of difficulties during the initial days - people were completely oblivious to the existence of rice bran oil and its health benefits.

Demand for the antioxidant-rich rice bran oil is rising exponentially on the back of increased health consciousness among urban people. After an intense awareness campaign, particularly among homemakers, demand for rice bran oil increased during the last few years and consumers started switching to rice bran oil from other edible oil.

The rice bran oil holds very good market potential. We have the raw materials and there are many rice mills that can supply it. Our country produces more than 5 crore tons of paddy a year, which yields 40 lakh tons of rice bran. Although Rice bran oil's growing demand has also created expectations of bringing down the country's import dependency for cooking oil. At present, the country spends over Tk. 10,000 crore a year to import 14-15 lakh tones of edible oil against the domestic demand of 18 lakh tones and increasing year to years.

Currently there are 15 rice bran oil mills in Bangladesh and they are capable to produce 2.5 lakh tones oil in a year which ultimately reduces the demand supply gap and dependency on import.

On the other hand, there is a good demand of rice bran oil in India. Bangladesh already started to export rice bran oil in India, which is increasing day by day. We also are expecting to start export in the coming years.

It is hoped that with the increased demand within the country as well as abroad, our revenue and profit will be increased in the coming years.

II. Segment-wise or product-wise performances

There is no segment wise product. However, product-wise revenue has been given in Note No. 21 in notes to the accounts of the financial statements.

III. Risks and concerns

Risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service, which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company to increase their customer base.

Strong brand-loyalty of the company's products to its customers has enabled the company to capture significant market share in the sector. The company is also continuously penetrating into the market and upgrading the quality of the products to minimize the market risks.

An unexpected incident occurred in the company, which seriously hampered the business of the company. The Anti Corruption Commission arrested the Managing Director of the company in March 2016 for loans taken from Basic Bank Ltd. There was several negative news about the MD as well as the company in the newspapers and among the dealers, distributors, retailers and the customers also, which affected the business badly.

Moreover, the Managing Director is now in abroad for medical treatment of severe kidney disease. He was about to return in 25 November 2016, but unfortunately he does not communicate with the board until then for unknown reasons. The other member of the board tried to communicate with him several times, but failed to communicate.

If the Managing Director does not back re-arrangement of delegating powers and responsibilities of overall management shall reduce the risk of the business.

IV. Discussion on Cost of Goods Sold, gross Profit Margin & Net Profit Margin

Particulars	2016		2015 (Re-stated)	
Cost of Goods Sold	1,422.76	76.92%	1,381.95	78.37%
Gross margin	426.83	23.08%	381.42	21.63%
Net margin for the year	180.72	9.77%	152.82	8.67%

V. Discussion on continuity of any extra ordinary gain or loss

There was no extra-ordinary gain or loss in the Financial Statements 30 June 2016.

VI. Basis for related party transaction

Related party transaction is shown in note no. 33 in notes to the accounts.

VII. Utilization of proceeds from public issues and/ or rights issues:

There was no public issue or right issue offered during the year.

VIII. Financial results after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.:

The company listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. on 10 March 2014 & 13 March 2014 respectively and financial performances after listing has been disclosed in Sl. No. XVIII (Key operating Financial Data of last preceding 5 years).

IX. Variance between Quarterly Financial performance and Annual Financial Statements:

The company`s EPS reduced to Tk. 3.33 per shares with compared to 3rd quarter ended 30 March 2016 which was Tk. 3.79 per share due to substantial fall in the revenue in the last quarter i.e. April to June 2016 quarter. The average revenue for first three quarter was Tk. 57.31 crore whereas in the last quarter it was Tk. 13.04 crore. We were doing well during the first half of the year, which continued up to 2nd month of the third quarter but the disaster happened when the Managing Director of the company was arrested by the Anti Corruption Commission in March 2016 for loans taken from Basic Bank Ltd., which ultimately became a national issue. There was several negative news about the MD as well as the company in the newspapers and among the dealers, distributors, retailers and the customers also, which seriously hampered the business of the company. The management of the company tried their best but could not overcome the situation, which continues the 1st quarter of the next year.

We hope the worst situation will be overcome and the company shall continue its past performance within a couple of months.

X. Remuneration to Directors including Independent Directors:

The remuneration to Directors including Independent Directors has been shown in the notes to the Financial Statements, Note No. 23.

XI. The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

XII. Proper books of account of the company have been maintained.

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

XIV. IAS/ BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

XV. The system of internal control is sound in design and has been effectively implemented and monitored.

XVI. Going concern:

Though the company made a net profit after tax of Tk. 180,721,878 during the year but the company could not repay its banks'/financial Institutions' loans in due time which resulted in anti-corruption commission filing a lawsuit against the Directors as well as the company as detailed in 3.08 of the Financial Statement. This resulted from company's liquidity being stuck up in the inventories, receivables and advances due to increase of the production by the company, advances given to suppliers for supply of raw material, generous credit terms allowed for market expansion.

The management of the company is trying their best to overcome this situation and has decided to reorganize the management, arrange some other financing sources for smooth operation of the business. In the opinion of the management, the company shall overcome all the obstacles within the shortest possible time. Therefore, the management adopted going concern basis for preparation of the financial statement.

XVII. Deviation from the last year's operating results:

There is no significant deviance from the last year`s operating results except as stated in Sl. No. IX of this report.

XVIII. Key operating Financial Data of last preceding 5 years

Amount in Million Taka

Operational Result	30 June 2016	30 June 2015	30 June 2014	30 June 2013	30 June 2012
Turnover	1,849,60	1,763.37	1,323.75	1,263.78	1098.89
Gross Profit	426.83	381.42	269.39	242.31	206.57
Profit from Operation	377.83	330.38	219.06	187.54	164.43
Net Profit before tax	206.74	174.85	101.73	102.02	90.98
Net Profit after Tax	180,72	152.82	83.51	80.49	90.95
Net Cash Flow From Operation	71.86	(126.43)	47.42	105.93	(126.91)

Financial Position	30 June 2016	30 June 2015	30 June 2014	30 June 2013	30 June 2012
Fixed Assets	728.47	779.95	771.58	554.00	505.15
Current Assets	1644.44	1,271.14	825.14	498.06	463.92
Shareholder's Equity	935.39	804.02	670.23	386.72	326.142
Long Term Liability (Including current portion)	906.51	896.96	588.02	612.12	640.62

Key Financial Ratio	30 June 2016	30 June 2015	30 June 2014	30 June 2013	30 June 2012
Current Ratio	2.10	2.65	1.62	1.61	2.71
Quick Ratio	0.96	1.52	1.06	1.56	1.86
Debt to Equity Ratio	1.54	1.56	1.44	2.12	2.08
Net Income Ratio (%)	9.77	8.67%	6.31%	6.37%	8.28%
Return on Equity (%)	19.32	19.00%	12.46%	20.81%	27.89%
Earnings Per Share	3.33	3.10	2.39	2.98	5.48

XIX. Dividend Declaration:

The Board has recommended 10% Stock Dividend for the year ended 30 June 2016, which will be approved in 9th AGM.

XX. Number of Board Meetings held during the year and attendance

During the year ended 30 June 2016, there were 07 Board of Directors Meeting hold and the presence was as follows:

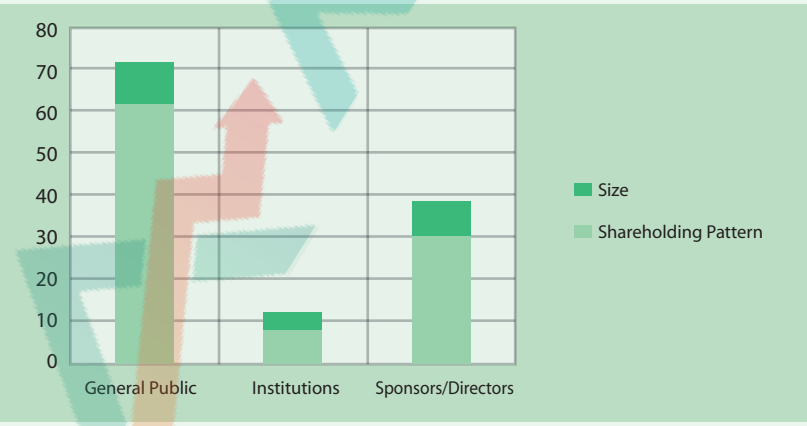
Sl.	Name	Designation	Attendance
1.	Mr. Syed Monwarul Islam	Chairman & Sponsor	07
2.	Mr. Syed Hasibul Gani Galib	Managing Director & Sponsor	05
3.	Mr. Sajan Kumar Basak	Director	07
4.	Mr. Amitabha Bhowmik	Director	07
5.	Mr. A.S.M. Monirul Islam	Director	0
6.	Mr. Kazi Tarek Mahmud	Independent Director	03
7.	Advocate Bikash Chandra Sarker	Independent Director	03

XXI. Pattern of Shareholding:

The Pattern of Share holdings as on 30 June 2016 as follows:

Name	No. of Shares	%
Sponsors/Directors	1,65,28,750	30.45%
Institutions	43,10,882	7.94%
General Public	3,34,45,368	61.61%
Total	**5,42,85,000**	**100.00%**

Graphical Presentation of Shareholding Pattern



Share holdings position as on 30 June 2016 as Follows:

Sl.	Name sponsors/promoters and directors	Status	No. of Shares Holding	Holding %
1	Mr. Syed Monwarul Islam	Chairman & Sponsor	1,100,000	2.03%
2	Mr. Syed Hasibul Gani Galib	Managing Director & Sponsor	1,16,20,000	21.41%
3	Mr. A.S.M. Monirul Islam	Director	11,00,000	2.02%
4	Mr. Sajan Kumar Basak	Director	12,10,000	2.23%
5	Mr. Amitabha Bhowmik	Director	12,10,000	2.23%
6	Mr. Md. Enamul Haque Khan	Sponsor	2,88,750	0.53%
7	Institutions		43,10,882	7.94%
8	General Public		3,34,45,368	61.61%
	Total		5,42,85,000	100%

a) Parent/ Subsidiary/Associated companies and other related parties:

There is no parent/ Subsidiary/Associated companies and other related parties.

b) Directors, CEO, CS, CFO, Head of Internal Audit and their spouse and minor children:

Sl.	Name of Directors & Executives	Status	No. of Share held	Share held by the Spouse & minor Children	Remarks
1	Mr. Syed Monwarul Islam	Chairman & Sponsor	1,100,000	200,000	Ms. Syeda Rezea Banu, Spouse
2	Mr. Syed Hasibul Gani Galib	Managing Director & Sponsor	1,16,20,000	4,180,000	Ms. Farhana Galib Ame, Spouse
5	Mr. A.S.M. Monirul Islam	Director	1,100,000	Nil	Nil
3	Mr. Sajan Kumar Basak	Director	12,10,000	850,000	Ms. Anjana Basak, Spouse
4	Mr. Amitabha Bhowmik	Director	12,10,000	850,000	Ms. Indrani Sen, Spouse
6	Mr. Kazi Tarek Mahmud	Independent Director	Nil	Nil	Nil
7	Advocate Bikash Chandra Sarker	Independent Director	Nil	Nil	Nil
8	Ms. Meharunnessa Rosy	Company Secretary	Nil	Nil	Nil

c) Executives: **No Holding**

d) 10% or more voting Interest:

Shareholders holding ten percent (10%) or more voting interest in the company:

Sl.	Name	Share held	% of total no. of shares
1.	Mr. Syed Hasibul Gani Galib	11,620,000	21.41%

XXII. Re-appointment / Appointment of Director:

With regard to the appointment, retirement and re-appointment of directors, the company is governed by its Articles of Association, the Companies Act. 1994 and other related legislations. Accordingly, the following Directors of the Board will retire at the Annual General meeting:

1. Mr. Syed Hasibul Gani Galib, Managing Director
2. Mr. A.S.M. Monirul Islam, Director

Mr. Syed Hasibul Gani Galib, Managing Director of the company is now in abroad for medical treatment of severe kidney disease. He was about to return in 25 November 2016, but unfortunately he does not

communicate with us till date for unknown reasons. We tried to communicate with him several times and waited for him, but failed to communicate until date. The Board of director has decided not to recommend his re-appointment subject to the approval in the 9th Annual General Meeting.

