ANNUAL REPORT
2016-17



More than lubricants, it's also about
solutions that make the difference

MJL Bangladesh Limited

AMAR STOCK



More than lubricants, it's also about solutions that make the difference!

Annual Report 2016-17

July 2016 to June 2017

MJL Bangladesh Limited

At MJL Bangladesh Limited, the core purpose of our existence can be summarized in our focus on 'strengthening the competitive position of our customers.'



The world of our customers

MJL Bangladesh Limited (MJLBL) has emerged as a critical link in the success to our customers. To be precise, we matter to our customers.

They trust us to support them in ensuring the highest uptime of their equipment, in expanding their business efficiency and in enhancing overall productivity.

With a leadership position in Bangladesh's highly competitive lubricants industry, we believe the next frontier to take advantage of in an ever more mobile and information-rich world would be to complement – and supplement our products with a potent, cutting-edge and difficult-to-replicate business proposition.

Solutions!

Powered by the rich bank of knowledge we have amassed over the years; enriched by the pioneering international expertise of our parent, ExxonMobil; fuelled by world-class blending and other production assets; structured by rigorous and thoroughly compliant operating practices and energized by professional and well-experienced human resources, MJLBL differentiates itself in the market by providing thoughtful services and cutting-edge solutions that together strengthen the competitive position of our customers.

Hence, throughout this report, you will read about how MJLBL creates value through expertise, champions innovation and demonstrates leadership. You will see the world of our customers – their work environment and professional spaces – and you will understand the difference our Company makes in their professional lives.

Customers clearly trust MJLBL as their go-to resource to guide them in their daily operational activities and to help them achieve their ambitions, goals and aspirations.





"At MJL Bangladesh Limited, while our cutting-edge products allow us to **acquire** customers, our efficiency-enhancing solutions enable us to **retain** them, thereby fortifying business sustainability and sustaining our focus to consistently enhance shareowner value."

Azam J Chowdhury
Managing Director
MJL Bangladesh Limited

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MJL Bangladesh Limited is an integrated lubricants product and services enterprise, specializing in providing cutting-edge solutions and operating across the lifecycle of some of the country's most critical production assets.

We leverage our knowledge and capabilities to deliver efficiency and productivity gains to our customers operating in over 4,000 industries and, in doing so, create a robust investment case for our potential and prospects.

Today, we believe that there has never been a more important role for the core industrial and automotive sectors to spur the country's economic activity, growth and momentum and hence find the sustainability of our enterprise at the heart of this economic transformation.



MARSTOCK

OUR VISION

To retain market leadership, focusing on long-term business sustainability and selling productivity with consistent growth potential.

OUR MISSION

To support our customers with unsurpassed technical expertise for continuous value addition, while ensuring timely delivery and maintaining product integrity.

OUR VALUES

- Safety is our top priority
- Our people, including our technical expertise, are our assets

Our Motto: Our business in life is not to get ahead of others but to get ahead of ourselves.

OUR GUIDING PRINCIPLES

Growing ambition: We have the ambition and the drive to sustain our leadership position as the leading provider of high-quality lubricants and expand our market share through capturing the untapped segments of the lubricating oil industry.

Customer focus: We strive to provide our customers with the best quality products and services, according to their schedules, budgets and application areas.

Flawless execution: When it comes to providing our customers with the requisite goods and services, we thrive in delivering what we promise.

Team building: Our ability to collaborate and work together as one team has enabled us to create a motivated, loyal and highly productive workforce.

Nurturing talent: With people central to the success of our enterprise, we believe in developing and nurturing talent and creating an aspirational career growth journey for our employees.

WHAT WE BELIEVE

1. We help our clients secure business operational continuity and sustainability
2. Our most potent industry differentiator comprises our ability to provide cutting-edge solutions that yield superior results for our clients
3. Our product portfolio comprising a bouquet of 220 SKUs of different products is not only the largest such portfolios in the industry but is used by as many as 4,000 diverse industries and sectors
4. Our culture is one that is anchored on frugality, customer-obsession and collaboration with the belief that tomorrow should always be better than today
5. The knowledge and competency of our people and our disciplined approach distinguish us in the marketplace
6. We operate a world-class lube oil blending plant (LOBP) with efficiency levels that our among the best in the ExxonMobil global ecosystem
7. We have strategically and synergistically diversified our operations through our subsidiaries that are also engaged in strengthening the national economy and in facilitating modern-day lifestyles
8. We possess a robust brand recall – "Mobil means lubricant!" – with the result that we are the leaders in the country's lubricants space with the largest market share, which is higher than the combined market share of the next two players



CODE OF CONDUCT AND ETHICS

MJLBL Code of Conduct and Ethics Policy provides a basis for all employees to maintain a working environment that is productive, positive, enjoyable, safe and free from all harassment and discrimination. It provides and assists managers to induct employees stated standards and values. MJLBL Code of Conduct and Ethics, in short, are as follows:

Personal and Professional Behaviour:

Employees always act in a professional, responsible, conscientious and ethical manner for the best interests of MJLBL. Employees deal professionally with clients, customers, suppliers, prospects, contractors and fellow employees. MJLBL expects compliance with its standard of integrity, legislative, regulatory and administrative policies throughout the organization and will not tolerate any violation of defined guidelines.

Commitment to Quality:

We recognize customer satisfaction is of prime importance. We serve directly to our customers who resell our products, even as we strive to understand their requirements and concerns and to merit their business by responding effectively of their needs.

Product Safety:

MJLBL is committed to supplying quality products to our consumers and to understanding all the issues involving safety associated with our products. We believe that Product Safety is fundamental to the integrity of our businesses, to sound and ethical business practices, and to our responsibility as a blending operator of quality consumer products. MJLBL will actively promote the responsibility and concern for the safety of our customers, our employees and the general public at all levels of the company and in all aspects of our businesses through appropriate communication & documentation.

Open Door Communication:

MJLBL always discusses and resolves employee concerns, problems, and ideas with their immediate supervisor and if required involve/inform to the next level(s) of management for resolution.

Use of Facilities and Equipment:

Employees take all possible care when using MJLBL property, goods, intellectual property and services and ensures they are used efficiently, carefully and honestly and not on any personal use.

Data Integrity Assurance Framework:

MJLBL employees ensure and maintain compliance and integrity in company information, prospects, and documents at all levels within and outside of the company.



Confidentiality:

Employees must not discuss or release to any unauthorised person and/or anyone outside of the organisation, any confidential or sensitive information relating to the company, business and/or its operations under non-disclosure process.

Conflict of Interest:

If an employee becomes aware of the potential for conflict of interest then s/he must notify her/his supervisor/manager of the potential or actual conflict of interest. Company expects employees to:

- Declare all conflict of interest to supervisors
- Avoid any detrimental outcome as a result of the conflict of interest.

Professional Development:

Employees must continually strive to improve their professional competence, enhance knowledge as per job requirements and encourage the development of their skills and competence of associates.

Accepting and Paying Commissions, Gifts or Benefits:

As a general rule, no employee should accept a gift or benefit if it could be seen as intended or likely to cause that person to:

- Perform their job in a particular way, which the person would not normally do, or
- Deviate from the proper or usual course of duty.

Drug, Alcohol and Substance Abuse or Misuse:

MJLBL is committed to a safe, healthy, and productive workplace for all employees. The Company recognizes that alcohol, drug, or other substance abuse/misuse by employees will impair their ability to perform properly and will have serious adverse effects on the safety, efficiency and productivity of other employees and the Company as a whole. Alcohol, drug, or any other substance use, possession, distribution, sale of illicit or unperceived controlled drugs on company business or premises, is strictly prohibited.

Bullying:

Bullying is unreasonable behaviour that is directed against an individual or group by another individual or group i.e. verbal abuse, shouting, excluding or isolating behaviour, deliberately withholding information vital for effective work performance, physical abuse on company business or premises, is strictly prohibited.

Discrimination and Equal Employment Opportunity (EEO):

MJLBL does not treat people differently on the basis of personal characteristics. The following are examples of attributes i.e. age, industrial activity, parental status, political belief, personal association, race, ethnic background, career status, marital status, pregnancy/ potential, lawful sexual activity, unrelated criminal record, impairment, religious belief/ activity, physical features, gender identity, disability and sex. Discrimination is unacceptable conduct and always prohibited at company business or premises.

Harassment:

MJLBL prohibits harassment and discrimination in its programs and activities. Harassment and discrimination form part of a continuum of unacceptable behaviour that can include sexual assault, stalking and harassing phone calls, some of which are also against criminal law, which means the police may prosecute anyone who commits such acts.

Public Conduct and Media Contact:

Employees are not entitled to make comments in a public forum on any matter relating to the company and must act in a way that is in keeping with the values of the Company. Only authorized personnel are permitted to speak with media representatives.

Health, Safety and Environment (SH&E):

MJLBL regards SH&E as top most priority. MJLBL conduct its business in a manner that protects the safety of employees, health, and above all the environment wherein its operations, customers, and the public are involved and eliminate or manage associated risks of the business and operational hazards.


Assured engine protection
in extreme temperatures.
Learn more at mobilbd.com
/MobilBangladesh
Mobil 1
0W-40
Ultimate All-Round Performance
Mobil 1
5W-50
Excellent Wear Protection
MJL Bangladesh Limited
Mobil 1™



When our products bring machines to life…

- We supply 220 SKUs of different products in the standard, premium and flagship range
- Our products are used by over 4,000 diversified industries in Bangladesh
- Our rich engineering knowledge, product understanding and industrial operational insights enable us to remain as the one-stop-shop for our customers

…The wheels of national progress start to turn…

- We work with some of the most reputed and well-diversified conglomerates across Bangladesh, helping them ensure equipment operational consistency and minimum idling
- We partner with hundreds of M/SMEs and other small-scale industries, helping them achieve efficiency and scale
- We also engage with end consumers to advocate the use of Mobil products for enhancing their vehicle's engine life, thereby providing hassle-free mobility solutions

…When the wheels of national progress start to turn, there is all-round value creation…

- We have contributed over Taka 12,459 mn to the exchequer as Tax and Vat over the past five and half years
- We have disbursed Taka 848 mn as salary and other employee benefit expenses over the past five years
- We have expended Taka 4,450 mn as dividend (cash and stock-equivalent) over the last five and half years

… Prosperity reaches the grassroots, ensuring respectable livelihood creation…

- We provide indirect employment opportunities to hundreds of people living across our plants and distribution centers
- We work with as many as 1,500 mechanic shops spread across the length and breadth of the country
- Our CSR spends and efforts positively impact several families every year, while also enabling us to contribute to a green and clean environment

… Our employees feel energized and patriotic to contribute to national progress…

- Our employee base grew at a 4.36% CAGR over the past five years
- Attrition has consistently been controlled over the years, enabling us to protect our precious intellectual capital
- Our employees feel proud to work with the affiliation of ExxonMobil, an international brand strongly engaged in contributing to national progress and development

… And our shareholders find in us a valuable investment case to augment their financial future.

- Our shareholders feel proud to own shares in a reputed conglomerate that is focused on nation-building
- We have consistently maintained our dividend-payout ratio over the years, ensuring strong focus on sustainable cash flow generation and distribution
- Our market capitalisation has surged 38% over the past years to stand at Taka 36,653 mn as on 30 June 2017 (DSE, at closing price)



Our purpose / clear and unambiguous

Supply world-class products and cutting-edge solutions to a wide range of customers to ensure operational ease, flexibility and scalability.

Our origin / exciting and eventful

MJL Bangladesh Limited (formerly Mobil Jamuna Lubricants Limited) is a joint venture between state-owned Jamuna Oil Company Limited and EC Securities Limited (a subsidiary of East Coast Group). In 1998, Mobil Corporation (post merger with Exxon) established Mobil Jamuna Lubricants Limited in partnership with the state-owned Jamuna Oil Company Limited to tap into the large and growing lubricants demand in Bangladesh.

Founded in the year 1998 in Bangladesh

Today a market-leading solutions-driven lubricants enterprise

With a 182-strong team serving customers across the country

Supporting a wide range of industries including cement, steel, power, textiles, automotive, marine, process industries and pharmaceuticals, among others

Bringing our customers a wealth of knowledge to operate their production assets in the most efficient and economical manner

Our products / compliant and certified

We offer the largest lubricants bouquet in the country, comprising 220 SKUs of different products, catering to demand from the economy as well as the premium segments of the market. Our five broad product categories include the following:

- Passenger vehicle lubricants
- Commercial vehicle lubricants
- Industrial lubricants
- Marine products
- Aviation products

Our other businesses / strategic and well-established

While our trading unit is engaged in the global trading and distribution of a wide range of lubricant products to widen the portfolio and user base, our oil tanker unit owns and operates Bangladesh's largest ocean-going Aframax vessel (Omera Queen of capacity 106,547 DWT) that facilitates the global B2B petrochemicals trading business on the back of our unparalleled insights into the international petroleum markets.

Our distribution network / dynamic and far-reaching

With a comprehensive supply chain in place, we are able to cater to customers located across the country. Moreover, our dynamic and mobile sales and services teams ensure that we recommend the most suitable Mobil lube product and offer our customers niche and efficiency-enhancing solutions backed by a strong proof of concept.



Something interesting!

MJLBL enjoys the largest market share in the country's lubricants market, which is higher than the combined market share of the next two players operating in the country!

Our subsidiaries / upcoming and fast-growing

Our subsidiaries comprise Omera Petroleum Limited (OPL) that is engaged in the storage, bottling and distribution of liquefied petroleum gas (LPG) with facilities strategically located in Mongla, Ghrorashal, Bogra and Mirasharai with a cumulative capacity of two lacs MT per annum. OPL has emerged as a significant player facilitating the country's progressive transformation into a LPG user.

Our other subsidiary, Omera Cylinders Limited (OCL) is engaged in the manufacturing of internationally-compliant cylinders at Habiganj with an installed capacity of 600,000 cylinders per annum. OCL has been conceived as a backward integration initiative for OPL to provide customers with LPG gas stored in cylinders.

MJLBL is the first company in the country to get permission from the Central Bank of Bangladesh to invest in the downstream petroleum business in Myanmar through opening of a subsidiary by the name of MJL & AKT Petroleum Company Limited. Sourcing Mobil branded products from ExxonMobil, the JV markets and distributes this world-class lubricant in Myanmar. Leveraging the longstanding heritage and rich expertise of MJLBL in the lubricant industry, along with the deep local knowledge of AKT, the JV is positioned to emerge as a unique example of a successful foreign investment made by a Bangladeshi company.

Our listing and holding / visibility and access-enhancing

MJLBL is listed on the Dhaka and Chittagong stock exchanges. The company's market capitalisation appreciated by 38% to Taka 36,653 mn as on 30 June 2017, versus Taka 26,602 mn as on 30 June 2016.

Something interesting!

In a market where talent retention is challenging, as much as 50% of our staff has been with the Company for over five years!



Our intellectual capital / strong and robust

With an attrition rate that is the lowest in the industry, we ensure that we are able to retain our intellectual capital as also remain as an employer of choice to talented, ambitious, committed and hard-working professionals. Besides, we have well-defined KPIs and career pathways that keep our staff loyal, engaged and motivated.

Our Lube Oil Blending Plant (LOBP) facility / world-class and environment-friendly

The Lube Oil Blending Plant is the pride of our Company. This state-of-the-art lubricant oil blending plant is considered to be one of the most technologically-advanced in-line blending facilities in South East Asia. Our LOBP has achieved the following pride-enhancing milestones during project implementing stage:

- A cumulative 1,119,346 man-hours of work was achieved without any Lost Time Incident (LTI)
- As many as 410 work days were achieved (till end-April 2003) without any reportable incidents / injuries
- Project site passenger vehicles have driven 81,716 km without any accidents
- The LOBP facility comprised 52 tanks for storage of base oils, bulk additives and preparations including pre-blend tanks, holding tanks and finished products tanks. Some special features incorporated in the tank designs include:
  - Internal heating coils for day tanks and additive tanks to achieve pre-set temperature levels
  - Hot-oil system to maintain supply of hot oil for heating the contents of the different raw material resource tanks
  - Drum heating oven to heat additive drums for facilitating content offloading
- An independent 10” pigged pipeline at Dolphin Oil Jetty strategically located opposite to the plant enables receiving base oils from ships directly into the storage tanks. The tank farm area is surrounded by a bund or low wall to contain any accidental spillage

Our In-Line Blending System / state-of-the-art and internationally-compliant

A fully computerized In-Line Blending System (ILB) has been installed at the LOBP, which is capable of blending over 300 lube oil formulations from over 50 base oil and additive components. The process uses sophisticated blend control systems and cutting-edge software. The ILB system controls the preparation of raw materials and automatically and instantaneously makes all necessary adjustments to ensure specifications-compliant products 100% of the time.

Moreover, four pre-mix tanks enable the production of specific grades of high-quality lubricants that may be required by



Something interesting!

As per ExxonMobil global audit (QP&G and 3PIMS) of 2017, our lube oil facilities were ranked 3.8 out of 4 which is higher than the ExxonMobil benchmark standard!

customers in small quantities, thereby enhancing our customer service capabilities.

Our quality focus / stringent and rigorous

Our LOBP is equipped with a contemporary Lube Oil Testing Laboratory that possesses the latest laboratory equipment, including ICP, AAS and FTIR spectrophotometer, automatic viscometer, pour-point determiner and density meter, among others, supplied by the world's most reputed testing and measuring equipment makers such as Koehler, Metrohm, Perkin-Elmer, Cannon, and Anton Parr among other brands of repute. The laboratory equipment are effectively designed to conduct QA/QC tests for releasing batches of products at specified intervals, thereby certifying product compliance and quality.

Moreover, as required by ExxonMobil's Product Integrity Management System (PIMS), our zero emission plant rigorously aligns with our parent's industry-leading quality programs – commencing from receiving base oils from ExxonMobil and additives sourced from other global suppliers as per ExxonMobil recommendations and formulations. Moreover, our plant is certified by ExxonMobil Quality Practice & Guidelines, Product Integrity Management System (3PIMS) and Bureau Veritus for ISO 9001-2008.

Our health, safety and environment practices / structured and streamlined

Our operations are guided by a time-tested-and-trusted HSE policy that has also been endorsed by ExxonMobil. In accordance with this policy, the following features have been incorporated across the LOBP facility:

- Dry slop tank system to collect any spillage from the plant
- API separator to separate oil from the drain water before it is discharged from the plant
- Sophisticated fire-fighting system including fire water tanks complete with sprinklers, fire hydrants and other equipment ensuring sustained fire-fighting capacity

CORE FINANCIAL HIGHLIGHTS

Taka
8,079 mn
Revenue from operations

Taka
2,525 mn
Operating profit

Taka
1,985 mn
Net profit

Percentage
45
Cash dividend (proposed)

Taka
6.58
Earnings per share

CORE ANNUAL HIGHLIGHTS

Packaging Excellence Project (PEP)

MJLBL engaged in Mobil's new pack launch under ExxonMobil's Packaging Excellence Project (PEP). The Company was the fastest in the global ExxonMobil ecosystem to embrace the packaging refresh which was created to modernize product packaging on the one hand and reinforce packaging aesthetics to enhance shelf-space visibility on the other. Coinciding with the PEP, the Company launched its largest mass media campaign so far that included the introduction of two television commercials and adaption of those television commercials on radio and also some strategic advertisements in mainstream print media.

New Product / Packaging Launch

MJLBL launched Mobil Delvac Super 1400 in December 2016 to fill a key gap in the truck and bus space of specific viscosity requirement. Within a short period, the product has received positive customer response with the Company selling the set target.

Two new product packages were introduced during the year, including Intermediate Bulk Containers (IBC) and 20,000 litre flexi-bags that enabled superior customer service through providing bulk customers with logistically cost-efficient manner and pass on price benefit to the customers.

Dhaka Motor Show Participation

MJLBL participated in the prestigious Dhaka Motor Show with two stalls, one showcasing all products and the other all motorcycle products. The show, held during 23-25 March 2017, drew as many as 40,000 visitors and has emerged as a strong platform for the launch of the latest models of cars, buses, trucks, motorcycles, lubricants and other auto parts. Besides, this is the only platform, where MJLBL has a good opportunity to display its products and services. Moreover, Omera lubricants also participated with one stall in the show which experienced good footfalls.

Something interesting!

Mechanics in the US have spoken once again: Mobil 1 is the overall best brand of motor oil in the United States, according to the independently researched and funded multi-year study from Frost & Sullivan. Mobil 1 has received the most numero uno rankings as the overall best brand of motor oil in Frost & Sullivan surveys since 2013, proving that year after year, Mobil 1 is the no. 1 motor oil!

Mobil Bangladesh Mobile App

As part of our consistent efforts to strengthen customer convenience, we are in process of launching a smart and user-friendly app that is positioned to emerge as a one-stop solution for any vehicle-related queries and hitches. Some of the key features of the app will comprise reminders to users on engine oil change at regular intervals, locating the right engine oil for a particular vehicle type, prompt on purchasing original engine oils, locating the nearest engine oil stores and booking appointments with workshops for oil change and car wash and home delivery of lube oil. Moreover, the app also has features of push notifications, annual fitness and taxes reminder, mileage and EMI calculation, product information, important contact numbers and a flashlight. The app will be available in Google Play soon for everyone to use.

Positive credit rating

Credit Rating Information and Services Limited (CRISL) rated the Company as 'AA+' in the long-term and 'ST-1' in the short-term along with giving a positive outlook in consideration of the Company's audited financials up to 31 December 2015 and also unaudited financials up to 31 March 2016 and other relevant quantitative as well as qualitative information up to the date of the rating declaration.

MoU signing

Bangladesh Economic Zone Authority and Omera Petroleum Limited signed a Memorandum of Understanding (MoU) to develop the Mirsarai Economic Zone near Chittagong. The MoU envisages the development of a planned industrial zone across 30,000 acres to foster more employment opportunities in the country. According to the MoU, Omera Petroleum will implement the project, employing 5,000 people and will also lease 200 acres of land to set up a LPG import terminal and reforming process unit. Once fully operational, the zone is expected to provide employment to as many as one mn people.

Joint venture formation

A joint venture company between Bangladesh and Japan was formed to meet the increased LPG demand for residential, industrial and automotive sectors. Omera Gas One Limited, a joint venture company between Omera Petroleum Limited, Bangladesh and Saisan Co. Limited, Japan, was established with the new company progressively undertaking the business of providing large-scale LPG engineering solutions through which it will supply bulk LPG to bulk end-user sectors. It will also focus on the construction, operation and management of LPG auto gas stations for the sale of LPG.

Subsidiary received a prestigious award

Omera Petroleum Limited (OPL) participated in the National Power & Energy Week 2016 and was awarded as the 'Best Company in the Energy sector of Bangladesh'. With the theme 'Indomitable Bangladesh', OPL truly caters to the demand for LPG, an environment-friendly fuel alternative that is envisioned to emerge as the fuel of choice in the country over the next few years.



Chittagong Mobil House:
A state-of-the-art commercial center in the heart of Chittagong

In a milestone development, we recently completed the construction of our 10-storey corporate building located at Halishahar, Chittagong. Positioned as one of the most modern commercial buildings located in the heart of the port city of Chittagong, the tower has been designed and constructed as an energy-efficient and environmentally-friendly complex. The building features VRF (0 refrigerant flow) air-conditioning system with fresh air facilities, fire hazard-free sub-station equipment, sound-proof heavy-duty canopied generators, sophisticated fire protection and detection with alarm systems, fire doors and MEP duct cladding doors, advanced elevators, integrated roof-top solar system, IT networking facilities, deep tubewell, 24x7 security system equipped with IP cameras, basement car parking and other modern facilities. We have also constructed a fully-furnished luxurious studio apartment on the top floor for guests. Indeed, Chittagong Mobil House has not only redefined the skyline of the city but has also given its occupants a more modern and inspiring workplace environment.