Mr. A. S. M. Monirul Islam, Director of the company is now settled in abroad and unable to attend the regular board meeting. The Board of director has also decided not to recommend his re-appointment subject to the approval in the 9th Annual General Meeting.

The company is going temporarily under recession period in the context of the management for which the present Board members need some time to take decision about the re-arrangement/appointment of the new Managing Director/Director of the company and hope which can be done within a couple of months.

Appointment:

Mr. Md. Shamsul Huda, Independent Director and Mr. Md. Amir Hossain Sardar, independent Director has resigned during the year due to physical unrest and personal affairs accordingly. In these vacant positions, the Board has recommended to appoint the following two Independent Directors for the company for a period of three years:

1. Mr. Kazi Tarek Mahmud
2. Advocate Bikash Chandra Sarker

They are however eligible for re-appointment and newly appointment subject to approval in the 9thAnnual General Meeting.

a) Brief resume of the following Directors who is re-appointed/ new appointed and his expertise in specific functional area:

1. Mr. Kazi Tarek Mahmud, Independent Director:

Mr. Kazi Tarek Mahmud has completed his M.com in Accounting under the National University of Bangladesh and completed MBA degree. Beside this, he also completed Bachelor of Laws (LL.B.). He serves as Managing Director of Seven Plus Development Limited and Executive Director of Holycity Housing Developers Ltd. He also associated himself as an Income-Tax Practitioner and Fellow Member of AAT Bangladesh (The Association of Accounting Technicians of Bangladesh).

2. Advocate Bikash Chandra Sarker, Independent Director:

Advocate Bikash Chandra Sarker has completed his M.com in Accounting under the National University of Bangladesh. Beside this, he also completed Bachelor of Laws (LL.B.). He serves as a Legal Practitioner, Judge Court and Taxes Bar, Dhaka. He also associated himself as an Associate member of ADN Associates.

Auditor

The Company`s statutory Auditor Mahfel Huq & Co., Chartered Accountants has completed 1st year of audit of financial statements of the company for the year ended June 30, 2016 and have submitted their report accordingly to the shareholders of the company. As per the terms of their appointment, they retire at this meeting. The auditor has expressed willingness to re-appoint for the financial year 2016-2017. The Board of Directors of the Company recommended for appointment of Mahfel Huq & Co., Chartered Accountants as auditor of the company for the year of 2016-2017 with the fee of Tk. 2,30,000 including VAT of Tk. 30,000 subject to the approval of shareholders in the 9th Annual General meeting of the company.

Corporate Governance

Good governance and ethical conduct provide the foundation for everything we do at Emerald Oil Industries Ltd. We aim to tackle challenging issues head on, make our communications and processes simple, hold everyone accountable and empower all our employees to do what is right. Our Code of Business Conduct helps employees make ethical decisions. We believe continuous supervision in every business practice is the key to sustain in a leadership role. Therefore our company is directed, administered and complied with the set of laws, policies and procedures exerted in Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRC-D/2006-158/134/Admin/44 dated 07 August 2012, Company ACT 1994 and Listing Regulations 2015 by Dhaka Stock Exchange Ltd. The Directors' declaration, Shareholding pattern for the year ended June 30, 2016 are appended as Annexure respectively. Further, the Corporate Governance Compliance Report and a Certificate of Compliance required under the said Guidelines, as provided by Mohammad Ata Karim & Co. is also annexed to this report.

Acknowledgment

In conclusion, we would like to express our sincere thanks to our valued shareholders, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Central Depository of Bangladesh Ltd. (CDBL), RJSC, Banks and other business associates for their valuable suggestions, continuous support and co-operation extended during the period under review. We would like to thank our auditor for their efforts for timely completion of the audit. We also thank to our dedicated management team and employees whose hard work and firm commitment made this year a successful one. We hope to get all of your support, advice and encouragement for our continuous growth.

Thank you all.

On behalf of the Board of Directors,

Sd/-
(Syed Monwarul Islam)
Chairman

AUDIT COMMITTEE REPORT

Dear Shareholder,

On behalf of the Audit Committee, I am pleased to present its report for the year ended 30 June 2016. During the year, the Audit Committee reviewed statutory reports, year-end results, key areas of judgment and complexity, critical accounting policies, provisioning and any changes required in these areas or policies. In addition, the Audit Committee reviewed the interim results announcement, which included the interim financial statements and the company's interim management results.

During the year, the Audit Committee opined that the internal control system including internal audits, financial and operational controls, accounting systems for timely and appropriately recording of purchase and sales, receipts and payments, assets and liabilities and the reporting structures are adequate and effective.

Audit committee also overseen the interim results and the audit outcomes with management and external auditor. It also reviewed the point(s) raised by external auditors in their management letter and the responses of the management thereto.

The audit committee of Emerald Oil Industries Limited of the following Board members:

1. Mr. Kazi Tarek Mahmud (Independent Director) : Chairman
2. Mr. Sajan Kumar Basak (Director) : Member
3. Mr. Amitabha Bhowmik (Director) : Member

Report of the Committee during the year

Significant issues and judgments that were considered in respect of the 2015-2016 financial statements and auditing procedures were as follows:

a) The critical accounting policies, significant judgments and practices used by the Company are in compliance with required laws and regulations and recommended by the Board. The audited Financial Statements of the company together with consolidated statements with its subsidiary and associate for the year ended 30 June 2016 represent fair and authentic view of the company's financials.

b) Compliance of BAS and the disclosure of its financial information under BFRS have been maintained and the interim financial statements are prudent and credible.

c) The state of compliance with Corporate Governance and other regulations as per the requirements of The Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) were ensured.

d) The recurrent related party transactions entered into by the Company during 2015-2016 are observed and verified.

e) The scope and extent of internal audit has been checked; and the adequacy of resources to maintain vigilant internal audit process has confirmed and appropriately placed thereto.

The Audit Committee also recommends regarding the appointment of External Auditors, reviews their Expression of Interest and auditing fees. In the year under review, the Committee assessed the ongoing effectiveness as well as quality of the external auditor and audit process and recommended Mahfel Huq & Co., Chartered Accountants, for re-appointment as the external auditor of the Company for the year ending on 30 June 2017.

On behalf of the Committee

Sd/-
(Kazi Tarek Mahmud)
Chairman of the Audit Committee

MAKC **MOHAMMAD ATA KARIM & CO.**

CHARTERED ACCOUNTANTS

Ref: MAKC/ccc/167-E04L/11.18/1675 Date: .....

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES

To the members of Emerald Oil Industries Limited

Basis of Opinion:

We have examined the compliance of corporate governance guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Emerald Oil Industries Limited (the "Company") as stipulated in clause 7(i) of the BSEC notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

Period Covered:

Our review for this certificate of is limited to the aspects for the period from July to June 2016.

Opinion:

In our opinion, our examination for issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, except as reported on the attached status of compliance statement, the Company has complied with the conditions of corporate governance guidelines stipulated in the above mentioned BSEC notification.

Place: Dhaka
Date: November 28, 2016.

Mohammad Ata Karim & Co.
Chartered Accountants

AMAR STOCK

Annexure: A

EMERALD OIL INDUSTRIES LIMITED

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Status of Compliance with the conditions imposed by the Commission`s Notification No. BSEC/CMRRCD/2006-158/134/Admin/44, dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7)

Condition No.	Title	Compliance Status(Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	**BOARD OF DIRECTORS**			
1.1	**Board's Size**			
	The number of the Board members of the company shall not be less than 5 (five) or more than 20 (twenty)	✓		
1.2	**Independent Directors**			
1.2 (i)	One fifth (1/5) of the total number of directors.	✓		
1.2 (ii) a)	Does not hold any share or holds less than 1% shares of the total paid-up shares;	✓		
1.2(ii) b)	Not sponsor of the company and not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship;	✓		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	✓		
1.2 (ii) d)	Not a member, director or officer of any stock exchange;	✓		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2 (ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	✓		
1.2 (ii) g)	Independent Director shall not be an independent director in more than 3 (three) listed companies;	✓		
1.2 (ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		
1.2 (ii) i)	Not been convicted for a criminal offence involving moral turpitude;	✓		
1.2 (iii)	Nominated by the board of directors and approved by the shareholders in the AGM.	✓		
1.2 (iv)	Not remain vacant for more than 90 (ninety) days.	✓		
1.2(v)	The board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2(vi)	The tenure of office of an independent directors shall be for a period of 3 (three) years, which may be extended for 1(one) term only.	✓		
1.3	**Qualification of Independent Director (ID)**			
1.3 (i)	Knowledge of Independent Directors.	✓		
1.3 (ii)	Background of Independent Directors.	✓		
1.3 (iii)	Special cases for qualifications.			N/A
1.4	**Chairman of the Board and Chief Executive Officer**			
	The positions of the Chairman of the Board and Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the Company shall be elected from among the directors of the Company. The Board of the Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer (CEO).	✓		

Condition No.	Title	Compliance Status(Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5	**The Directors' report of the Shareholders**			
	The directors of the companies shall include the following additional statements in the Director`s report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1.5(i)	Industry outlook and possible future developments in the industry.	✓		
1.5(ii)	Segment-wise or product-wise performance.	✓		
1.5(iii)	Risks and concerns.	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	✓		
1.5(vi)	Basis for related party transactions.	✓		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.			N/A
1.5(ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements.	✓		
1.5(x)	Remuneration to directors including independent director.	✓		
1.5(xi)	Fairness of Financial Statement.	✓		
1.5(xii)	Maintenance of proper books of accounts.	✓		
1.5(xiii)	Adoption of appropriate accounting policies and estimates.	✓		
1.5(xiv)	Followed IAS, BAS, IFRS and BFRS in preparation of financial statements.	✓		
1.5(xv)	Soundness of internal control system.	✓		
1.5(xvi)	Ability to continue as a going concern.	✓		
1.5(xvii)	Significant deviations from the last year's.	✓		
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years.	✓		
1.5(xix)	Reasons for not declared dividend.			N/A
1.5(xx)	The number of Board meetings held during the year and attendance .	✓		
1.5 (xxi)	**Pattern of shareholding:**			
1.5(xxi)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);			N/A
1.5(xxi)b)	Directors, CEO, CS, CFO, HIA and their spouses and minor children;	✓		
1.5(xxi)c)	Executives;			N/A
1.5(xxi)d)	10% or more voting interest.	✓		
1.5(xxii)	**Appointment/re-appointment of director:**			
1.5(xxii)a)	A brief resume of the director;	✓		
1.5(xxii)b)	Nature of his/her expertise in specific functional areas;	✓		
1.5(xxii)c)	Holding of directorship and membership of committees of the board other than this company.	✓		
2.0	**CHIEF FINANCIAL OFFICER, HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY**			
2.1	Appointment of CFO, HIA and CS and defining their responsibilities.	✓		
2.2	Attendance of CFO and CS at the meeting of the Board of Directors.	✓		
3.00	**AUDIT COMMITTEE**	✓		
3 (i)	Constitution of Audit Committee.	✓		
3 (ii)	Assistance of the Audit Committee to Board of Directors.	✓		
3 (iii)	Responsibility of the Audit Committee.	✓		