Case study

Mobil SHC 630 extends the oil drain interval by 13x and saves Thermax at least US$ 29,500 annually!

The situation

Thermax has been operating the 264 Picanol Optimax 8R weaving machines since 2007 at its plant located at Norshindi, Bangladesh. The company was using Mobilgear 600 XP 220, following the equipment manufacturer's oil drain interval recommendations of 3,000 hours. Over the course of production, Thermax felt that the drain interval was too short and looked for a solution that could help deliver lower oil consumption, achieve uninterrupted production and optimize production costs.

The solution

The MJL Bangladesh team associated with the Thermax case analysed the equipment hardware in minute detail, studying the manufacturing process comprehensively as well. After the analysis, the team recommended Mobil SHC 630. Formulated with high-quality synthetic base stocks, Mobil SHC 630 provides exceptional oxidative and thermal stability, culminating in extended oil life. Moreover, the product's high load carrying capability also helps protect the equipment while minimizing unexpected downtime for seamless and trouble-free operations. For further customer peace-of-mind, monitoring of the equipment and oil conditions were also carried out under the Mobil Serv Lubricant Analysis.

The result

Thermax has achieved its objectives in terms of emerging successful in extending the oil drain interval by 13 times - from 3,000 hours to as much as 40,000 hours with Mobil SHC 630. The lubricant cost alone saves Thermax USD 29,500 annually.

"The Thermax Group is one of the largest integrated textiles conglomerates in Bangladesh and it was a matter of prestige for our Company to be associated with them. It was satisfying to know that our recommended product, Mobil SHC 630, could stringently meet our customer's objectives and provided such benefits including over 13x increase in the oil drain interval, as much as 45 days of extra production through reduced maintenance downtime, 1,070 hours of reduced technician-equipment interaction that also supported improved personnel work safety and 18,000 litres (92%) of waste oil reduction annually."

A MJLBL team member involved with the Thermax project

MJL Stock

A partnership driven **by performance.**



Learn more at mobilbd.com

/MobilBangladesh

MJL Bangladesh Limited

Mobil 1™

LETTER OF TRANSMITTAL

All Shareholders
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies & Firm

Dear Sir (s):

ANNUAL REPORT FOR THE PERIOD OF JULY 01, 2016 TO JUNE 30, 2017

The undersigned on behalf of the Board of Directors and Management of MJL Bangladesh Limited is pleased to present herewith the Annual Report for the period of July 1, 2016 to June 30, 2017 along with the audited financial statements (Statement of Financial Position, Statement of Profit or Loss & other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and Notes Thereon) and all related consolidated Financial Statements for above mentioned period of the company.

Thank you.

Very truly yours:

Mir Md. Rokibul Kabir
Company Secretary (Acting)

AMARSTOCK

19TH ANNUAL GENERAL MEETING OF

MJL Bangladesh Limited

Venue

Auditorium of Krishibid Institution Complex Bangladesh
Krishi Khamar Sarak (Khamarbari)
Farmgate, Dhaka-1215

Date & Time

Sunday, December 24, 2017 at 11.00 am

MJL BANGLADESH LIMITED
Mobil House, CWS (C) 9
Gulshan-1, Dhaka-1212

NOTICE OF THE 19TH ANNUAL GENERAL MEETING

Notice is hereby given that the **19th Annual General Meeting** of **MJL Bangladesh Limited** will be held on December 24, 2017 at 11.00 am at the Auditorium of Krishibid Institution Complex Bangladesh, Krishi Khamar Sarak, (Khamarbari) Farmgate, Dhaka-1215, to transact the following businesses:

Agenda:

1. To receive and adopt the Directors' and Auditors' Report and the Audited Financial Statements of the company for the year ended on June 30, 2017
2. To declare/approve 45% cash dividend for the year ended on June 30, 2017
3. To appoint Auditors' for the year 2017-2018 and fix their remuneration
4. To elect Directors of the Company

By order of the Board
Sd/-
Mir Md. Rokibul Kabir
Company Secretary (Acting)

Date: December 9, 2017

Notes:

1. The record date of the company for entitlement of 45% cash dividend shall be November 23, 2017. The Shareholders whose name will appear in the Share Register of the Company or in the Depository Register on the record date i.e. November 23, 2017 will be entitled to receive the 45% cash dividend.
2. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form , duly stamped with revenue stamp of Tk. 20 must be deposited at the company's Registered Office, not later than 48 hours before the meeting.
3. Admission in to the meeting room will only be allowed on production of the attendance slip sent with the Notice; and upon verification of signature of members(s) and/or proxy holder(s).

- **The concerned brokerage houses & merchant bankers are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. The brokerage houses & merchant bankers are also requested to provide us with their Bank Account Name, number, routing number etc. on or before December 19, 2017 (minimum 5 days before AGM date).**
- **Shareholders bearing BO ID are requested to update their respective BO ID with 12 Digit Taxpayer's Identification Number (e-Tin) and address through their Depository Participant (DP); failing which Income Tax at source will be deducted from cash dividend @15% instead of 10%**
- **The concerned trusty board of approved superannuation fund or pension fund or gratuity fund or recognize provident fund or workers participation fund are requested to provide us update tax rebate certificate on or before December 19, 2017. (minimum 5 days before AGM date)**
- **As per directive of Bangladesh Securities and Exchange Commission (BSEC) no gift or benefit in cash or kind shall be offered to the shareholders in the Annual General Meeting.**

CORPORATE INFORMATION

Registered and Corporate Office

MJL Bangladesh Limited
Mobil House, CWS (C) 9 Gulshan-1,
Dhaka-1212, Bangladesh.
Tel: +88 (02) 58813661, 9899636
Fax: +88 (02) 9885269, 9885271

Tejgaon Warehouse & Customer Services office
241, Tejgaon, Dhaka-1208, Bangladesh.
Tel: +88 (02) 8878977, 8878651
Fax: +88 (02) 8878660

Kathghor Warehouse & Customer Services office
Charpara, South Patenga, Chittagong, Bangladesh.
Tel: +88 (031) 2502257

Chittagong Sales & Marketing and Customer Services office
House - 2, Road - 3, Block - K
Halishahar H/A, Chittagong
Tel: +88 (031) 716997

Lube Oil Blending Plant
Guptakhal, East Patenga
Chittagong-4205, Bangladesh.
Tel: +88 (031) 2501093, 2500937
Fax: +88 (031) 2501094

Bogra Sales & Marketing and Customer Services Office
Bogra-Dhaka Highway Betgari,
Banani, Bogra-5800, Bangladesh
Tel: 051-63933, Fax:051-65909

Sylhet Sales & Marketing and Customer Services Office
Central Bus Terminal Road
Kodomtoli, Sylhet-3100, Sylhet-3100, Bangladesh.
Tel: 0821-2830358, Cell: 01708 458817

Jessore Warehouse & Customer Services office
Tin Khamber Moar, Dharmatala, Jessore
Tel: 0421-68343

Rangpur Sales & Marketing and Customer Services Office
House # 60/1, Road # 1, Mulatol, Pukurpar,
Rangpur–5400, Bangladesh. Cell: 01730 335598.

Faridpur Sales & Marketing and Customer Services Office
House # 013, Road # 01, Goalchamot,
Faridpur–7800, Bangladesh. Cell: 01708 458810

Comilla Sales & Marketing and Customer Services Office
House No - 845 (2nd Floor), Road No-01,
BSCIC Road Comilla–3500, Bangladesh.
Cell: 01730-336963

Barisal Sales & Marketing and Customer Services Office
Apon Nibash, Holding-794, New College Road,
West Boiddo Para, Mothullabad, Barisal, Bangladesh.
Cell: 01799-985459

Khulna Sales & Marketing and Customer Services Office
House -171, Road-11, Sonadanga R/S, Phase-1,
Khulna, Bangladesh. Cell: 01708-457752

Tangail Sales & Marketing and Customer Services Office
Holding-21 (1st Floor), Block-E,
Purbo Adalat Para, Tangail Sadar, Tangail, Bangladesh.
Cell: 01708-457751

Narayanganj Sales & Marketing and Customer Services Office
Fatima Manjil(1st Floor), Maddha Shostapur,
Link Road. Fotulla Narayanganj, Bangladesh.
Cell: 01708-457755

Kushtia Sales & Marketing and Customer Services Office
House: 23 (Ground Floor),
Ambica Charon Mukharjee Street, Kushtia,
Bangladesh.
Cell: 01708-457753

Share Office
House 73, Block-K, Suhrawardy Avenue
Baridhara, Dhaka-1212, Bangladesh.
Tel: +88 (02) 9849510, 9891635
Cell: 01713 436364, Fax: +88(02) 9893962

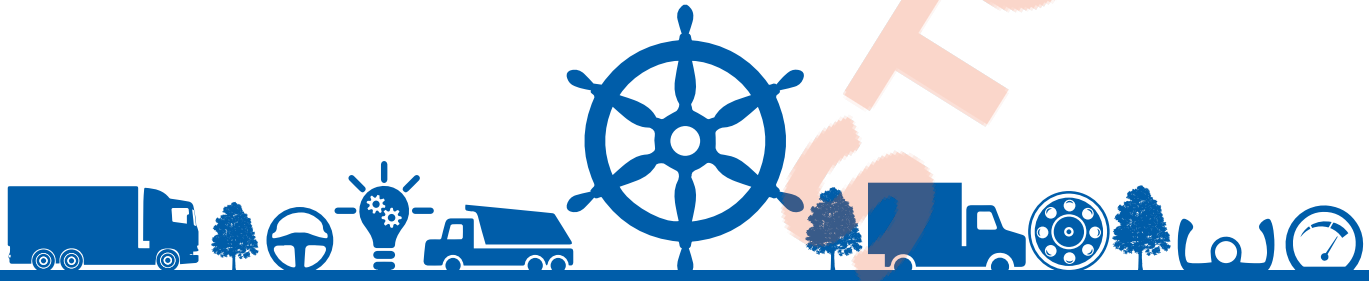
Statutory Auditor
ACNABIN Chartered Accountants
BDBL Bhaban (Level-13)
Kazi Nazrul Islam Avenue, Dhaka 1215
Bangladesh

Legal Advisor
C. T. Karim & Partners
Suite # 7D, Paramount Height (7th Floor)
65/2/1 Culvert Road, Purana Paltan,
Dhaka–1000, Bangladesh

Bankers
The Hongkong and Shanghai Banking Corporation
Standard Chartered Bank
Citibank, N.A
Commerical Bank of Ceylon
Prime Bank Limited
Eastern Bank Limited
Jamuna Bank Limited
Brac Bank Limited

Business Hours
9.00 A.M to 6.00 P.M

Leadership



Nurturing
intellectual capital

CORPORATE PROFILE

AUDIT COMMITTEE

Chairman	Dr. Mohammad Tamim
Member Secretary	Mr. Mir Md. Rokibul Kabir
Members	Mr. Quazi Mohammad Shariful Ala
	Mr. Md. Aminur Rahman
	Mr. Tanjil Chowdhury
	Mr. Md. Quamrul Hasan

EXECUTIVE COMMITTEE

Chairman	Mr. Md. Aminur Rahman
Member Secretary	Mr. Mir Md. Rokibul Kabir
Members	Dr. Mohammad Tamim
	Mr. Md. Quamrul Hasan
	Mr. Tanjil Chowdhury

MANAGEMENT COMMITTEE OF MJLBL

Chairman	Mr. Azam J Chowdhury
Member Secretary	Mr. Akramul Haque
Members	Mr. M. Mukul Hossain
	Engr. Salah Uddin Ahmed
	Mr. S M Rahmatul Mujeeb, FCA
	Mr. Md. Ahsan Kabir
	Mr. Shafquat Mahmud Fahmi
	Mr. Mohammad Hamidul Islam

BOARD OF DIRECTORS



From the Left (Sitting)

Mr. Md. Aminur Rahman

Mr. Abdul-Muyeed Chowdhury

Mr. Nazimuddin Chowdhury

Mr. Azam J Chowdhury

Dr. Mohammad Tamim

From the Left (Standing)

Mr. Quazi Mohammad Shariful Ala

Mr. Tanjil Chowdhury

Mr. Md. Quamrul Hasan

BRIEF PROFILE OF THE BOARD OF DIRECTORS



Nazimuddin Chowdhury
Chairman

Mr. Nazimuddin Chowdhury is the Chairman of the Board of Directors of MJL Bangladesh Limited (MJLBL). He joined the MJLBL Board on 4 January, 2016 and assumed charges as Chairman of the Board on the same date.

Mr. Chowdhury is currently serving as Secretary of the Energy and Mineral Resources Division. Besides MJLBL, Mr. Chowdhury is also the Chairman of Bangladesh Gas Fields Company Limited, Titas Gas Transmission & Distribution Company Limited, Padma Oil Company Limited, Gas Transmission Company Limited, Bangladesh Petroleum Exploration & Production Company limited, and Omera Fuels Limited. He is also member of the Board of Directors of Karnaphuli Fertilizer Company Limited (KAFCO) and Bangladesh Infrastructure Finance Fund Limited.

Mr. Chowdhury has graduated from the University of Dhaka in History and joined Bangladesh Civil Services in 1986 as Assistant Accountant General. Then he opted to switch his cadre to be promoted as Deputy Secretary in 2006. In the year 2015, he has promoted as Secretary in charge in Energy and Mineral Resources Division. Finally he was promoted as Secretary to the Government on 14 June 2016. Throughout his glorious career he served in many key positions in the arena of Accounts, Finance and Administration. Before joining in the Energy and Mineral Resources Division he also enriched his career getting working experience from Department of Defence Audit, Ministry of Commerce, Ministry of Agriculture, Ministry of Public Administration and Ministry of Home Affairs in different capacities.

Mr. Chowdhury is a renowned sports organizer both in local and international arena. Since 1889 he is involved in Bangladesh Shooting Sport Federation and was elected Treasurer and General Secretary of this federation twice. Presently, he is the President of Bangladesh Shooting Sport Federation. Moreover, he is enjoying the rank of 'A' class jury in the International Shooting Federation and successfully conducted 12 international shooting competitions as an honored jury.



Azam J Chowdhury
Managing Director

Mr. Azam J Chowdhury is an elite industrialist and entrepreneur in Bangladesh. He is the Chairman and owner of East Coast Group. In addition, he is the Chairman of The Consolidated Tea & Lands Company Bangladesh Limited (formerly, James Finlay Limited) and also the Chairman of Prime Bank Limited, a private sector leading commercial bank. Mr. Chowdhury is also the Managing Director of MJL Bangladesh Limited, Distributor of ExxonMobil Corporation in Bangladesh.

In the past, Mr. Chowdhury also served as the Chairman of Green Delta Insurance Company Limited (2001-2005), one of the most successful general insurance companies in Bangladesh. He is also the Director of Central Depository Bangladesh Limited (CDBL) and a former Member of the Executive Committee of Bangladesh Association of Publicly Listed Companies (BAPLC).

Mr. Chowdhury also serves as President of Bangladesh Energy Companies Association and is a Member of Advisory Council of the Government of the People's Republic of Bangladesh on Power, Energy & Mineral Resources. In recognition of his performance, The Hungarian Government nominated him as the Honorary Consul of Hungary in Bangladesh. Mr. Chowdhury is the President of Bangladesh Ocean Going Ship Owner's Association (BOGSOA).

He is a renowned Golfer and has achieved laurels several times in this sporting arena.



Abdul-Muyeed Chowdhury
Director

Mr. Abdul-Muyeed Chowdhury is a nominee Director representing EC Securities Limited in the Board of Directors of MJLBL since December 14, 2003. He obtained a Bachelor of Arts (Honors) in History in 1964 and a Master of Arts (1st class) in Modern History from the University of Dhaka in 1965. He also attended University of Tennessee (Knoxville, USA) as a Fulbright scholar in 1980-81 and studied Public Administration. Mr. Chowdhury is also a nominee Director in the Board of Omera Fuels Limited, a sister concern of MJLBL and in the Boards of Omera Petroleum Limited and Omera Cylinders Limited; two subsidiaries of MJLBL.

He is the Founder and CEO of Tiger Tours Limited (www.tigertoursbd.com) which is the only joint venture tourism company in Bangladesh registered with the Board of Investment.

Mr. Chowdhury is an Independent Director of ACI Limited and Summit Alliance Port Limited, two listed public limited company of the country operating in two different sectors of the economy.

He is actively associated with social welfare and human development activities through involvement with different institutions such as the Society for Assistance to Hearing Impaired Children (SAHIC),Governing Board of Bangladesh Institute of Governance and Management (former Civil Service College), Bangladesh Youth Enterprise Advice and Helpcentre (B'Yeah), Sajida Foundation, ENT & Head-Neck Cancer Hospital and Institute and the Board of Trustees of BRAC University.

Mr. Chowdhury was an Adviser in the Caretaker Government of Bangladesh in 2001 when he held charge of five ministries. He was a career civil servant for 33 years having joined the then Civil Service of Pakistan (CSP) in 1967. He was a Secretary to the Government in various ministries from 1994 to 2000. His last assignment was as Secretary of the Internal Resources Division (IRD) of the Ministry of Finance and ex-officio Chairman of the National Board of Revenue (NBR) from 1998-2000 when he retired from service.

During his service life, he was Deputy Commissioner of greater Faridpur district (1975 – 1978), greater Dhaka district (1978 - 1980) and Commissioner of Chittagong Division (1984-1986). He was Executive Director of Jamuna Multipurpose Bridge Authority and Secretary of Jamuna Bridge Division from 1996-98 when he successfully steered the construction work of the Bangabandhu Bridge to complete in record time. His hard work and efficient handling of this mega civil engineering project was recognized and honoured by the Institution of Civil Engineers (ICE) UK by making him a fellow of that institution.

After retirement from government service Mr. Chowdhury joined the world famous home grown NGO BRAC (www.brac.net) as its Executive Director and COO and held that position from 2000 to 2006 with a three month interregnum for the Caretaker Government in 2001.

He was:

1. Founding Chairman of the SME Foundation, Bangladesh when it was set up by the government as a non-profit organization under public-private partnership for promoting and developing the SME sector in Bangladesh. He was also Chairman of its predecessor SME Advisory Panel.
2. Vice President of Bangladesh Olympic Association and acted as Chef de Mission of the Bangladesh contingent to the SAF 9th Games held in Islamabad, Pakistan (28March – 06 April, 2004)
3. President of the Sports Shooting Federation of Bangladesh (1998 – 2006).
4. Global Councilor of International Union for Conservation of Nature (www.iucn.org) during 2005-2008.
5. Independent Director, Pioneer Insurance Company Ltd for two terms (six years).



Md. Quamrul Hasan
Director

Mr. Md. Quamrul Hasan is the Managing Director of Jamuna Oil Company Limited. He joined the MJL Bangladesh Limited Board on October 26, 2017 as a Nominee Director of Jamuna Oil Company Limited (a Subsidiary of Bangladesh Petroleum Corporation). Mr. Hasan joined as an Area Sales Officer at Meghna Petroleum Limited in 8 October, 1988 and has over 28 years of professional experience in the downstream petroleum industry of the country. He completed his B. S. S (Hons) and M. S. S in Economics from Dhaka University and M.B.A in Marketing from Royal Roads University, British Colombia, Canada. He attended various seminars and training courses in home and abroad.



Md. Aminur Rahman
Director

Mr. Md. Aminur Rahman, a nominee Director, representing EC Securities Limited in the Board of Directors of MJLBL since September 2008. Mr. Rahman joined the Civil Service of Bangladesh in November 1969. During his long service tenure with the Government, he served in a number of ministries at various important levels, as secretary of the Ministry of Housing and Public works, Secretary-in-Charge of the Ministry of Textile and as Secretary of the Ministry of Commerce of Government of Bangladesh till January 2005. Mr. Rahman obtained a Bachelor of Science degree from the University of Dhaka and a Post-graduate Diploma in Economics & Social Studies from the University of Manchester, U.K.



Tanjil Chowdhury
Director

Mr. Tanjil Chowdhury is the Managing Director of East Coast Group, a diversified conglomerate with more than 30 years of experience in Oil & Energy sector. Mr. Chowdhury is former Board Director and Chairman of the Executive Committee of Prime Bank Limited (PBL).

Mr. Chowdhury served as President of Bangladesh Merchant Bankers Association (BMBA) for 2014 & 2015 and he is the Former President of Solar Module Manufacturers Association of Bangladesh (SMMAB). He is also Chairman of the Prime Exchange Singapore Pte Ltd, Prime Bank's remittance arm in Singapore.

He is the Secretary General of Prime Bank Cricket Club, a social initiative of Prime Bank Foundation (PBF). Mr. Chowdhury has served as Convenor of the Standing Committee on Financial Institutions, Capital Market and Services-2014 and Co-Convenor of the Standing Committee on National Energy Strategy for Private Sector Development-2013, Dhaka Chamber of Commerce & Industries (DCCI).

Mr. Chowdhury is an elected Director of Bangladesh Cricket Board (BCB) and Former Chairman of its Facilities Committee. He is currently Chairman of BCB's Age-Group Tournament Committee.

He is a regular speaker at various private universities. His lecture topic ranges from Financial Derivatives and Investment strategy to Ship Management and Organizational Behavior.

Mr. Chowdhury completed his BA (Hons) in Accounting and Finance and went on to completing MSc in International Management (Finance), from King's College London, University of London.

Mr. Chowdhury is an active member of BBC Film Society and King's College Business Society. He is also a keen golfer and has achieved many laurels in this sporting arena.



Dr. Mohammad Tamim
Independent Director

Dr. Mohammad Tamim joined MJLBL Board as an Independent Director 30 June, 2012. He is a Professor of Petroleum and Mineral Resources Engineering, BUET, Dhaka. He graduated from BUET in Mechanical Engineering and completed his Masters from IIT, Madras. He obtained his Ph.D. from the University of Alberta, Canada in Petroleum Engineering. He has research interest in reservoir engineering, petroleum economics and energy planning; development and application of various numerical and analytical computer models, reservoir management problems. He also has experience in green house gas (GHG) mitigation, energy efficiency improvement and energy related environmental remedies. Dr. Tamim has supervised several M.Sc. Students and published a number of papers in national and international journals.

He worked at different capacities relating to energy policy formulation, planning and regulation with all governments since 1995. He took a one year leave from his teaching job to manage the Power and Energy Ministry in 2008 during the caretaker government period as Special Assistant to Chief Adviser in the rank of State Minister. Dr. Tamim is a member and the founding Chairperson of Society of Petroleum Engineers (SPE), Bangladesh Section and a life Fellow of the Institute of Engineers, Bangladesh (IEB).



Quazi Mohammad Shariful Ala
Independent Director

Mr. Quazi Mohammad Shariful Ala is an Independent Director of MJL Bangladesh Limited. He joined the MJLBL Board on 28 June 2014. Mr. Ala is currently the Managing Director & CEO of Delta BRAC Housing Finance Corporation Ltd (DBH). DBH is the pioneer, largest and specialist in Housing Finance institution in the private sector of the country with total assets currently in excess of USD 500 million.

Mr. Ala graduated with a BSc (Economics) first class honours degree from the London School of Economics (LSE), University of London in 1981.

He worked in the London office of Price Waterhouse for seven years and qualified as a member of the Institute of Chartered Accountants in England & Wales in 1984. Whilst working at Price Waterhouse, he had exposure to several large multinationals, including Shell Oil and JP Morgan. He is also a fellow of the Institute of Chartered Accountants of Bangladesh. Prior to joining DBH, he was the Finance Director of Green Delta Insurance Company Limited, one of the leading insurance groups in Bangladesh and also corporate sponsor of DBH.