Condition No.	Title	Compliance Status(Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.1	**Constitution of the Audit committee**			
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1(ii)	Appointment of members of the Audit Committee.	✓		
3.1(iii)	Qualification of Audit Committee members.	✓		
3.1(iv)	Term of service of Audit Committee members.	✓		
3.1(v)	Secretary of the Audit Committee.	✓		
3.1(vi)	Quorum of the Audit Committee.	✓		
3.2	**Chairman of the Audit Committee**			
3.2(i)	Board of Director shall select the Chairman.	✓		
3.2(ii)	Chairman of the Audit Committee shall remain present in the AGM.	✓		
3.3	**Role of Audit Committee**			
3.3 (i)	Oversee the financial reporting process.	✓		
3.3 (ii)	Monitor choice of accounting policies and principles.	✓		
3.3 (iii)	Monitor Internal Control Risk management process.	✓		
3.3 (iv)	Oversee hiring and performance of external auditors.	✓		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓		
3.3 (vi)	Review the quarterly and half yearly financial statements before submission to the board for approval.	✓		
3.3 (vii)	Review the adequacy of internal audit function.	✓		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	✓		
3.3(ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	✓		
3.3(x)	Disclosure about the uses/applications of funds raised by IPO/RPO/Right issue.			N/A
3.4	**Reporting of the Audit Committee**			
3.4.1	Reporting of the Board of Directors.			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1(ii)	**The Audit Committee shall immediately report to the Board of Directors on the following findings, if any :-**			
3.4.1 (ii) a)	Report on conflicts of interests;			N/A
3.4.1(ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			N/A
3.4.1(ii)c)	Infringement of laws, including securities related laws, rules and regulations;			N/A
3.4.1.(ii)d)	Any other matter which shall be disclosed to the Board of Directors immediately.			N/A
3.4.2	Reporting to the Authorities.			N/A
3.5	**Reporting to the Shareholders and General Investors.**	✓		
4.00	**EXTERNAL/STATUTORY AUDITORS**	✓		
4 (i)	Appraisal or valuation services or fairness opinions.	✓		
4 (ii)	Financial information systems design and implementation.	✓		
4(iii)	Book-keeping.	✓		
4(iv)	Broker-dealer services.	✓		
4(v)	Actuarial services.	✓		
4(vi)	Internal audit services.	✓		

Condition No.	Title	Compliance Status(Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4(vii)	Any other service that the Audit Committee determines.	✓		
4(viii)	Audit firms shall not hold any share of the company they audit.	✓		
5.00	**SUBSIDIARY COMPANY**			
5 (i)	Composition of the Board of Directors.			N/A
5(ii)	At least 1 (one) independent director to the subsidiary company.			N/A
5(iii)	Submission of Minutes to the holding company.			N/A
5 (iv)	Review of Minutes by the holding company.			N/A
5 (v)	Review of Financial Statement by the holding company.			N/A
6.00	**DUTIES OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**			
6 (i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief.	✓		
6(i)a)	Reviewed the materially untrue of the financial statement.	✓		
6 (i) b)	Reviewed about compliance of the accounting standard.	✓		
6 (ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct.	✓		
7.00	**REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE**			
7(i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines.	✓		
7(ii)	Annexure attached in the directors' report.	✓		

AMARSTOCK

INDEPENDENT AUDITORS' REPORT
To the shareholders of
EMERALD OIL INDUSTRIES LIMITED

We have audited the accompanying financial statements of EMERALD OIL INDUSTRIES LIMITED, which comprise the Statement of Financial Position as at 30 June 2016 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended 30 June 2016.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards (BASs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws & regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with relevant 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 risk assessments, we consider 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.

Basis for Qualified Opinion

a) The evidence with respect to inventory having a carrying amount of BD TK. 721,497,136 was limited as we could not observe the physical inventory count as of 30 June, 2016. As a result, physical existence of the inventory on 30th June, 2016 was difficult to ascertain.

b) The company has reported an amount of BDTK. 165,425,110 as advance against rice bran purchase in the financial statements. During audit, we sent balance confirmation letters to all of the parties to whom advance was made but no response received till the reporting date. As a result, we could not confirm the amount of advance reported in the financial statements.

Qualified Opinion

In our opinion, except as stated in our "Basis for Qualified Opinion" paragraphs above, the financial statements prepared in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) give a true and fair view of the state of the affairs of the company as at 30 June 2016 and of the results of its operations and its cash flows for the year then ended and comply with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Emphasis of Matter:

We draw attention to Note 3.08 and 3.09 to the financial statements:
Emerald Oil Industries Limited has been unable to repay loans from BASIC bank and loan facilities have been suspended and litigation has been lodged against the Company and its directors by Anti Corruption Commission (ACC). Our opinion is not qualified in respect of this matter.

We further report that:

(a) We have obtained all the information and explanation which to the best of our knowledge and believe were necessary for the purpose of our audit and made due verification thereof;

(b) 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 those books;

(c) The company's statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account; and

(d) The expenditure incurred was for the purpose of the company's business.

Dated: Dhaka
26 November 2016

Mahfel Huq & Co.
Chartered Accountants

AMAR STOCK

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION

As at 30 June, 2016

Particulars	Notes	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
A. NON-CURRENT ASSET		**728,586,550**	**789,514,616**
Property, Plant & Equipment	5.00	728,471,300	779,953,930
Capital Work-in-progress	6.00	-	8,126,436
Intangible Assets	7.00	115,250	1,434,250
B. CURRENT ASSET		**1,644,447,808**	**1,271,143,517**
Inventories	8.00	721,497,136	540,696,336
Trade & Other Receivabale	9.00	725,753,933	569,028,067
Investment	10.00	12,611,335	11,652,046
Advances, Deposits & Pre-Payments	11.00	174,537,770	137,068,843
Cash & Cash Equivalents	12.00	10,047,634	12,698,225
TOTAL ASSETS & PROPERTIES (A+B)		**2,373,034,358**	**2,060,658,133**
C. SHAREHOLDERS EQUITY		**935,395,658**	**804,023,780**
Share capital	13.00	542,850,000	493,500,000
Retained earnings	14.00	392,545,658	310,523,780
D. NON-CURRENT LIABILITIES		**655,415,528**	**776,904,687**
Deferred Tax Liabilities	15.00	27,301,361	20,592,626
Long term Loan (Secured)	16.00	628,114,167	756,312,061
E. CURRENT LIABILITIES		**782,223,172**	**479,729,666**
Current Portion 0f Long Term Loan	17.00	278,400,257	140,651,794
Trade & Other Payables	18.00	12,867,952	12,372,925
Short Term Bank Loan	19.00	305,953,177	269,413,675
Uncollected IPO Subscription	20.00	6,316,250	6,381,250
Accruals & Provisions	21.00	178,685,536	50,910,022
TOTAL EQUITY & LIABILITIES (C+D+E)		**2,373,034,358**	**2,060,658,133**
Net Asset Value (NAVs) Per Share		**17.23**	**16.29**

The annexed notes (1-33) the integral part of these financial statements.

sd/-	sd/-	sd/-	sd/-
Company Secretary	**Director**	**Director**	**Chairman**

Signed as per our separate report on same date.

Date: 26 November 2016
Dhaka

Mahfel Huq & Co
Chartered Accountants

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June, 2016

Particulars	Notes	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
Revenue	22.00	1,849,603,316	1,763,368,794
Less: Cost Of Goods Sold	23.00	1,422,766,430	1,381,945,633
A. Gross Profit		**426,836,886**	**381,423,161**
B.Operating Expenses		**49,005,124**	**51,041,876**
General and Administrative Expenses	24.00	23,845,300	24,134,198
Selling and Distribution Expenses	25.00	25,159,824	26,907,678
C. Operating profit (A-B)		**377,831,762**	**330,381,285**
D. Non Operating Income		**1,438,735**	**1,369,598**
Other Income	26.00	1,438,735	1,369,598
E. Non-operating Expenses		**162,188,433**	**148,159,951**
Financing Expenses	27.00	162,188,433	148,159,951
F. Profit before WPPF & Tax (C+D-E)		**217,082,064**	**183,590,932**
G. Contribution to WPPF		10,337,241	8,742,425
H. Profit/(Loss) before Tax (F-G)		**206,744,823**	**174,848,507**
I. Income Tax Expenses	28.00	26,022,945	22,027,262
J. Net profit / (loss) after tax (H-I)		**180,721,878**	**152,821,245**
Earnings Per Share Par Value of Tk. 10/- each	29.00	**3.33**	**3.10**
Re-stated Earnings Per Share Par Value of Tk. 10/- each	30.00	**3.33**	**2.82**

The annexed notes (1-33) the integral part of these financial statements.

sd/-	sd/-	sd/-	sd/-
Company Secretary	**Director**	**Director**	**Chairman**

Signed as per our separate report on same date.

Date: 26 November 2016
Dhaka

Mahfel Huq & Co
Chartered Accountants

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June, 2016

Particulars	Amount In Taka		
	Share Capital	Retained Earnings	Total Amount
Balance as at July 01, 2015	493,500,000	310,523,780	804,023,780
Stock Dividend for the year ended June 30, 2015	49,350,000	(49,350,000)	-
Cash Dividend for the year ended June 30, 2015		(49,350,000)	(49,350,000)
Net profit after tax for the period	-	180,721,878	180,721,878
Balance as at June 30, 2016	**542,850,000**	**392,545,658**	**935,395,658**

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2015

Particulars	Amount In Taka		
	Share Capital	Retained Earnings	Total Amount
Balance as at July 01, 2014	470,000,000	200,226,477	670,226,477
Stock Dividend for the year ended June 30, 2014	23,500,000	(23,500,000)	-
Cash Dividend for the year ended June 30, 2014	-	(47,000,000)	(47,000,000)
Excess Provision Written Back	-	27,976,058	27,976,058
Net profit after tax for the year	-	152,821,245	152,821,245
Balance as at 30 June, 2015	**493,500,000**	**310,523,780**	**804,023,780**

The annexed notes (1-33) the integral part of these financial statements.

sd/-	sd/-	sd/-	sd/-
Company Secretary	**Director**	**Director**	**Chairman**

Signed as per our separate report on same date.