Mr. Ala has more than 30 years of corporate management experience, primarily in the financial services sector, both in Bangladesh and in the United Kingdom. He has served as a non-executive Director on the Boards of several prominent companies, including BRAC Bank Limited. Mr. Ala has been leading the executive management team of DBH as the Managing Director & CEO, since 1997.

LEADING FROM THE FRONT



From left to right

Mr. Md. Ahsan Kabir	DGM - Head of Marketing
Mr. Shafquat Mahmud Fahmi	Chief Technology Officer
Mr. S M Rahmatul Mujeeb, FCA	Senior Finance Controller & CFO (Acting)
Mr. M. Mukul Hossain	Chief Executive Officer
Engr. Salah Uddin Ahmed	General Manager & In-charge of plant
Mr. Md. Hamidul Islam	DGM - Supply Chain

PEOPLE BEHIND THE GLORY

From the Left (sitting)

Khaiyam Khan	Manager - HR/Admin
Shafquat Mahmud Fahmi	Chief Technology Officer
Kajal Kumar Addya	Finance Controller
Suruzzaman Liton	Head of Government Relations
Syed Ghulam Dastagir	Head of Brands & Market Communications
Effat Ara Kabir	Assistant Manager - Market Communications
Nargis Sultana	Manager - Treasury
S M Rahmatul Mujeeb, FCA	Senior Finance Controller & CFO (Acting)
M. Mukul Hossain	Chief Executive Officer
Engr. Salah Uddin Ahmed	General Manager & In-charge of plant
Md. Monirul Islam	AGM - Customer Service
Md. Shahin Alom	DGM - Industrial Lubricants
Md. Rasheduzzaman	DGM - Industrial Lubricants
Md. Hamidul Islam	DGM - Supply Chain



From the Left (standing)

Md. Zamiur Rahman	Treasury Controller
Abdullah Hel Aziz	Manager-Import
Taslim Ahmed	Manager - IL (Energy & Power)
Sheikh Md. Jabed Hasan	Manager - IT
S. M. Shahed Hossen	Head of Tax & VAT Affairs
Arif Hossain, ACA	Manager - Internal Audit & Compliance
Nirupam Mustafi	Manager - Industrial Lubricants
Shams Uddin Ahmed	Manager - VAT & Tax
Mohammad Jaman	Manager - Automotive Lubricants
Mohammad Zahidul Islam	Manager - Industrial Lubricants
Md. Masum Rabbani	Manager - Engineering
Mir Mohammad Rokibul Kabir	Company Secretary (Acting)
Md. Ahsan Kabir	DGM - Head of Marketing
Md. Masud Parvez	Head of Sales - Automotive
Md. Bani Amin, ACA	Finance Manager
Ashraful Alam	AGM - Industrial Lubricants
S.M. Zeeshan Saad, ACA	Manager - Internal Audit & Compliance
Syed Tanbir Hassan	Manager - Business Analysis & Planning
Syed Atiqur Rahman	Senior Accounts Controller
Abu Sadat Khan	Manager - Export



PEOPLE BEHIND FLAWLESS EXECUTION

Left to Right

Md. Kamrul Islam	Deputy Chief Chemist
Mohammed Anwar Sadat	Manager - Filling Operations
Mohammed Ali Kaiser	Assistant Manager - VAT & Tax
Md. Jahangir Alam	Head of Warehouse
Md. Ahsan Ullah	Manager - Administration
Abu Zafar Md. Aurangazeb	Head of Engineering & Maintenance
Engr. Salah Uddin Ahmed	General Manager & In-charge of plant
Md. Akramul Hoque	Head of QA/QC -Lab
Dipankar Kumar Das	Maintenance Engineer
Mohammed Shihab Uddin	Assistant Manager (Electrical)
S.M. Sharfuddin Ahmad Mahi	P&P Planner
Abdulla Al Mamun	Senior Chemist
Muhammad Shariful Islam Mollah	Head of Engineering & Maintenance



MJL BANGLADESH LIMITED: RECIPIENT OF THE PRESTIGIOUS 'BEST TAXPAYERS AWARD' FOR 2016-17



At MJL Bangladesh Limited, as an enterprise that is committed to the economic growth and social development of Bangladesh, we are proud of the fact that our humble efforts have been recognized by the country.

Our Company was bestowed with the prestigious 'Best Taxpayers Award' for fiscal 2016-17 in a gala ceremony organized at NBR Building, Sher-e-Bangla Nagar, Dhaka, on 8th November 2017. The ceremony witnessed the august presence of Mr. Abul Maal Abdul Muhith, Hon'ble Finance Minister, Mr. M.A. Mannan, State Minister for Finance and Planning, Mr. Abdur Razzak, Chairman of Parliamentary Standing Committee for Finance and Mr. Md. Nojibur Rahman, Chairman of NBR.

Our CEO, Mr. M. Mukul Hossain, on behalf of MJL Bangladesh Limited, was conferred the accolade with a magnificent Crest, and the exalted Tax Card that declared our Company to be the 'Fourth Highest Taxpayer' in the 'Other category', after British American Tobacco, American Life Insurance Company and The Security Printing Corporation (Bangladesh).

The photograph of the ceremony is given herewith.

Through honoring us with the award, the admiration from our Government depicts our significant contributions to the national exchequer, besides exemplary compliance across all facets of our business. The award also represents the ultimate recognition of our relentless focus on upholding our values, beliefs and philosophies in doing good and operating our business to the highest levels of trust, transparency, values and ethics.

PERFORMANCE RECOGNITION AWARD





MJL Bangladesh Limited's high-performers win ExxonMobil's prestigious Performance Recognition Award, 2017

To recognize and reward outstanding performance among distributors/alliance partners of the Asia Pacific, ExxonMobil has been organising performance recognition rewards every year for the past seven years. For 2017, in a proud moment for MJL Bangladesh Limited, two of our employees were bestowed with these prestigious awards.

Our Company's employees won awards in multiple categories comprising:

- Distributor Field Marketing Coordinator (one winner selected by the ExxonMobil jury)
- Distributor Sales Representative or Distributor Lube Engineers (14 winners from 14 distributors nominated by themselves)

For 2017, Mr. Syed Ghulam Dastagir, Head of Brand & Market Communications, MJL Bangladesh Limited, won the award in the Distributor Field Marketing Coordinator category, which was one of the most contested awards, and emerged as the only winner selected in this category by ExxonMobil in the whole of Asia Pacific. He was responsible for managing the end-to-end 360-degree marketing campaigns for the new packaging change (PEP) for Mobil lubricants in Bangladesh. Strongly supported by the LOBP and Field Marketing departments, Mr. Dastagir, along with his talented brand department members, seamlessly managed the largest marketing campaign in the lubricant industry's history which facilitated a smooth transition from the old to the new packs without any disruptions or inconvenience caused to customers.

Mr. Md. Wahiduzzaman, Assistant General Manager (Sales), MJL Bangladesh Limited, was also among the 14 winners of the award in the Distributor Sales Representative category. He won the award for his outstanding sales performance, driving customer awareness and high volume sales of Mobil lubricants.

The winners were awarded with stunning crests, exclusive passes to the Grand Stand of the Singapore Grand Prix, 2017, and were also exposed to some entertaining team-building exercises.

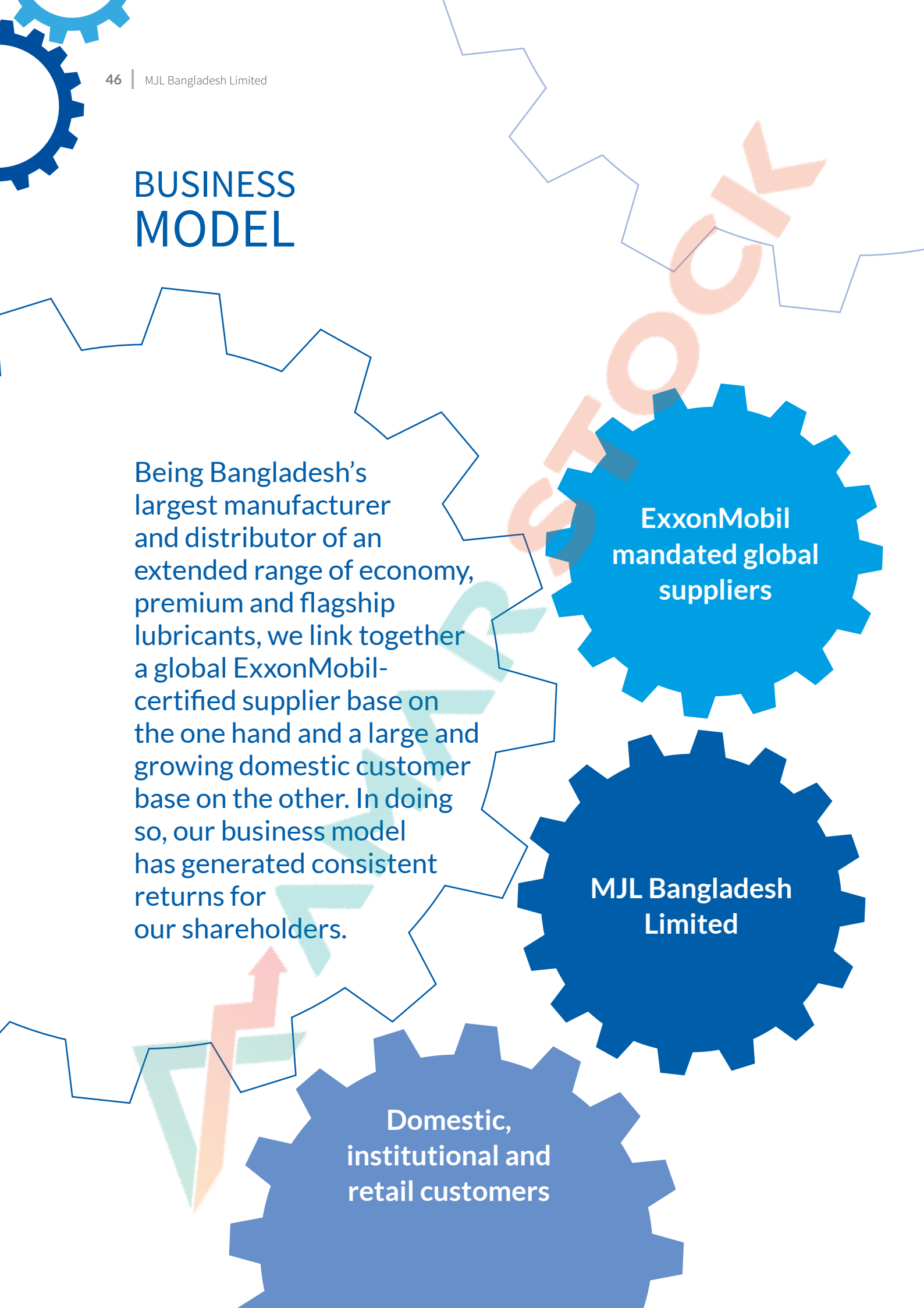
Strategic Report



Strong performance
in a challenging environment

BUSINESS MODEL

Being Bangladesh's largest manufacturer and distributor of an extended range of economy, premium and flagship lubricants, we link together a global ExxonMobil-certified supplier base on the one hand and a large and growing domestic customer base on the other. In doing so, our business model has generated consistent returns for our shareholders.



At our Company, we apply our sources of competitive advantage...