Date: 26 November 2016
Dhaka

Mahfel Huq & Co
Chartered Accountants

EMERALD OIL INDUSTRIES LIMITED

STATEMENT OF CASH FLOWS

For the year ended 30 June, 2016

Particulars	Notes	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
A. Cash flows from operating activities:			
Cash received from customer & other income		1,694,255,555	1,579,460,728
Payment to Creditors, Suppliers & Others		(1,622,243,145)	(1,704,733,403)
Income Tax Paid during the period		(151,770)	(752,363)
Net Cash provided by operating activities		**71,860,640**	**(126,025,038)**
B. Cash flows from investing activities:			
Acquisition of property, plant and Equipment		(250,000)	(4,220,953)
Payments for Capital work in progress		-	(34,972,315)
Investment in FDR		(1,066,125)	(1,073,750)
Net Cash used in investing activities		**(1,316,125)**	**(40,267,018)**
C. Cash flows from financing activities:			
Financial Expenses		(70,523,944)	(148,159,951)
Divident Paid		(48,696,233)	(46,340,650)
Refund Warrant Liabilities-Net		(65,000)	(1,967,250)
Short term bank loan (paid)/Received-Net		36,539,502	9,946,282
Long Term Bank Loan (paid)/Received-Net		9,550,569	308,944,856
Net Cash from financing Activities		**(73,195,106)**	**122,423,287**
Net Decrease in cash & cash equivalents (A+B+C)		**(2,650,591)**	**(43,868,769)**
Cash & cash equivalents at the beginning of the period		12,698,225	56,566,994
Cash & cash equivalents at the end of the period		**10,047,634**	**12,698,225**
Net Operating Cash Flow Per Share		**1.32**	**(2.55)**

The annexed notes (1-33) the integral part of these financial statements.

sd/-	sd/-	sd/-	sd/-
Company Secretary	**Director**	**Director**	**Chairman**

Signed as per our separate report on same date.

Date: 26 November 2016
Dhaka

Mahfel Huq & Co
Chartered Accountants

1.00 REPORTING ENTITY

1.01 Formation and legal status

Emerald Oil Industries Ltd, (hereinafter referred to as EOIL), a Private Limited Company was incorporated under the Companies Act 1994 vide Registration No. C-72229(271/2008) dated July 17, 2008. Initially the company named as 'Emerald Oil & Poultry Industries Limited' having its registered office in Dhaka. The Corporate Office of the company is situated at 45, Bijoynagar, Dhaka. The company started its commercial operation from July 02, 2011. The board in its meeting held on December 21, 2011 decided to convert the company into public limited and converted into public limited accordingly. The company was renamed as "Emerald Oil Industries Ltd' with effect from December 01, 2011. The company was listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on March 11, 2014 and March 13, 2014 respectively.

1.02 Nature of business

The Company is engaged in manufacturing of Rice Bran Oil by processing of Rice Bran. In the processing of rice bran, De-oil Bran, Fatty Acid, Wax, Gum & Spent Earth are produced as by-product.

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 as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs).

2.02 Other regulatory compliances

As required, Emerald Oil Industries Ltd. complies with the following major Act and Rules in addition to the Companies Act 1994 and other applicable laws and regulations:

a) The Income Tax Ordinance 1984
b) The Income Tax Rules 1984
c) The Value Added Tax Act 1991
d) The Value Added Tax Rules 1991
e) Bangladesh Securities and Exchange Commission Rules 1987
f) The Customs Act 1969

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis, accrual concept and going concern assumptions.

2.04 Functional and presentation currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk.), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.

2.05 Use of Estimates and Judgment

The preparation of these financial statements is in conformity with BFRSs 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 on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.06 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by BAS 1: Presentation of Financial Statements, The Financial Statement comprises:

a) statement of financial position
b) statement of profit or loss and others comprehensive income
c) statement of changes in equity
d) statement of cash flows and
e) notes to the financial statements, comprising a summary of significant accounting policies and explanatory information.

2.07 Reporting Period

The financial period of the companies covers twelve months from 01 July 2015 to 30 June 2016.

2.08 Date of Authorization

The Board of Directors has authorized these financial statements on November 26, 2016.

2.09 Significant Accounting Policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.00 APPLICATION OF STANDARDS

The following Standards are applied to the financial statements for the year under review:

Name of the accounting standards	Ref. No.	Status of Application
Presentation of Financial Statements	BAS – 1	Applied
Inventories	BAS – 2	Applied
Statements of Cash Flows	BAS – 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors.	BAS – 8	Applied
Events after the reporting period	BAS – 10	Applied
Income Taxes	BAS – 12	Applied
Property, Plant and Equipment	BAS – 16	Applied
Leases	BAS – 17	Applied
Revenue	BAS – 18	Applied
Employee Benefit	BAS – 19	Applied
The Effects of Changes in Foreign Exchange Rates	BAS – 21	Applied
Borrowing Costs	BAS – 23	Applied
Related Party Disclosures	BAS – 24	Applied
Financial Instruement, Presentation	BAS – 32	Applied
Earnings Per Share	BAS – 33	Applied
Interim Financial Reporting, Comparative Information	BAS – 34	Applied
Impairment of Assets	BAS – 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	BAS – 37	Applied
Intangible Assets	BAS – 38	Applied
Financial Instruments: Recognition & Measurement	BAS – 39	Applied
First Time Adoption of International Financial Reporting Standards	BFRS – 1	Applied
Finacial Instruments disclousere	BFRS – 7	Applied

3.01 Property, Plant and Equipment

3.01.01 Recognition and Measurement and Disclosure

Items of property, plant and equipment are measured at cost less accumulated depreciation less impairment loss, if any. Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use, are stated at cost.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material and direct labour and any other costs directly attributable to bringing the assets to the state of its intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

3.01.02 Borrowing Costs

Interest and other expenses incurred by the company in respect of borrowing of fund are recognized as expenses in the period in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of BAS 23: Borrowing Costs.

3.01.03 Subsequent Costs and Maintenance Activities

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.01.04 Disposal of property, plant and equipment

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

3.01.05 Maintenance Activities

The company incurs maintenance cost for all its major items of property, plant and equipment. Repair and maintenance costs are charged as expenses when incurred.

3.01.06 Depreciation

Depreciation on all items of Property, Plant & Equipment other than Land & Land development is computed using the reducing balance method so as to write off the assets over their expected useful life. Depreciation on Property, Plant & Equipment has been charged on acquisition of Preperty, Plant & Equipment when it is available for use.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Category	Rate of Depreciation	
	30.06.2016	30.06.2015
Land & Land Development	-	-
Building & Other Civil Works	5%	5%
Plant & Machineries	10%	10%
Electrical & Gas Line Installation	15%	15%
Furniture & Fixtures	15%	15%
Office Decoration	15%	15%
Office Equipment	20%	20%
Vehicle	20%	20%

3.02 Capital Work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is complete and measured at cost.

3.03 Intangible Assets

3.03.01 Recognition and measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per BAS 38: "Intangible assets" are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

3.03.02 Amortization

Amortization is recognized in the statement of comprehensive income on straight line method. The estimated useful life for computer software is 10 years and Campaign film is 5 years.

3.04 Inventories

Inventories comprise of raw materials, Finished goods, Processing Material, Packing Materials and Stores & Spares. Raw materials and Stores and Spares have been valued at average cost. Finished goods have been valued at lower of net realizable value and total of cost of material and other production Overhead attributable to bringing the goods to the state of sale under the convention of BAS-2.

3.05 Accounts Receivable

Accounts receivable is 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 due to uncollectibility of any amount so recognized.

3.06 Advances, Deposits and Prepayments

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

3.07 Cash and Cash Equivalent

Cash and cash equivalent include cash in hand, cash at banks which are held and available for use by the Company without any restriction.

3.08 Contingencies

There is ongoing litigation against the Directors as well as Emerald Oil Industries Ltd. by Anti-Corruption Commission (ACC) and some other government parties regarding loan arrangement from BASIC bank against which a writ petition (No. 13250 of 2015) has been lodged. At this point management is unable to measure the obligation with sufficient reliability or ascertain the outcome of this litigation. Hence no provision for liability has been recorded. However, management hereby discloses the existence of a contingent liability regarding this issue.

3.09 Going Concern

Though the company made a net profit after tax of Tk. 180,721,878 during the year but the company could not repay its banks'/financial Institutions' loans in due time which resulted in anti-corruption commission filing a lawsuit against the Directors as well as the Company as detailed in 3.08. This resulted from company's liquidity being stuck up in the inventories, receivables and advances due to increase of the production by the company, advances given to suppliers for supply of raw material, generous credit terms allowed for market expansion.The management of the company are trying their best to overcome this situation and has decided to reorganize the management, arrange some other financing sources for smooth operation of the business. In the opinion of the management, the company shall overcome all the obstacles within the shortest possible time. Therefore, the management adopted going concern basis for preparation of the financial statement.

3.10 Income Tax & VAT

Current Tax

A provision @ 25% on 50% of the profit except other income of the company has been provided during the year as the 50% income of the company is exempted from tax for the year as per PARA 45 of Sixth Schedule Part-A of the Income Tax Ordinance, 1984. However provision 25% in made on total others income of the company.

Deferred Tax

Deferred tax is provided for all temporary differences comprising between the tax base of assets and liabilities and their carrying amounts in financial statements in accordance with the provision of BAS-12.

Value Added Tax (VAT)

No VAT is applicable on the sale proceeds of the company as the company's sales is exempted from VAT under Table-3, Heading No.-15.15, H.S.Code-1515.90.00 of SRO No. 180/Law/2012/638-VAT of the VAT Act, 1991.

3.11 Revenue Recognition

In compliance with the requirements of BAS - 18: Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

3.12 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using effective interest method. Borrowing cost incurred against loan for BMRE project has been capitalized under effective interest rate method.

3.13 Statement of Cash Flows

Cash flow statement is prepared in accordance with BAS-7 titled "Statement of Cash Flow" and the Cash flow from operating activities has been presented under direct method.

3.14 Statements of Changes in Equity

Statement of changes in equity is prepared in accordance with BAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.15 Earnings Per Share

The company calculates its earnings per share in accordance with Bangladesh Accounting Standard (BAS) -33 which has been reported on the face of Statement of Comprehensive Income.

Basic Earnings Per Share

The Company present its basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted Earnings Per Share

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the year.

3.16 Employee Benefit Schemes

Workers Profit Participation Fund (WPPF)

During 2011-12, The company has introduced Workers Profit Participation Fund for its employees in accordance with provisions of Bangladesh Labour Act, 2006 (Sec-232(1)).

3.17 Related Party Transactions

The Company carried out related party transaction only with key management personal. The information as required by BAS 24: "Related party Disclosure" has been disclosed in notes to the accounts (Note:33).

3.18 Events After the Reporting Period

In compliance with the requirements of BAS10: Events after the reporting period that provide additional information about the company's position at the reporting Date are reflected in the financial statements and there is not any adjusting events after the Balance Sheet date.

The board of directors of the company in its 79th Board Meeting held on 26 November 2016 has recommended 10% stock dividend for the year ended 30 June 2016.

3.19 Net Asset Value per Share (NAVs):

Net Asset Value (NAVs) per share has been calculated by dividing net asset value reported in the statement of financial position by the number of ordinary shares in issue.

3.20 Comparative

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements and also the narative and descriptive information when it is relevant for understanding of the current year financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's prentation as per BAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors"

3.21 Impairment of assets

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exits, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the period no impaired loss occured to recognize in the Financial Statements.

3.22 Leases

In compliance with BAS 17, Lease in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases and all other leases are classified as operating lease.