- Market leading positions across brands, consumers and price points
- Economies-of-scale with significant investments in globally-compliant downstream production assets, representing a strong barrier to entry
- High-quality products with performance guarantees derived out of our highly-efficient Lube Oil Blending Plant with a cutting-edge In-line Blending System
- Extensive pan-Bangladesh distribution network that enables shortest customer lead times, strengthening efficiency and service standards
- Robust knowledge-driven technical services team, helping customers match requirements with products, thereby maximising equipment efficiency and life
- Strong trading and logistics platforms with healthy contributions to revenues and profitability
- Rich experience-driven intellectual capital with our staff possessing considerable expertise and knowhow
- Long-established relationships on the back of a strong global brand (ExxonMobil) and customer service excellence
- Financial strength derived from minimal debt on the balance sheet and strong free cash flow generative platforms

... to all consumer and consumption segments of the market...

- We distribute our portfolio of lubricants to the widest consumer and consumption segments of the market comprising retail consumers on the one hand and a large range of industrial and process industries on the other
- We have embraced attractive and novel product packaging solutions, as mandated by our principal, under the ambitious Packaging Excellence Project (PEP) platform. In fact, we have emerged as the only Company in the ExxonMobil ecosystem to have launched the newly packaged products within the shortest time, representing a seamless transition from conceptualization to implementation
- We can supply different product pack size as per market demand, thereby enabling us to meet a large spectrum of needs and requirements
- We offer our customers a diverse set of packaging media comprising cans, drums, flexi-bags and intermediate bulk containers, among others
- We possess an extensive and well-invested distribution network with large warehouse capacity and service centres strategically located across the country
- We have dedicated individual sales teams and a high level of customer service to support our customers

... generating value for our suppliers and customers...

Suppliers

- Broadest coverage and access to a large and growing market with further significant opportunities to grow offtake

WWW.STOCK

Something interesting!

At MJLBL, we are in the overarching business to educate our customers on the need to choose the right lubricant for their equipment. In effect, we are the one to help them mitigate their operational and business risks to a large extent. It is precisely for this reason that we organise dozens of lube clinics and hold multiple seminars across Bangladesh throughout the year!

- Widest customer reach across the industrial spectrum with products supplied to as many as 4,000 diverse industries
- Expansive retail reach with direct on-ground presence at major consumption points (for instance mechanic workshops, car dealerships, etc)

Customers

- Unrivalled range of lubricants with performance assurance, hence positioning our products as competency-enhancing business drivers
- Analytic and analysis-driven world-class industrial solutions that directly benefit the customer by ensuring the most optimum use of his resources
- Commitment to delivery schedules, hence enhancing reliability and trust, leading the way to business repeatability
- Strong product innovation that enable customers to meet emerging challenges

... and maximising value in the hands of our shareholders

- Industry outperformance through unmatched brand recall and stable market share in a fierce business environment
- Consistent revenues and profitability through volume offtake and market-leading product prices
- Operating leverage from potential capacity ramp-up through surplus capacity availability
- Better fixed cost coverage through large scale and focused productivity gains derived from a compact and talented workforce
- Strategy implementation to enhance operating performance
- Focused on subsidiary growth with an emphasis on increasing contribution to consolidated profits
- Progressive dividend policy to return surplus cash to shareholders

Strategy

Our strategy for 2017-18 and the years ahead will continue to be anchored on providing comprehensive lubricant solutions to win and retain customer business, thereby unleashing the full value of our extensive knowledge bandwidth and expansive product portfolio.

- **Continuation –** Continue building on the strength and resilience of our existing business model
- **Scale –** Continue growing the scale of the business and build on our market-leading positions through being the integral lubricant distribution link between suppliers and customers
- **Customers –** Continue enhancing customer propositions through ongoing expansion of the product range to fulfill existing and emerging needs, new customer service initiatives and quick delivery commitments. Also focus on importing products for widening the application base
- **Solutions –** Continue to focus on solutions-driven customer access to thwart competition on the one hand and build enduring win-win relationships on the other. Also engage in a segmented approach to product marketing with a view to embrace a more focused marketing and customer service stance
- **Outperformance –** Continue growing revenues faster than market growth as a consequence of scale and unsurpassed value propositions to suppliers and customers. Focus on growing volume offtake in 2017-18 in mid single-digit levels despite a severe flood situation plaguing the industrial and consumption environment
- **Suppliers –** Continue engaging with Mobil-certified suppliers around the world to provide them with unique access to Bangladesh
- **People –** Continue to grow the expertise within the Company to support sustainable growth of the business. Also focus on selective recruitment of engineering talent to drive our corporate growth ambitions forward
- **Gross margin –** Continue to focus on improving our gross margin through increased unitization of the Company's business relationships with suppliers and customers. Also focus on leveraging business scale to optimise unit costs
- **Dividends –** Continue with our progressive dividend policy

AMARSTOCK

Welcome to our store!

At MJL Bangladesh Limited, we are focused on transferring technology, talent, expertise, diversity and connections through our networks to ensure sustainable progress for the country, customer and company. These are some of our core focus areas.



Our relentless and persistent focus on our five key priorities – solutions, innovation, execution, cost reduction and disciplined capital allocation is the reason we are optimistic about our future. This is how we are gearing to move Bangladesh forward.

Azam J Chowdhury, Managing Director

Case study

Mobil Pegasus 1005 and Mobil Signum save ACS Textiles more than US$ 50,000 annually!

The situation

ACS Textiles, a prominent company in Bangladesh operating across the textile value chain, operates five GE Jenbacher and eight Waukesha gas engines at its manufacturing facility. The original oil drain interval (ODI) was 2,000 hours. This required ACS Textiles to shutdown the engines as many as three to four times a year. With a view to explore a solution to minimise this shutdown, ACS Textiles approached MJL Bangladesh for advice on reducing maintenance downtime through improved ODI.

The solution

The MJL Bangladesh team held several consultations with the ACS Textiles team and also engaged in thorough investigation of the GE Jenbacher and Waukesha gas engines. After extensive analysis and multiple simulations, the MJL Bangladesh team recommended SIGNUM UOA (Used Oil Analysis) and Mobil Pegasus™ 1005 was recommended to improve the ODI.

One of the key attributes of Mobil Pegasus™ 1005 is that it possesses exceptional oxidation stability, nitration resistance as well as thermal stability.

The result

Mobil Pegasus™ 1005, together with SIGNUM UOA, saves ACS Textiles more than US$ 50,000 annually on lubricant cost alone.

Aligned with our emphasis on providing our customers with tangible, productivity-enhancing solutions, ACS Textiles could derive the following benefits from using Mobil Pegasus™ 1005 and SIGNUM UOA: One, extended oil drain interval from 2,000 to more than 4,000 hours; two, reduction in annual oil top-up consumption by more than 4,500 litres (25%); three, less frequent oil top-up that helped reduce machinery interaction; four, reduced number of drum handling by a significant 24% (excluding waste handling) and five, optimised gas engine oil inventory. This was indeed a true case of recommending the right products to breathe new life into advanced textile manufacturing equipment!

A MJLBL team member involved with the ACS Textiles project

The Marketplace

Energy is integral to our lives in the 21st century and modern energy is fundamental to our standards of living.

Energy is omnipresent. It harvests our food, fuels our factories, builds our cities and cleans our water. It keeps us mobile and connected with others near and far. The 21st century already has witnessed major changes in how people use energy – for example, Internet-connected smartphones were introduced only around 2000; today there are more than 2.5 billion of these devices worldwide.

While energy supplies are evolving, fundamentals on the demand side have been undergoing their own dynamics. Many economies continue to struggle, even more than five years after the global recession, while others, including that of China, continue to expand significantly, albeit at a more modest pace. Even so, global economic output has risen about 50% since 2000, with better living standards for millions of people. Yet another positive trend is our ability to find ways to use energy far more efficiently, curbing growth in energy usage and emissions. For instance, the world uses about 10% less energy per unit of economic output than it did in 2000.

33%

Global demand for energy rose by about 33% from 2000 to 2014

Meeting the growing energy demand is an ongoing challenge, recognizing the scale of supplies required to meet the needs of 7 billion people each day. The use of oil alone – representing just one-third of the world's energy consumption – is now approaching 95 million barrels a day, enough to power a car 100 billion miles or 4 million times around the world.

Rising demand for energy

From 2014 to 2040, ExxonMobil sees global demand for energy rising by 25%. Interestingly, this increase is equivalent to the total energy used in North America and Latin America today!

Global fundamentals-projections

- World population will grow 25%, from7.2 to 9 billion between 2014-2040
- India will have nearly 1.6 billion people by 2040, surpassing China and emerging as the most populous nation in the world
- In all regions, the population age of 65 years and older will expand as life expectancy rises
- Global GDP will more than double between 2014-2040 with developing countries leading this growth
- China's economy will rise to cover almost 20% of the world GDP, close to the US. India's economic output will exceed 5% of the world's consolidated GDP, indicating the sustained rise of the Asian economies of China and India
- On the back of a growing population, attractive demographic profile, growing and favorable regulatory push, Bangladesh will rise to the status of a middle-income nation over the next few years

Other key themes that will play out

Rising industrial activity

Industry makes steel, cement and asphalt for our cities. It makes the appliances, vehicles and electronics that serve people and their families and the agricultural products that safely feed a growing population. Given the scale of global industry; it is no surprise that the industrial sector is the largest direct user of energy and lubricants. Moreover, given the growth in urbanization and the global middle-class in the coming decades, it also is not surprising that industrial activity is expected to grow significantly going into the future. With a significant number of large-scale industries as also M/SMEs (Medium and Small Enterprises) contributing to a significant part of the Bangladeshi GDP, it is expected that favorable Government policies, significant institutional capital flows and the Government's emphasis on infrastructure-led economic growth, will only lead to further industrial capacity creation and growth over the coming years.

Long-term trends in demography, productivity and income

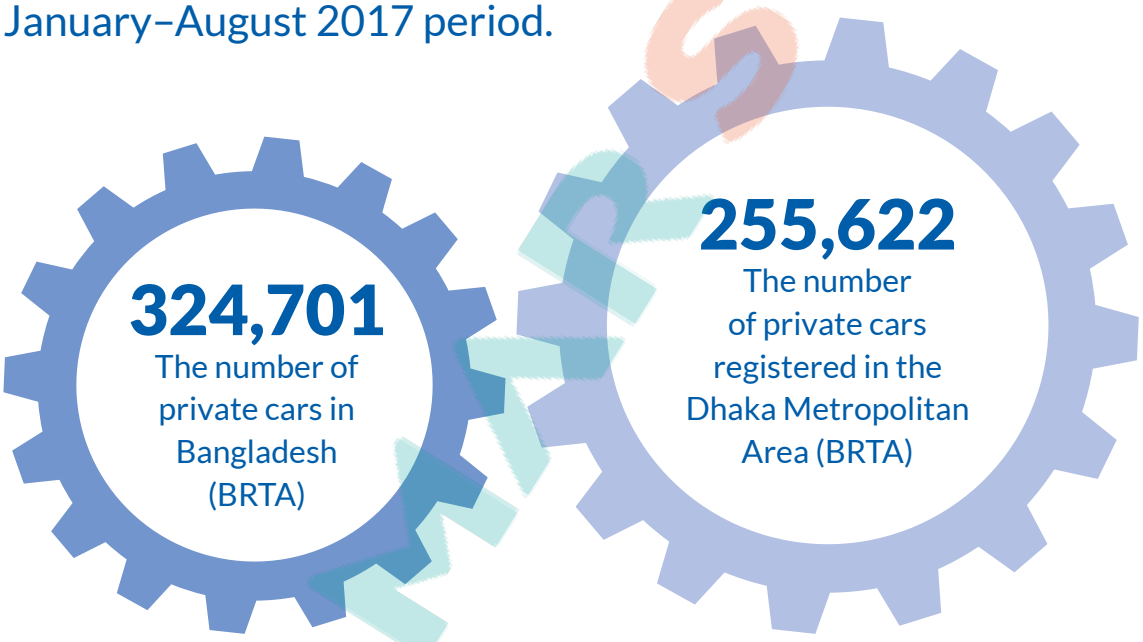
Countries with a relatively high percentage of working-age citizens (ages 15 to 64) tend to have faster economic growth, provided there are sufficient job opportunities in those economies. A relatively large working-age group is an important factor supporting future economic growth in developing nations. For people and families everywhere, what matters most economically is incomes – and the living standards those incomes can support. Through 2040, per capita GDP will rise widely across the globe and because of these rising incomes, the world will see the largest expansion of the global middle-class in history. For instance, the Brookings Institution estimates that the number of people earning enough to be considered middle-class will grow from just over 2 billion in 2014 to nearly 5 billion in 2030. At the same time, China, India and other developing nations will continue to experience the urbanization shift that permeated the developed world in the 20th century. By 2040, close to 65% of the world's population will live in cities, up from under 55% today. These shifts in developing nations are expected to have significant impacts on energy demand. As people rise into the middle-class and move from rural to urban settings, their per capita consumption of modern energy, including lubricants, tends to increase rapidly. This growth is tied to a wide range of uses – everything from cars to the energy needed to manufacture consumer goods and other industrial products.