3.23 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of BAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

4.00 RISK FACTORS & MANAGEMENT PERCEPTION ABOUT THE RISKS

An investment in Equity Shares is not always risk free. Sometimes it involves a high degree of risk. Before making an investment in the Equity Shares, please carefully consider all the information in this Prospectus including the risk and uncertainties described below. If any of the following risk actually occurs, our business, financial condition and results of our operations could suffer, the trading price of our equity shares could decline and you may lose all or part of your investment:

4.01 Interest Rate Risks

Financial market of Bangladesh has been experiencing volatile interest rate over the year. Unfavorable movement of interest rate enhances the cost of fund of the company and could adversely affect the business and future financial performance.

Management Perception

Management of the Company is aware about the interest rate volatility and always sourcing bank loan at competitive market rate. On the other hand management emphasizes on equity based financing to reduce the dependency on bank borrowings. Nevertheless, it may not always be possible while funding of local procurement of raw materials is done against bank borrowings.

4.02 Exchange Rate Risks

The company faces foreign exchange rate fluctuation risk as the Company imports small portion of raw materials like hexane, phosphoric acid, bleaching earth, citric acid etc. against payment of foreign currency. Unfavorable volatility of foreign currency may affect the profitability of the company.

Management Perception

Cost of imported materials for the company is insignificant compared to total cost of production. On the other hand, all other market players in edible oil industry faces very high exchange rate risk as they operate based on import of entire raw materials. This provides the company in a favorable position to manage exchange rate fluctuations.

4.03 Industry Risks

(a) Competitive Market for Edible Oil

Presently, Edible oil industry of Bangladesh is very much competitive. Soybean Oil and palm oil dominate the whole edible oil industry in Bangladesh. For the first time Rice bran oil emerged as an alternative to Soybean Oil and palm oil in our market. Demand, supply, consumption, competitive scenario, etc. of Rice bran oil are the triggering factors for successful operation of the company.

Management Perception

Rice Bran Oil is currently being considered as the world's healthiest edible oil that contains vitamins, antioxidants, nutrients and free from trans fat. It can help lower cholesterol, fight diseases, enhance the immune system, fat free radicals and more. Rice Bran Oil is used to fry, sauté, in salad dressings, baking, dipping oils and where ever you use cooking oil.

Increasing health consciousness of general people and due emphasis of the Government in this sector, the demand for rice bran oil is growing very fast. These are important ingredients for defining unique selling proposition (USP) for marketing the products. The Company also foresees growing demand for its products. With the proposed expansion and strengthening financial condition due to the public issue the company will be in a very strong position to develop effective marketing strategies and compete in the market in order to grab emerging market opportunities.

(b) Market penetration

The company has recently introcuded the rice bran oil in the market where the imported as well as local brands of rice bran/soyaben oil have already been dominating huge local edible oil market. In case the company fails to secure market for its products at the desired price, profitability as well as growth of the company may be seriously affected.

Management Perception

Since commencement of operation the company is in a position to sale the entire product of oil in the local market. With the increasing awareness as well as continuing branding campaigns for the product the retail sale has been growing which is expected to increase further. In view of growing demand as well as higher margin in retail sales the management feels that profitability can be safely maintained in the future years.

(c) Sourcing of Raw Materials

Main raw material for the project is rice bran which is available locally. The company collects rice bran usually from five nearer districts (i.e. Sherpur, Mymensingh, Tangail, Natrokona, Jamalpur). Except rice bran, the project requires hexane,c phosphoric acid, bleaching earth, citric acid etc. as raw materials, which are usually sourced from abroad.

Management Perception

The risks on sourcing raw materials are very limited. There are 460 auto rice mills in these five districts and these mills produces around 3,11,645 kg of rice bran every day (Source: Bangladesh Rice Mills Association). The sponsors of the company developed very strong network with most of these rice millers. As a result, the company has been enjoying smooth flow of raw materials since inception of the company and expected to continue the same.

4.04 Market and Technology-Related Risks

Technology plays an important role for the existence of a company. Innovation of a new and cost effective technology may render the existing technology obsolete, which may cause negative impact on the performance of the company.

Management Perception

Management of EOIL is very much aware of this risk. The company took initiative to expand its production capacity with the latest technology to minimize the market and technological risk.

4.05 Potential or Existing Government Regulations

Adverse Changes in the regulations governing the edible oil and compounded animal feed industries may bring adverse effect on our business growth, financial condition and operational performance.

Management Perception

The edible oil industry is one of the high regulated sectors in Bangladesh and has stringent laws for consumer protection. Any change in the statutory and regulatory framework for edible oil as well as the compounded animal feed industry will have impact on the business of all market players almost equally.

4.06 Potential Changes in Global or National Policies

Performance of the Company will be hampered due to unfavorable changes in national as well as global policy. Furthermore, the performance of the Company may adversely affect due to unavoidable circumstances like political turmoil both in Bangladesh and worldwide.

Management Perception

Any change in the global and national policy will affect all the market players almost equally. However, impact of change in global policies will be very negligible because EOIL operates its business based on local raw material. On the other hand, rice bran oil is the new introduction in Bangladesh. Hence, as far as national policy is concerned, rice bran oil sector is not expected to face any adverse effect in near future.

4.07 Operational Risks

Shortage or non-availability of power and gas may adversely affect the manufacturing processes of the factory. In addition, shortage in treated water, flawed machineries etc. may disrupt the company's operational activities which in turn will affect the quality of refined rice bran oil.

Management Perception

Manufacturing process of our Company requires substantial amount of power, gas and fuel. To facilitate the manufacturing facilities, company has adequate power backup from own fuel generator along with adequate Rural Electrification Board of Bangladesh (REB) load sanction. In addition, the company gets required water from its own water treatment plant. However, shortage of gas supply may increase our dependency on the usage of furnace oil which will increase our cost and may have an adverse impact on our profitability.

4.08 Non-operating History

Any interruption in the operations of the company affects the company's image as a going concern. This is crucial for every company to operate its business activities in an ongoing basis albeit saving for the scheduled shut down for maintenance. Failure to do so would result in loss in profitability in the long run . Emarald Oil Industries Ltd. was not in production from the end of June 2016 due to yearly maintenance and servicing of its machineries.

Management Perception

The company is operating normally.

4.09 Dependability on Agricultural Production (Paddy)

The business of EOIL is very much dependent on agricultural production particularly Paddy. If the paddy production is hampered due to any environmental reasons then the production of main raw material of rice bran oil i.e. rice bran will be also hampered. As result, production of EOIL will be affected due to lack of main raw material i.e. rice bran.

Management Perception

If there is a shortfall of paddy production due to adverse climatic conditions, performance of our company may also be affected adversely. Any significant increase in the prices of these raw materials or decrease in the availability of the raw materials could also adversely affect our results of operations.

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

5.00 PROPERTY, PLANT & EQUIPEMENTS TK. 728,471,300

This is made up as follows:

Particulars		
Opening Balance	1,008,877,326	934,361,221
Addition during the year	8,376,436	74,516,105
	1,017,253,762	**1,008,877,326**
Less: Disposal during the year	-	-
Closing Balance	**1,017,253,762**	**1,008,877,326**
Less: Accumulated Depreciation	288,782,462	228,923,396
Written Down Value:	**728,471,300**	**779,953,930**

6.00 CAPITAL WORK- IN- PROGRESS TK. 0

This is made up as follows:

Particulars		
Opening Balance	8,126,436	37,999,273
Addition during the year	-	34,972,315
	8,126,436	**72,971,588**
Less: Transferred to Property, Plant & Equipment	8,126,436	64,845,152
TOTAL:	**-**	**8,126,436**

The above represents the cost of 2550 sft commercial place purchased in Mansion D Ayesha (7th Floor) with one car parking, Shukrabad, Dhaka and transferred to property, plant and equipments during the year.

7.00 INTANGIBLE ASSETS TK. 115,250

This is made up as follows:

Particulars		
Opening Balance	6,760,000	6,760,000
Addition during the year	-	-
Closing Balance	**6,760,000**	**6,760,000**
Less: Accumulated Amortization:	6,644,750	5,325,750
Written Down Value:	**115,250**	**1,434,250**

The details have been shown in Annexure: B

8.00 INVENTORIES TK. 721,497,136

This is made up as follows:

Particulars		
Finished Goods	360,477,142	161,522,993
Raw Materials	295,756,908	303,621,855
Processing Materials	57,521,517	64,682,729
Packing Materials	5,409,415	7,319,905
Stores & Spares	2,332,154	3,548,854
TOTAL:	**721,497,136**	**540,696,336**

The details have been shown in Annexure: C

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

9.00 TRADE & OTHER RECEIVABLES TK. 725,753,933

This is made up as follows:

Particulars		
Dues within three months	43,182,359	362,470,879
Dues over three months but within six months	480,449,104	171,277,448
Dues over six months	202,122,470	35,279,740
TOTAL:	**725,753,933**	**569,028,067**

Classification schedule as required by Schedule XI of Companies Act 1994 is as follows:

i) Accounts Receivable considered good in respect of which the company is fully secured	-	-
ii) Accounts Receivable considered good in respect of which the company holds no security	725,753,933	569,028,067
iii) Accounts Receivable considered doubtful or bad	-	-
iv) Accounts Receivable due by any director or other officer of the company	-	-
v) Accounts Receivable due by Common management	-	-
vi) The maximum amount of receivable due by any director or other officer of the company	-	-
	725,753,933	**569,028,067**

10.00 INVESTMENT TK. 12,611,335

This is made up as follows:

Particulars

This represents the amount invested in FDR with Prime Finance & Investment Ltd. and the interest receivable thereon as follows:

FDR # 3318/13	12,139,875	11,073,750
Interest Receivable on FDR	471,460	578,296
TOTAL:	**12,611,335**	**11,652,046**

Above FDR is Lien with Prime Finance & Investment Ltd against Loan No # LAD # 2013/015

10.01 Accured Interest on FDR Tk. 471,460

This is made up as follows:

Particulars		
Interest Receivable on FDR	471,460	578,296
TOTAL:	**471,460**	**578,296**

		Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
11.00 ADVANCES, DEPOSITS & PRE-PAYMENTS TK. 174,537,770			
This is made up as follows:			
Particulars			
Advances:			
Tax Deducted at source		904,133	752,363
Pre-paid Insurance		-	3,312,472
Deposits	Note: 11.01	4,948,120	9,160,848
Advance against Rice Bran	Note: 11.02	165,425,110	119,725,183
Advance against Salary	Note: 11.03	2,825,407	3,698,445
Other Advance		435,000	419,532
TOTAL:		**174,537,770**	**137,068,843**

11.01 Deposits: Tk.4,948,120

This is made up as follows:

Particulars		
Security Deposits-REB	8,250	8,250
Security Deposits-Titas Gas	896,500	896,500
Security Deposits-T & T	10,000	10,000
Security Deposits-Godown	800,000	800,000
Bank Guarantee Margin	358,600	358,600
Lease Deposits-PFIL	1,371,250	1,371,250
Lease Deposits-ULCL	202,450	202,450
Lease Deposits-Midas	-	4,212,728
Security Deposits-CDBL	400,000	400,000
Security Deposits-Office Space	901,070	901,070
TOTAL:	**4,948,120**	**9,160,848**

11.02 Advance against Rice Bran: Tk.165,425,110

This is made up as follows:

Particulars		
Advance against Rice Bran	165,425,110	119,725,183
TOTAL:	**165,425,110**	**119,725,183**

This represents the amount paid as advance to various suppliers for procuring rice bran, the basic raw material & the details are given in Annexure: D

11.03 ADVANCE AGAINST SALARY TK. 2,825,407

This is made up as follows:

Particulars		
Employee-Factory Office	2,235,446	2,452,565
Employee-Head Office	589,961	1,245,880
TOTAL:	**2,825,407**	**3,698,445**

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

a) All advances and deposits amount are considered good and recoverable.
b) There is no agreement with directors and officers of the Company regarding advance or due amount.