Growth in transportation

Global energy demand for transportation is projected to increase by about 30% from 2014 to 2040. Essentially all of this growth is projected to come from non-OECD countries where transportation demand will likely rise by about two-thirds. In these countries, more cars and increased use of heavy-duty vehicles will be a likely phenomenon, while increased economic activity will promote a rise in marine, aviation and rail transportation. Today, there are close to 1 billion light-duty vehicles (LDVs) in the world. In less-developed nations, vehicle penetration is far lower – at only about 70 cars per 1,000 people on average. As incomes rise in these countries, people are likely to purchase a lot more cars, many for the first time. In fact, it is expected that the global light-duty fleet will rise to close to 800 million vehicles by 2040 with about 90% of this growth outside the OECD32 countries.

Sharp growth in the number of vehicles in Bangladesh

The sale of private cars has increased sharply in Bangladesh, thanks to easy access to auto loans at low interest rates and increasing vehicle availability. A total of 20,304 new cars were registered by the Bangladesh Road Transport Authority (BRTA) in 2016, which means about 56 cars hit the road every day. The BRTA indicated that 21,062 and 14,699 new cars were registered in 2015 and 2014, respectively. As many as 16,160 cars were registered in the January–August 2017 period.



Growth of heavy-duty transportation with increasing trade and commerce

Heavy-duty transport grows with increasing trade and commerce. It is estimated that heavy-duty vehicles will become the largest energy-consuming segment of the transportation sector by 2030. This is not surprising given the role of trucking in sustaining modern life and the projected growth in economic activity and trade. Global energy demand for heavy-duty vehicles is expected to increase by about 45% from 2014 to 2040 with about 85% of the growth coming from non-OECD32 countries.

Aviation, marine and rail – the fastest-growing sub-sectors

Just as economic growth and trade will spur demand for energy for heavy-duty vehicles, it is also expected that the world will see more demand for ships, planes and trains to carry supplies to factories and goods to markets. In total, energy demand from these three sub-sectors will likely grow by about 65%. In fact, the use of aviation, marine and rail transportation will likely increase to such an extent that their combined energy demand is expected to equal about 85% of the amount used by light-duty vehicles in 2040, up from about 50% in 2014.

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MJL Bangladesh Limited

Mobil™

CHAIRMAN'S STATEMENT

"We learn, we act and we get better. We ensure that we are a stronger Company today than we were yesterday. We insist on improving on our performance every day. We believe that fuelling customer competitiveness through our solutions is the way forward. This is how, as a substantive constituent of the ExxonMobil ecosystem, we focus on value creation for our shareowners and other stakeholders."

Dear MJLBL family,

It is a pleasure for me to address you through the pages of this Annual Report. Even as you read in details my analysis of the year that went by, in brief, the year was one in which our business faced significant competition from existing as well as new players entering the market. However, leveraging the legacy of the past and our vision for the future, we rose to the occasion to protect not just our market share, but also customer interest, through our undiluted focus on reinforcing world-class products with cutting-edge solutions.

STRENGTH IN THE FACE OF GLOBAL UNCERTAINTY

As is evident, these last few years have witnessed unprecedented global change. Considering the unfolding events of the present, as we look ahead, rapid change will become the new normal for the world. The year 2016



Nazimuddin Chowdhury
Chairman

brought 'Brexit' (Britain's exit from the European Union through a referendum vote), a new US administration as the tensions arising from globalization were manifested at the ballot box and demonetization of specified bank notes (SBN) followed by the implementation of the unified taxation system under the Goods and Services Tax (GST) in India, one of the fastest-growing large economies of the world. With upcoming elections in Europe and slowing growth in China as the economy transforms itself away from industrial-led growth to consumption-centric economic development, these trends may continue in the coming year, creating uncertainty and instability in the global economy.

However at MJL Bangladesh Limited, our continued commitment to our key priorities combined with our portfolio of industry-leading products and solutions, pan-Bangladesh footprint and production and distribution scale with a strong balance sheet provide us with sustainable competitive advantages. They also give us confidence in our ability to deliver even in the most challenging environments.

Today, I feel we are well-positioned to achieve our long-term growth objectives. We have made the right investments and we have the right management team in place. We will continue to invest in our human resources and our technologies so that we create value for our customers and deliver the returns our investors expect.

"At MJL Bangladesh Limited, our continued commitment to our key priorities combined with our portfolio of industry-leading products and solutions, pan-Bangladesh footprint and production and distribution scale with a strong balance sheet provide us with sustainable competitive advantages."

RESILIENCE OF THE BANGLADESHI ECONOMY DESPITE INHERENT STRUCTURAL CHALLENGES

I am proud of the fact that Bangladesh has been among the fastest growing economies in South Asia. The country is ranked among the top-10 fastest growing economies in the world in 2016, as per a report published by the International Monetary Fund (IMF).

The economy of Bangladesh has witnessed consistent growth over the past few years and the country is touted to be the Asian tiger, buoyed by economic and infrastructural reforms, leading to a higher GDP growth rate, which was at a record high of 7.2% in 2015-16. The growth rate is even higher than India, at 7%. Moreover, since the late 1990s, Bangladesh has been able to maintain growth at above 5.5%, achieving a feat hardly managed by the rest of the developing countries, that too consistently. With a population exceeding 165 million, Bangladesh has been steadily building its economic prowess and now poses as an attractive market in South Asia.

Interestingly, Bangladesh will be among the top-three fastest growing economies in the world by 2030. Its GDP in terms of PPP was USD 628 billion, which is projected to increase to USD 3,064 billion in 2050. The country has the potential to emerge as the world's 23rd largest economy by 2050, overtaking countries such as The Netherlands, Australia, Spain, Thailand and Malaysia. Bangladesh would also be the 28th largest economy by 2030, up from 31st in 2016. (PWC)

In the past decade, Bangladesh has been able to halve its incidence of poverty, meeting one of its core Millennium Development Goals (MDG), thereby gaining lower-middle-income status in 2015. The country's economic growth has been robust over the past decade, and was almost double the global average in the fiscal year that ended on 30 June 2015. (The Asian Development Bank)

A strong focus to mitigate poverty, reform policy and drive infrastructural growth, as also bring forth an undiluted focus on strengthening the economic backbone through education and skill development, have cumulatively allowed Bangladesh to contain poverty levels at 31.5% of its population, a number that is progressively shrinking. The Bangladeshi Government has also been rigorous towards curbing corruption and there is an active anti-corruption movement transpiring in the country today.

Overall, ongoing structural reforms, improvement in fiscal management and consolidation, strengthening institutions, large and nationally-important

infrastructure that is being built across the nation and capacity development programs, especially for the grassroots, are all priorities for the country's incumbent Government to help unleash Bangladesh's full economic potential.

ADOPTING THE PACKAGING REFRESH UNDER PEP WITH SPEED, SURETY, SENSITIVITY AND AUTHORITY

As a global conglomerate that is focused on transforming consumer insights into valuable business drivers on the one hand as well as ensure continuous strengthening of sustainability across the organisation on the other, ExxonMobil empowered its packaging with a new premium look and sleek ergonomic design. This updated interpretation of brand packaging is positioned to engage better with consumers and enhance sales appeal.

At MJLBL, we emerged as among the first within the global ExxonMobil ecosystem to fully embrace this packaging refresh under our Packaging Excellence Project (PEP) that was showcased in a gala ceremony in Dhaka during late December 2016. The seamless packaging updation was no small feat in our operations that span the length and breadth of Bangladesh and I congratulate the team on implementing this project with speed, surety, sensitivity and authority.

Through the PEP, we have unambiguously demonstrated our ambition that the strategic leverage of design will reinforce our standing as an industry leader who is bold to embrace change and remain a step ahead of the times.

The PEP was embraced keeping our customers in mind. The new space-efficient bottles expanded our in-store presence by augmenting our ability to increase the amount of stock that can be placed on shelves. Besides, we also modified our filling lines to take PEP implementation into cognizance, yet again a demonstration of our seriousness in serving our customers with high-quality products and solutions.

Moreover, the distinctive packaging reflected in minimalist design, vibrant colors, large labels emphasising product details and premium-look make our products clearly stand out on crowded shelves. The new designs also empower our customers with clearer choice as informative back labels help mechanics and other users highlight product benefits and provide end-users with an overview of product features. This enables them to confidently arrive at their decision to buy our lubricants.

We envisage the full impact of the PEP to accrue in the current year, which will also help us strongly advocate our solutions-driven approach to customer challenges, reinforced by the refreshed and information-rich premium packaging.

OUR FUTURE PROPELLED BY MEGATRENDS

Urbanization and the resulting growth in large cities, an expanding middle-class and enlargement of manufacturing and process industries and transportation and logistics provide significant opportunities for our businesses over the foreseeable future.

The urban population is projected to grow by an astounding one billion people by 2030 and the middle-class is expected to double over the same period to almost 60% of the global population. These trends will drive the need for more housing, more office buildings and more mass transportation systems, along with generating a huge demand for products that will keep industries of all sorts busy with production and expansion.

With our lubricant products central to the efficient and economic working of 'any moving part', we expect sustainable growth in product demand over the times to come. Specifically, with Bangladesh being a nascent-emerging market, we envisage significant opportunities in enhancing customer literacy

"At MJLBL, we emerged as among the first within the global ExxonMobil ecosystem to fully embrace the packaging refresh under our Packaging Excellence Project (PEP) that was showcased in a gala ceremony in Dhaka during late December 2016. The seamless packaging updation was no small feat in our operations that span the length and breadth of Bangladesh and I congratulate the team on implementing this project with speed, surety, sensitivity and authority."

through our modern lubricant advocacy platforms and within this niche itself we find ourselves in a strong market share-defensible and enhancement position through our wide range of lubricant solutions that have now come to represent our most potent competitive advantage.

AN INVESTMENT IN CUTTING-EDGE TECHNOLOGY

Our investment in innovation continues unabated across both research and development (R&D) and in the exploratory steps we are embracing in the execution of our digital strategies.

MJLBL services clients located in over 4,000 industries across Bangladesh, in addition to hundreds of thousands of retail consumers, and is deploying tools to empower its strong sales and services teams to augment field productivity and service performance for customers. Thanks to our proud ExxonMobil heritage and culture, the large investments we have made in our cutting-edge LOBP and IBS (Lube Oil Blending Plant and In-Line Blending System, respectively) and the vast knowledge and deep insights our employees bring to the customers' table, we have remained as the lubricant destination of choice for both institutional as well as retail customers.

I can cite several examples of how our products have improved oil drain intervals (ODI) for machinery across our client premises, which have not only strengthened asset utilisation but has also resulted in tangible savings, directly contributing to bottom line growth. I can also mention several cases of how reputed industrial customers have invited us to engage in the examination of their equipment and processes and how we have recommended the right lubricant from our portfolio that has resulted in productivity and profitability gains. In effect, any prestigious or upcoming industrial unit in the country of Bangladesh cannot ignore us for meeting their lubricant demands and requirements.

These are just a few examples of how our products, embedded with cutting-edge technology, are advancing our Company. By developing custom solutions for our clients located across diverse sets of industries, we are able to create greater value for our customers and drive efficiency into our businesses.