12.00 CASH & CASH EQUIVALENTS TK. 10,047,634

This is made up as follows:

Particulars			
Cash in Hand	Notes: 12.01	1,048,032	2,473,690
Cash at Bank	Notes: 12.02	8,999,602	10,224,535
TOTAL:		**10,047,634**	**12,698,225**

12.01 Cash in Hand Tk. 1,048,032

This is made up as follows:

Particulars		
Cash at Head Office	335,488	80,278
Cash at Factory	712,544	2,393,412
TOTAL:	**1,048,032**	**2,473,690**

12.02 Cash at Bank Tk. 8,999,602

This is made up as follows:

Particulars

Name of the Bank	Branch	Account No.	30.06.2016	30.06.2015
Al-Arafah Bank	Motijheel	0021020055993	-	144,855
The Farmers Bank Ltd.	Gulshan	0111100043807	6,042	9,252
National Bank of Pakistan	Motijheel	000111100008392	33,536	34,261
Bank Asia Ltd	Bashundhara	02333001211	-	169
Bank Asia Ltd	Bashundhara	02336000081	740,529	754,525
Basic Bank Ltd.	Dilkusha	1510-01-0004855	-	3,119
Brac Bank Ltd.	Bijoy Nagar	1532-2033-9277-9001	2,176	-
Brac Bank Ltd.	Sherpur	6001-2026-2539-9001	363	827,074
Bangladesh Krishi Bank	Sherpur	0201010548	95,585	96,885
Dutch Bangla Bank Ltd.	Jamalpur	2061100009548	1,572	119,637
Islami Bank Bangladesh Ltd	Dilkusha	20502130100194512	16,344	162,640
Islami Bank Bangladesh Ltd	Sherpur	20501880100396407	5,585	22,110
National Bank Ltd.	Jamalpur	0075-33014231	3,677	7,013
Jamuna Bank Ltd.	Sherpur	0069-0210000639	29,852	31,502
Janata Bank Ltd	Dilkusha	010233068969	5,337	156,987
Janata Bank Ltd	Sherpur	0510-0210021183	26,988	29,638
Mutual Trust Bank Ltd.	Panthapath	0003-0210014971	-	275
Mutual Trust Bank Ltd.	Panthapath	0003-0210014926	297	486,947
Mutual Trust Bank Ltd.	Panthapath	0003-0320001642	6,948,216	6,808,263
Mutual Trust Bank Ltd.	Panthapath	0003-0320001643	321,000	321,000
Mutual Trust Bank Ltd.	Panthapath	0003-0320001644	30,000	30,000
Mutual Trust Bank Ltd.	Panthapath	0002-0210029840	696,128	-
Rupali Bank	Purana Paltan	200042471	-	97,690
Prime Bank Ltd.	Sherpur	51111030002914	18,383	19,303
Prime Bank Ltd.	Banani	13211070021183	4,397	5,145
Sonali Bank Ltd.	Sherpur	2400000191	2,489	22,489
Sonali Bank Ltd.	Sherpur	200023598	11,106	33,756
TOTAL:			**8,999,602**	**10,224,535**

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

13.00 SHARE CAPITAL TK. 542,850,000

This is made up as follows:

Particulars

Authorised Capital :

100,000,000 ordinary shares of tk. 10/- each	**1,000,000,000**	**1,000,000,000**

Issued and Paid-up Capital :

49,350,000 ordinary shares of tk. 10/- each	493,500,000	470,000,000
Stock Dividend 4,935,000 shares of Tk. 10/- each	49,350,000	23,500,000
TOTAL:	**542,850,000**	**493,500,000**

The aforesaid share capital is subscribed as under:

Holding of the Share	No. of Shareholder	No. of Share	Value in Taka	Value in Taka
Sponsors/Directors	21	16,528,750	165,287,500	272,250,000
Institutions	219	4,310,882	43,108,820	60,999,310
General Public	6,858	33,445,368	334,453,680	160,250,690
Total:	7,098	54,285,000	542,850,000	493,500,000

Details of Number of holders and percentage as under:

Shareholding Range	30.06.2016			30.06.2015		
	No. of Shareholder	No. of Shares	Ownership (%)	No. of Shareholder	No. of Shares	Ownership (%)
0001-499	2,316	377,394	0.70%	655	90,180	0.18%
500-5000	3,893	6,206,419	11.43%	3,185	3,733,622	7.57%
5001-10000	438	3,270,729	6.03%	254	1,864,127	3.78%
10001-20000	235	3,399,163	6.26%	174	2,532,390	5.13%
20001-30000	73	1,840,323	3.39%	46	1,127,008	2.28%
30001-40000	32	1,134,536	2.09%	26	940,020	1.90%
40001-50000	23	1,081,352	1.99%	19	875,172	1.77%
50001-100000	38	2,799,049	5.16%	42	3,080,514	6.24%
100001-1000000	44	13,756,035	25.34%	47	13,760,300	27.88%
1000001-1000000000	6	20,420,000	37.62%	7	21,346,667	43.26%
TOTAL:	**7,098**	**54,285,000**	**100.00%**	**4,455**	**49,350,000**	**100.00%**

14.00 RETAINED EARNINGS TK. 392,545,658

This is made up as follows:

Particulars		
Opening Balance	310,523,780	200,226,477
Add:Prior year adjustment (Provision for Tax)	-	27,976,058
Add: Net Profit/(Loss) after tax for the year	180,721,878	152,821,245
Less: Dividend for the year ended June 30, 2015	(98,700,000)	(70,500,000)
TOTAL:	**392,545,658**	**310,523,780**

Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

15.00 DEFERRED TAX LIABILITY TK. 27,301,361

The break-up of the amount is given below:

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Deferred Tax (Assets)/Liab.	Deferred Tax (Assets)/Liab.
Property, Plant & Equipment	677,870,853	459,459,968	218,410,885	12.50%	27,301,361	20,592,626
Deferred Tax Liability	**677,870,853**	**459,459,968**	**218,410,885**		**27,301,361**	**20,592,626**

16.00 LONG TERM LOAN (SECURED) TK. 628,114,167

This is made up as follows:

Particulars

Bank Name	Types of A/C	Branch	Account No.	30.06.2016	30.06.2015
Basic Bank Ltd	Term Loan	Dilkusha	1502-04-0000016	201,458,620	203,933,108
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000901	90,873,968	92,015,308
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000917	104,417,112	105,728,550
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000959	204,842,123	207,414,857
Basic Bank Ltd	Term Loan	Dilkusha	1502-04-000042	78,302,910	78,502,910
Nitol Motors Ltd.	Lease Finance	Mohakhali	70691	486,998	618,750
United Leasing Co. Ltd.	Lease Finance	Kazi Nazrul Islam Avenue	67011400194	4,819,679	5,683,960
Prime Finance & Investment Ltd.	Lease Finance	Dilkusha	LAD # 2013/015	59,647,422	55,541,728
Midas Financing Ltd.	Lease Finance	Dhanmondi	S00098&L00934	161,665,592	147,524,684
				906,514,424	**896,963,855**
Less: Current portion of Long Term Loan				278,400,257	140,651,794
TOTAL:				**628,114,167**	**756,312,061**

Details of Term loan are provided below :

Nature:	**Term Loan, Lease Finance**
Tenure:	3~8 years
Repayment Clause:	36~95 monthly equal installments.
Interest Rate:	10.50% - 15.00% p.a.

17.00 CURRENT PORTION OF LONG TERM LOAN TK. 278,400,257

This is made up as follows:

Particulars

Basic Bank Ltd-016	38,266,822	23,998,019
Basic Bank Ltd-901	18,373,083	11,426,284
Basic Bank Ltd-917	21,111,269	13,129,173
Basic Bank Ltd-959	41,415,384	25,756,374
Basic Bank Ltd-42	47,655,627	19,477,605
Nitol Motors Ltd.	297,936	275,000
United Leasing	3,892,163	1,948,795
Midas Financing Ltd.	81,437,386	32,195,441
Prime Finance & Investment Ltd.	25,950,587	12,445,103
TOTAL:	**278,400,257**	**140,651,794**

Current portion of Long Term Loan is shown as Current liabilities as per requirement of BAS-1.

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

18.00 TRADE & OTHER PAYABLES TK. 12,867,952

This is made up as follows:

Particulars

Trade Creditors	1,841,603	2,196,700
Advance against Sales	-	167,466
Bills & Others Payable	10,976,349	9,958,759
Security Deposit received	50,000	50,000
TOTAL:	**12,867,952**	**12,372,925**

All creditors were paid on regular basis

19.00 SHORT TERM BANK LOAN TK. 305,953,177

This is made up as follows:

Particulars

Bank Name	Account Types	Branch	Account No.	30.06.2016	30.06.2015
Basic Bank Ltd	CC	Dilkusha	1560-01-0000579	59,821,040	53,905,123
Bank Asia Ltd	CC	Bashundhara	02333001240	246,132,137	215,508,552
TOTAL:				**305,953,177**	**269,413,675**

Purpose:	Working Capital.
Tenure:	1 year
Interest Rate:	10.50%~15% p.a. subject to change by the bank from time to time as applicable for the limit.

20.00 UNCOLLECTED IPO SUBSCRIPTION TK. 6,316,250

This is made up as follows:

Particulars

This represent the amount payable against uncollected IPO subscription for Initial Public Offering liability as follows:

Bank Name	Account Types	Currency	Account No.	30.06.2016	30.06.2015
Mutual Trust Bank Limited	SND	BDT	0003-0320001642	5,965,250	6,030,250
Mutual Trust Bank Limited	FC	USD	0003-0260000721	321,000	321,000
Mutual Trust Bank Limited	FC	Euro	0003-0260000730	30,000	30,000
TOTAL:				**6,316,250**	**6,381,250**

21.00 ACCURALS & PROVISIONS TK. 178,685,536

This is made up as follows:

Particulars

Salary & Wages	3,823,550	3,744,220
Managing Directors Remuneration	400,000	100,000
Audit & Professional Fees	345,000	115,000
Interest Payable	91,664,489	-
Telephone Bill	17,375	21,927
Gas Bill	6,056,720	885,896
House Rent & Utility	-	43,835
Electricity Bill	150,179	76,139

		Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
Workers' Profit Participation Fund	Note - 21.01	33,573,634	23,236,393
Dividend Payable		1,313,117	659,350
Provision for Income Tax	Note - 21.02	41,341,472	22,027,262
TOTAL:		**178,685,536**	**50,910,022**

21.01 Workers Profit Particpation Fund Payable: Tk. 33,573,634

This is made up as follows:

Particulars

Opening Balance	23,236,393	14,493,968
Add: Accrued During the year	10,337,241	8,742,425
	33,573,634	**23,236,393**
Less: Paid During the year	-	-
Outstanding Balance	**33,573,634**	**23,236,393**

21.02 Provision for Income Tax Tk. 41,341,472

This is made up as follows:

Particulars

Opening Balance	22,027,262	10,917,234
Add: Addition during the year	19,314,210	12,830,034
Add: Adjustment of Deferred Tax for Rate Difference	-	32,477,175
	41,341,472	**56,224,443**
Less: Excess Provision Written Back to Retained earnings	-	27,976,058
Less: AIT Adjustment	-	6,221,123
Less: Paid during the year	-	-
	-	**34,197,181**
TOTAL:	**41,341,472**	**22,027,262**

22.00 REVENUE TK. 1,849,603,316

This is made up as follows:

Particulars

This represents cash and credit sales during the year under audit and made up as follows:

	Qty.	Meas.	Rate		
Rice Bran Oil (Bulk)	6,137	Ton	90,715	556,730,395	725,448,781
Oil-1 Ltr. Bottled	103,137	Pcs.	115	11,900,613	17,895,492
Oil-2 Ltr. Bottled	90,398	Pcs.	220	19,893,129	28,355,862
Oil-5 Ltr. (HDPE Bottled)	144,106	Pcs.	571	82,304,211	115,558,372
Oil-5 Ltr. (Pet Bottled)	445,665	Pcs.	519	231,469,571	101,154,489
Oil-8 Ltr Tin	58,970	Pcs.	847	49,958,785	49,823,315
Oil-8 Ltr (Pet Bottled)	251,434	Pcs.	803	201,800,515	69,752,640
Oil-16 Ltr Tin	1,166	Pcs.	1,660	1,935,560	5,852,112
De-Oiled Rice Bran	59,958	Ton	11,199	671,446,848	612,605,474
Fatty Acid	210	Ton	38,823	8,165,764	24,180,937
Gum	500	Ton	2,510	1,254,125	1,150,000
Wax	489	Ton	18,659	9,132,546	8,291,865
Spent Earth	1,930	Ton	1,871	3,611,254	3,299,455
TOTAL:				**1,849,603,316**	**1,763,368,794**

		Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
23.00 COST OF GOODS SOLD TK. 1,422,766,430			
This is made up as follows:			
Particulars			
Raw Material Consumed	Note -23.01	1,354,160,974	1,197,203,214
Processing Material Consumed	Note -23.02	43,868,954	37,887,043
Packing Material Consumed	Note -23.03	86,507,709	63,137,070
Stores & Spares Consumed	Note -23.04	5,726,210	12,293,109
Factory Overhead	Note -23.05	131,629,385	147,178,436
Cost of Production		**1,621,893,232**	**1,457,698,872**
Add: Opening Stock of Finished Goods		161,522,993	85,930,333
Cost of Goods available for Sale		**1,783,416,225**	**1,543,629,205**
Less: Sample Expenses Transferred to Selling & Distributon Expenses		172,653	160,579
Less: Closing Stock of Finished Goods		360,477,142	161,522,993
Cost of Goods Sold:		**1,422,766,430**	**1,381,945,633**
23.01 Raw Material Consumed Tk. 1,354,160,974			
This is made up as follows:			
Particulars			
Opening Stock		303,621,855	137,692,867
Add: Purchase during the year		1,346,296,027	1,363,132,202
		1,649,917,882	**1,500,825,069**
Less: Closing Stock		295,756,908	303,621,855
TOTAL:		**1,354,160,974**	**1,197,203,214**
23.02 Processing Material Consumed Tk. 43,868,954			
This is made up as follows:			
Particulars			
Opening Stock		64,682,729	59,065,967
Add: Purchase during the year		36,707,742	43,503,805
		101,390,471	**102,569,772**
Less: Closing Stock		57,521,517	64,682,729
TOTAL:		**43,868,954**	**37,887,043**
23.03 Packing Material Consumed Tk. 86,507,709			
This is made up as follows:			
Particulars			
Opening Stock		7,319,905	3,816,160
Add: Purchase during the year		84,597,219	66,640,815
		91,917,124	**70,456,975**
Less: Closing Stock		5,409,415	7,319,905
TOTAL:		**86,507,709**	**63,137,070**

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
23.04 Stores & Spares Consumed Tk. 5,726,210		
This is made up as follows:		
Particulars		
Opening Stock	3,548,854	891,950
Add: Purchase during the year	4,509,510	14,950,013
	8,058,364	**15,841,963**
Less: Closing Stock	2,332,154	3,548,854
TOTAL:	**5,726,210**	**12,293,109**

23.05 Factory Overhead Tk. 131,629,385

This is made up as follows:

Particulars		
Salary & Allowances	20,535,931	27,317,200
Fuel & Lubricants	28,048,244	20,564,546
Daily Labour	3,889,555	5,146,594
Depreciation	54,997,959	60,122,911
Electricity Bill	186,570	217,769
Fooding & Entertainment	965,921	1,407,766
Factory Insurance	3,312,472	2,622,958
Gas Bill	11,561,360	18,113,555
House Rent & Utilities	324,150	426,803
Lab Testing	107,147	68,520
Loading & Unloading	5,035,210	5,818,689
Medical Expenses	160,928	132,562
Repair & Maintenance	1,894,425	4,602,148
Printing & Stationery	54,536	124,198
Rates & Taxes	34,500	81,000
Vehicle Maintenance	447,632	321,837
Uniform & Liveries	72,845	89,380
TOTAL:	**131,629,385**	**147,178,436**

24.00 GENERAL ADMINISTRATIVE EXPENSES TK. 23,845,300

This is made up as follows:

Particulars		
Salary & Allowances	7,255,199	6,277,776
Managing Directors Remuneration	1,200,000	900,000
Audit & Professional Fees	230,000	394,625
Board Meeting Fees	48,000	62,500
Computer Accessories	7,450	60,610
Dish Bill	9,490	14,150
Donation & Subscription	119,500	215,700
Electricity Bill	171,017	178,503
Fooding & Entertainment	816,257	845,305
Internet & Server Expenses	327,200	396,062
Miscellaneous Expenses	196,550	323,575

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
Mobile & Telephone Bill	824,436	1,039,051
Newspaper & Periodicals	7,445	18,966
AGM Expenses	608,257	689,458
Office Maintenance	285,634	506,764
Office Rent	2,185,241	1,865,604
Postage & Courier	31,575	138,539
Printing & Stationery	166,894	197,218
Registration & Renewals	1,860,305	750,650
Travelling & Conveyance	219,947	412,944
Vehicle Maintenance	1,082,396	1,486,913
Water Bill	12,400	12,340
Write off of Intangible Assets	1,319,000	1,331,000
Depreciation	4,861,107	6,015,945
TOTAL:	**23,845,300**	**24,134,198**

25.00 SELLING & DISTRIBUTION EXPENSES TK. 25,159,824

This is made up as follows:

Particulars		
Advertisement	1,092,000	2,394,197
Delivery Expenses	8,959,811	8,902,673
Electricity Bill	84,232	87,920
Fooding & Entertainment	38,827	48,904
Office & Go-Down Rent	1,334,160	1,757,120
Printing & Stationery	44,578	183,699
Salary & Allowances	11,855,020	10,682,050
Sales Promotion Expenses	1,069,330	1,940,884
Sample Expenses	172,653	160,579
Marketing Office Maintenence	414,828	696,197
Vehicle Maintenance	94,385	53,455
TOTAL:	**25,159,824**	**26,907,678**

26.00 OTHER INCOME TK. 1,438,735

This is made up as follows:

Particulars		
Bank Interest Received	269,310	185,677
FDR Interest	1,006,914	1,183,921
Wastage Sales	162,511	-
TOTAL	**1,438,735**	**1,369,598**

27.00 FINANCING EXPENSES TK. 162,188,433

This is made up as follows:

Particulars		
Bank Charges & Commission	185,758	411,287
Interest on CC/OD Account	42,312,789	37,828,563
Interest on STL	-	11,578,282

		Amount In Taka 30.06.2016	Amount In Taka 30.06.2015
Interest on Long Term Loan		89,800,200	83,645,134
Interest on Lease Finance		29,889,686	14,696,685
TOTAL:		**162,188,433**	**148,159,951**

28.00 INCOME TAX EXPENSES TK. 26,022,945

This is made up as follows:

Current Tax		19,314,210	12,830,034
Deferred Tax	Note: 28.01	6,708,735	(23,279,947)
Adjustment of Deferred Tax for Rate Difference			32,477,175
		26,022,945	**22,027,262**

28.01 Deferred Tax Expenses Tk. 6,708,735

Particulars

Closing Deffered Tax Liability	27,301,361	20,592,626
Opening Deffered Tax Liability	20,592,626	43,872,573
TOTAL:	**6,708,735**	**(23,279,947)**

29.00 CALCULATION OF BASIC EARNINGS PER SHARE TK. 3.33

This is made up as follows:

Particulars

Net Profit / (Loss) for the Year		180,721,878	152,821,245
Earnings attributable to the ordinary share holders		**180,721,878**	**152,821,245**
Weighted average no. of Shares	(Note - 29.01)	54,285,000	49,350,000
Basic Earning Per Share:		**3.33**	**3.10**

29.01 Weighted Average Number Of Shares: 54,285,000

This is made up as follows:

Particulars

4,70,00,000 shares for 366 days	47,000,000	47,000,000
2,350,000 shares for 366 days	2,350,000	2,350,000
4,935,000 shares for 366 days	4,935,000	-
TOTAL:	**54,285,000**	**49,350,000**

30.00 CALCULATION OF RESTATED EARNINGS PER SHARE : 3.33

This is made up as follows:

Particulars

Earnings attributable to the ordinary share holders	**180,721,878**	**152,821,245**
Weighted average no. of Shares (Note - 30.01)	54,285,000	54,285,000
Restated Earning Per Share:	**3.33**	**2.82**

	Amount In Taka 30.06.2016	Amount In Taka 30.06.2015

30.01 Weighted Average Number of Shares for Re-Statement: 54,285,000

This is made up as follows:

Particulars		
4,70,00,000 shares for 366 days	47,000,000	47,000,000
2,350,000 shares for 366 days	2,350,000	2,350,000
4,935,000 shares for 366 days	4,935,000	4,935,000
TOTAL:	**54,285,000**	**54,285,000**

31.00 NO. OF EMPLOYEES

The company had 165 permanent employees as at June 30, 2016 and 79 number of seasonal and temporary workers as required , which was as at June 30, 2016 . All the permanent employees received remuneration in excess of Tk. 36,000 per annum.

32.00 PRODUCTION CAPACITY

This is made up as follows:

Particulars		
****Installed Capacity:**	**(Ton/Year)**	**(Ton/Year)**
Rice Bran Oil (Refined)	17,520	14,568
De-oiled Rice Bran (DOB)	87,600	72,840
Actual Production:		
Rice Bran Oil (Refined)	14,226	12,362
De-oiled Rice Bran (DOB)	57,940	56,573
Achieved (%)		
Rice Bran Oil (Refined)	81.20%	84.86%
De-oiled Rice Bran (DOB)	66.14%	77.67%

Installed capacity of previous year includes capacity of expansion unit for eight (8) months.

33.00 RELATED PARTY DISCLOSURE

The aggregate amount paid/provided during the year in respect of directors & key management personnel of the company as required by BAS-24 are disclosed below:

	Tk.	Tk.
a) Short Term Benefits	6,826,300	4,059,000
b) Post Employment Benefit	Nil	Nil
c) Other Long Term Benefits	Nil	Nil
d) Termination Benefit	Nil	Nil
e) Share Based payment	Nil	Nil

EMERALD OIL INDUSTRIES LIMITED

SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS

As at 30 June, 2016

Annexure: A

Particulars	COST			Rate	DEPRECIATION			Written down value
	As at 01.07.2015	Addition during the year	As at 30.06.2016		As at 01.07.2015	Charged during the year	As at 30.06.2016	
Land & Land Development	50,600,447		50,600,447	-		-	-	50,600,447
Building & Other Civil Works	368,737,735	8,376,436	377,114,171	5%	54,108,740	15,836,155	69,944,895	307,169,276
Plant & Machineries	529,439,314		529,439,314	10%	145,528,393	38,391,092	183,919,485	345,519,829
Electrical & Gas Line Installation	9,842,954		9,842,954	15%	4,704,871	770,712	5,475,583	4,367,371
Furniture & Fixtures	3,239,994		3,239,994	15%	1,619,766	243,034	1,862,800	1,377,194
Office Decoration	7,411,947		7,411,947	15%	3,552,375	578,936	4,131,311	3,280,636
Office Equipment	3,493,595		3,493,595	20%	1,913,766	315,966	2,229,732	1,263,863
Vehicle	36,111,340		36,111,340	20%	17,495,485	3,723,171	21,218,656	14,892,684
Balance as at June 30 , 2016	**1,008,877,326**	**8,376,436**	**1,017,253,762**		**228,923,396**	**59,859,066**	**288,782,462**	**728,471,300**
Balance as at June 30 , 2015	**934,361,221**	**74,516,105**	**1,008,877,326**		**162,784,540**	**66,138,856**	**228,923,396**	**779,953,930**

Depreciation Charged To-

General & Administrative Expenses	4,861,107
Factory Overhead	54,997,959
Total	**59,859,066**

ARYAN STOCK

EMERALD OIL INDUSTRIES LIMITED

SCHEDULE OF INTANGIBLE ASSETS

As at 30 June, 2016

Annexure: B

Particulars	COST			Rate	AMORTIZATION			Written down value
	As at 01.07.2015	Addition during the year	As at 30.06.2016		As at 01.07.2015	Charged during the year	As at 30.06.2016	
Software	330,000	-	330,000	10%	181,750	33,000	214,750	115,250
Campaign Film (Advertisement)	6,430,000	-	6,430,000	20%	5,144,000	1,286,000	6,430,000	-
Balance as at 30.06.2016	**6,760,000**	**-**	**6,760,000**		**5,325,750**	**1,319,000**	**6,644,750**	**115,250**
Balance as at 30.06.2015	**6,760,000**	**-**	**6,760,000**		**3,994,750**	**1,331,000**	**5,325,750**	**1,434,250**

AMAR STOCK

EMERALD OIL INDUSTRIES LIMITED

Quantity-wise break-up of Inventory

As at 30 June, 2016

Annexure: C

Finished Goods:						
Items Name	Balance as on 30 June 2016			Balance as on 30 June 2015		
	Quantity (Ton)	Rate	Amount	Quantity (Ton)	Rate	Amount
Rice Bran Oil (Bulk)	319.50	63,541.61	20,301,632	521.77	68,250	35,610,693
De-oiled Rice Bran	-	-	-	4,517.99	9,741	44,008,057
Fatty Acid	-	-	-	1.16	37,740	43,817
Gum	-	-	-	0.47	1,913	899
Wax	-	-	-	1.12	13,808	15,534
Spent Earth	-	-	-	1.66	1,371	2,276
Oil-1 Ltr	161,806.00	72.38	11,712,000	17,576.00	78	1,362,438
Oil-2 Ltr	94,268.00	134.66	12,694,301	13,743.00	145	1,986,673
Oil-5 Ltr (HDPE)	221,134.00	355.20	78,547,290	55,714.00	383	21,332,434
Oil-5 Ltr (PET)	301,748.00	348.82	105,255,414	45,212.00	381	17,203,680
Oil-8 Ltr (Tin)	10,799.00	584.78	6,315,029	40,284.00	599	24,133,601
Oil-8 Ltr (Pet Bottle)	233,021.00	539.23	125,651,476	24,743.00	-	14,480,291
Oil-16 Ltr	-	-	-	1,166.00	1,151	1,342,601
Total Finished Goods			**360,477,142**			**161,522,993**
Raw Materials:						
Items Name	Balance as on 30 June 2016			Balance as on 30 June 2015		
	Quantity (Ton)	Rate	Amount	Quantity (Ton)	Rate	Amount
Rice Bran	18,328.86	16,136.13	295,756,908	18,830.14	16,124	303,621,855
Crude Oil		-	-	-	-	-
	18,328.86	**16,136.13**	**295,756,908**	**18,830.14**	**16,124.24**	**303,621,855**
Processing Material						
Items Name	Balance as on 30 June 2016			Balance as on 30 June 2015		
	Quantity (Ton)	Rate	Amount	Quantity (Ton)	Rate	Amount
Hexane	139.67	122,577.10	17,120,104	136.53	122,577	16,735,820
Bleaching Earth	618.43	56,122.43	34,708,019	671.38	55,828	37,482,148
Phosphoric	31.80	163,406.67	5,195,610	42.57	163,157	6,945,692
Citric	4.28	96,125.51	411,447	5.26	98,869	520,080
Carbon	1.07	81,050.86	86,337	41.31	72,606	2,998,989
			57,521,517			**64,682,729**
Packing Materials:						
Items Name	Balance as on 30 June 2016			Balance as on 30 June 2015		
	Quantity (Kg/Pcs)	Rate	Amount	Quantity (Kg/Pcs)	Rate	Amount
Pet Powder	6.50	168.46	1,095	6,889.05	164	1,131,059
HDPE/LDPE	10,006.15	156.95	1,570,416	9,455.61	156	1,472,364
Drum	535.00	1,194.38	638,993	46.00	1,088	50,028
Polybag	374.00	18.06	6,755	43,346.00	17	739,721
Carton	14,606.00	34.70	506,808	3,413.00	35	120,682
Bottle	925.00	41.15	38,062	2,904.00	44	128,543
Tin	14,656.00	75.81	1,111,119	44,288.00	76	3,357,225
Others	-	-	1,536,167	-	-	320,283
			5,409,415			**7,319,905**
Stores & Spares						
	Balance as on 30 June 2016			Balance as on 30 June 2015		
Quantity-wise break-up of Stores & Spares could not be given as it was dificult to quantify each item in a separate and distinct due to large variety of stores & spares.			2,332,154			3,548,854
Value of Closing Inventory			**721,497,136**			**540,696,336**

EMERALD OIL INDUSTRIES LIMITED

SCHEDULE OF ADVANCE AGAINST RICE BRAN PURCHASE

As at 30 June, 2016

Annexure: D

Sl. No.	Name of the Customer	Amount in Taka 30.06.2016	Amount in Taka 30.06.2015
1	Alfah Enterprise-Jamalpur	18,773,259	21,010,700
2	Al-Muin Enterprise-Ghatail	2,303,775	2,053,429
3	Amran Enterprise-Sherpur	4,066,630	3,714,095
4	Anwar Enterprise-Dhakolhati-Sherpur	9,659,507	9,424,613
5	Arafat Enterprise-Jamalpur	3,636,687	2,786,942
6	Apurba Das-Mymensingh	3,741,622	-
7	Azad Enterprise-Comilla	3,492,812	-
8	Emam Hasan Enterprise-Sherpur	5,231,730	-
9	Emran Enterprise-Jamalpur	6,360,587	5,278,890
10	Enaa Enterprise-Sherpur	5,060,392	-
11	Hasan Enterprise-Sherpur	4,415,523	4,308,150
12	Islam Enterprise-Asuganj-B.Baria	4,719,362	4,604,600
13	Jabbar Rice Mill-Sherpur	3,826,184	3,592,930
14	Jahangir Enterprise-Savar Bustand	4,397,433	4,290,500
15	Lipi Enterprise-Jamalpur	1,241,980	1,002,480
16	Ma Babar Ashirbad Enterprise-Kalihati	3,964,630	3,654,310
17	Mim Enterprise-Sherpur	2,169,936	985,238
18	Motin & Brothers-Hobiganj-Sylhet	7,893,086	7,626,740
19	New Hasib Auto Rice Mill-Haluaghat	3,658,845	-
20	Orna Enterprise-Sherpur	4,224,452	1,235,542
21	Ruman Rice Mill-Jamalpur	6,364,875	6,098,829
22	Shafi Trade International- Sherpur	10,975,295	10,926,938
23	S. B. Traders	2,835,500	2,823,007
24	Saiful Traders-Bhairab	4,285,730	-
25	Salim Enterprise-Sherpur	8,208,549	-
26	Shumi Enterprise-Dhaka	8,227,729	2,017,950
27	Syed Murad-Jamalpur	21,689,000	22,289,300
	Total	**165,425,110**	**119,725,183**

AMARSTOCK

EMERALD OIL INDUSTRIES LIMITED

Saiham Sky View Tower, Floor-10/D, 45, Bijoy Nagar, Dhaka-1000

PROXY FORM

I/We _____

of _____

being a member(s) of Emerald Oil Industries Limited hereby appoint Mr./Ms. _____ _____ of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the 09th ANNUAL GENERAL MEETING of the Company to be held on 31 December 2016 (Saturday) at 10:00 A.M and or at any adjournment thereof. Signed this _____ day of _____ 2016.

Revenue Stamp 20/=

Signature of Shareholder(s) _____ Signature of the Proxy: _____

BO ID: _____

No. of Shares held: _____

_____ _____

Authorized Signature Signature verified

Emerald Oil Industries Limited

N.B.: This Form of Proxy, duly signed (as recorded with the company), stamped and completed must be submitted to the Registered Office or Share Department (the Company's registered office: Saiham Sky View Tower, Floor-10/D, 45, Bijoy Nagar, Dhaka-1000) of the Company at least 48 (Forty Eight) hours before the Meeting.

EMERALD OIL INDUSTRIES LIMITED

Saiham Sky View Tower, Floor-10/D, 45, Bijoy Nagar, Dhaka-1000

ATTENDANCE SLIP

I/We hereby record my attendance at the 09th ANNUAL GENERAL MEETING of Emerald Oil Industries Limited being held on 31 December 2016 (Saturday).

Signature of Shareholder(s) _____ Signature of the Proxy: _____

Name of Shareholder(s) _____ Name of Proxy: _____

BO ID: _____

No. of Shares held: _____

_____

Authorized Signature

Emerald Oil Industries Limited

Note: Please complete the attendance slip and hand it over at the entrance of the venue.

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EMERALD

EMERALD OIL INDUSTRIES LIMITED

REGISTERED OFFICE
Saiham Sky View Tower, Floor-10/D, 45, Bijoy Nagar, Dhaka-1000
Phone : +88 02 8391511-3, Fax: +88 02 8391514
E-mail : emldoil@yahoo.com Web: www.spondonoil.com

FACTORY
Sheripara, Sherpur Sadar, Sherpur