As digitalization continues to change the way we approach our business, our ability to anticipate and adapt to change is critical. We continue to implement new and better ways to work faster and smarter to enable our future performance. For instance, we are in the process of emerging as the first Company in our industry to launch a full-fledged mobile app across various operating platforms that will service our customers in a number of ways which was earlier not possible with conventional means to reach out to them. The mobile app is also our own small way to educate our customers on the importance of lubricants to enhance their daily lives.

OUR PEOPLE ARE CENTRAL TO OUR SUCCESS

While our investment in new technology is critical, I am reminded constantly that companies don't innovate, people do. Our most important investments, therefore, are the ones we make in our people. There are no two ways about it.

We encourage our employees to develop the skills they need, not only for their current work profiles, but also for the jobs of tomorrow. The forces of globalization cannot be ignored or disputed, and the skills of today will not guarantee success in the future. At MJLBL, we understand that only an educated and professional workforce will enable us to survive and thrive in the competitive world in which we live. A constant ability to learn, unlearn and relearn will represent the differentiator of the future.

At our Company, we also celebrate workforce diversity and foster a culture that embraces many different ideas, thoughts and viewpoints. However, we are all woven together by a common commitment to keep the interest of our customers at the heart of everything we do while maintaining the highest ethical standards and creating a safe and healthy work environment. Within our industry, we are proud leaders in safety and environmental sustenance and sustainability, working to solve tomorrow's challenges in our facilities and with our products. And we partner with communities around our areas of operations to inspire societies with our knowledge, time, ideas and resources.

THE NEXT FRONTIER

The heart and soul of our business is providing our customers with the tools they need to increase productivity and make better-informed decisions. As we look to the future, we remain committed to helping our customers enhance their business' competitiveness, profitability and sustainability. I am confident that in 2017-18, we will continue to deliver the kind of results for our customers and shareholders, which has come to bring us to a leadership role in a competitive market today.

In closing, I would like to offer my thanks to our customers for contributing to the success of the past year and for their ongoing support to MJLBL. I also want to thank our 182 employees for the commitment and dedication they bring to their workplace throughout the year. Every day we strive to make MJLBL the best it can be and I look forward to another great year in 2017-18 and beyond.

Thank you and wish you and your family a very happy new year from all of us at MJL Bangladesh Limited!

With my best wishes,



Nazimuddin Chowdhury
Chairman

MANAGING DIRECTOR'S REVIEW

"One of the key trends that we see across all of our customers is the need to deliver more results with optimised resources and many of our products and solutions enable our customers to achieve that. This positions us well in an environment that will progressively erode the competitiveness of the other constituents of the market who do not bring consistent and tangible value to the customers' table."

ON THE ASSESSMENT OF THE YEAR 2016-17:

We returned revenue, operating profit and net profit growth of 3%, 12% and 14%, in the same order during 2016-17, which is encouraging considering the overall industrial challenges affecting our industry as well as the competitive intensity cultivated by a large number of players in the organised as well as unorganised sectors with lax regulatory standards. However at MJLBL, we do not see this as an impediment to growth – rather we view it as the de-facto route to progress.

Raising awareness about the use of the right lubricants is hence an integral part of our business and we see enduring and endless opportunities to influence more customers, enhance our offtake, widen our market share and augment our profitability.



Azam J Chowdhury
Managing Director

ON THE IMPORTANCE OF SOLUTIONS FOR MARKET SHARE DEFENSIBILITY:

Being soaked in the ExxonMobil culture of doing things, we bring more than just products to the customers' table – we bring something equally critical, which is our knowledge and insights. The selection of a wrong lubricant in a process can be counter-productive and devastating in terms of equipment damage and production termination, which could may be lead to the closure of the business and eventually result in loss of jobs.

In this context, we bring to the customer global insights on the one hand and the unparalleled knowledge of working with 4,000 industries in the country on the other. Bringing the full value of our enterprise to our customer, therefore, not only enables him to enrich his own understanding of production and technology and the role lubricants play in their smooth functioning but also witness tangible benefits flowing to his books over time.

In an interesting spin-off of our robust solutions capabilities, we developed a lab in-house for fuel testing (HFO and diesel, among others) that enabled us to earn significant revenues during the year under report, giving wings to our technical capabilities to increasingly solve customer challenges.

In effect, just to reiterate, providing cutting-edge solutions is the way forward

and we are committed to this pathway even as we focus on filing a larger number of Proof of Concepts (PoC), ascertaining product quality, guaranteeing resource performance and ensuring the validity of our solution in advocating for the right lubricant for the right industrial / manufacturing process.

ON THE PACKAGING EXCELLENCE PROJECT (PEP):

What I am most happy about is the way in which we brought in discipline and rigour to our Packaging Excellence Project (PEP), true to our standards and reflecting the way we do things and achieve results at our Company.

When our principal, ExxonMobil mandated a global packaging refresh, we proactively took up the mantle to ensure that we embrace this project wholeheartedly and accomplish the complete packaging change within the shortest possible time without, in any way, disrupting our business or our distributors' trade. What started off as a project to ensure minimal business disruption emerged as the biggest disruptor in the ExxonMobil ecosystem as we achieved a full and seamless packaging change in a short span of time, which represents a case study in itself.

The PEP was launched in a grand ceremony attended by industry leaders and chieftains and what delights me is the fact that the packaging change has been received warmly, resonating with the stated and unmet wants and requirements of our customers.

In terms of finances, we invested nearly USD 500,000 for the PEP, which will contribute greatly to prevent the adulteration of our products, and showcases our serious intent in ensuring that our users get the highest-quality products. I must also indicate that we refrained from passing on the increased burden of these expenses to our consumers and end-users, protecting them from price shocks.

ON THE NEW PRODUCT PACKAGING SPECIFICITY:

The most significant area of emphasis under our PEP was to draw and 'hook' customer attention to our products, thereby enhancing his ability to make a more informed choice, a critical aspect in a market with a generally low product understanding and perception, especially among retail consumers.

In this context, some of the specific packaging design elements under PEP incorporate the following:

Helps the liquid flow naturally: The new light-weight screw cap improves pouring while the foil steel ensures product integrity and makes the packaging more tamper-proof

Easier to handle: The new handle enhances the grip and makes the overall container well-balanced for carrying and pouring

Commands attention: The labels are now as much as 20% larger, enabling high visibility of product benefits and viscosity grades

Maximizes shelf-space: The new bottles are slimmer, taller and wider than the previous versions that enable the maximisation of shelf-space and ensure that our products standout at the point-of-sale (POS)

Overall, we received a very encouraging and positive response to our new packaging and expect incremental offtake as a result of this packaging refresh to commence on a full-fledged basis from the current year onwards.

ON THE PERFORMANCE OF OUR TRADING AND TANKER BUSINESSES:

Our trading and tanker businesses represent strategic diversification, enabling us to open up multiple revenue streams while also diversifying our core lubricants manufacturing business.

The year under report continued to be a robust one for these two businesses with healthy global petrochemicals demand in view of increasing consumption on the one hand and stable prices on the other. Our Aframax tanker of about 106,547 DWT capacity continued to remain fully-booked for much of the year

and witnessing this scenario, the Board has approved the acquisition of another Aframax tanker of a similar capacity that will not only double our tonnage but also allow us to meet the growing global petrochemicals demand and boost revenues and profitability.

Overall, during the year under report, both our trading and tanker businesses turned in cumulative revenues of Taka 4,519 million, contributing 32% to consolidated sales for the year.

ON THE PERFORMANCE OF OMERA PETROLEUM LIMITED DURING THE YEAR:

Omera Petroleum Limited (OPL) performed credibly during the year with revenue growth of 161% to Taka 5,792 million, with its contribution to consolidated revenues growing a substantive 1,900 bps to 41% during the year under report.

Importantly, through OPL, we are engaged in something that is overarching and that is promoting LPG as an attractive alternative fuel and encouraging its consumption on account of the fuel's large number of advantages and benefits vis-à-vis peer fuels. With this broad level of intent, we are almost positioning OPL as a fast moving consumer goods (FMCG) company and to this extent are engaging in a large number of national, regional as well as local events to raise awareness of LPG and grow its offtake and consumption. This is actually quite similar to our core lubricants business.

Our primary customers for OPL comprise household and other bulk LPG consumers and we engage in target marketing to build the Omera LPG brand among this segment of the market. Our association with Foodland 2.0, the go-to destination for food and music in Bangladesh, and also in organising a popular all-women marathon to celebrate International Women's Day reflects our ambition to closely associate with our core target group and drive enhanced brand and product visibility.

In recognition of the Company's immense contribution to the nation's energy diversity, Omera Petroleum Limited was awarded as the 'Best Private Company in National Energy Sector' by Her Excellency, Sheikh Hasina, Hon'ble Prime Minister of the People's Republic of Bangladesh, in December 2016.

Going into the future, as the awareness and demand for LPG strengthens over time and reaches a particular maturity level, we are already planning ahead through engaging in the sale of LPG to bulk consumers, including residential complexes, automotive fleets, large-scale industries and gas dispensing stations, etc.

"Omera Petroleum Limited's annual LPG supply capacity currently stands at 200,000 MT and is being scaled-up to 300,000 MT in 2018 to meet the huge emerging demand for the fuel in the country."

WHAT ARE THE PROSPECTS OF LPG IN A COUNTRY LIKE BANGLADESH?

Tremendous, in fact. Let me explain.

LPG can bridge Bangladesh's gas crisis with alternate fuels. Moreover, LPG is the greenest form of alternate fuel as it produces a low-carbon footprint when burned for energy. LPG is also portable and is easily accessible by all industries. Most importantly, the usage of LPG (being the most sustainable form of alternate fuel), can deliver substantial cost savings when compared to diesel as a burning fuel and for power generation.

As per industry estimates, the current annual LPG import demand exceeds 600,000 MT and the volumes are poised to more than double to 1,400,000 MT by 2022. This is fuelled by households and automobile users migrating to the more environmental friendly fuel and for its seamless availability and convenience.

The international energy industry has taken a keen interest in Bangladesh's burgeoning demand for alternate fuels. LPG operators have delivered huge volumes in the last two years and this has prompted several Fortune 500 companies and the World LPG Association to observe Bangladesh as a case study for acceptance of environmental-friendly fuels by a mass market.

Considering the immense structural opportunities, Omera joined hands with Japanese LPG giant, Saisan Co. Ltd., to set up Omera Gas One Limited (OGL), the first Bangladesh-Japan joint venture in the national energy sector. OGL is specialized to supply industrial LPG solutions, LPG storage tanks, LPG autogas stations and reticulated systems customized to Japanese standards, the most stringent and sophisticated LPG industry in the world. OGL supplies bulk LPG to local industries such as Fu-Wang Ceramics, ACI Limited, Utah Group, etc. Moreover, Omera has also signed an agreement with the Government of Bangladesh to set up dedicated import terminals for the supply of bulk LPG and fuels to its economic zones. The specialized terminal is due to be completed in 2019.

Looking ahead, government regulations and safe practices with regards to LPG need to be fully comprehended by the stakeholder ecosystem. As a proud member of the WLPGA and LPG Operator Association of Bangladesh (LOAB), Omera considers its responsibility to set a benchmark for the best practices to make the growth of this industry sustainable, scalable and a success story on a global scale.

ON THE KEY DEVELOPMENTS AT OMERA CYLINDERS LIMITED DURING THE YEAR:

Omera Cylinders Limited (OCL) is a backward integration to OPL, engaged in the manufacture of cylinders that are globally-compliant in terms of safety and security, with such pride-enhancing certifications as DOT 4BA 240 and DOT BW 240 that are approved by the Department of Explosives, Government of Bangladesh. Today, OCL has emerged as the most sophisticated LPG cylinder manufacturing plant in Bangladesh. Equipped with European machinery and the highest testing standards, the Company can supply over a thousand gas cylinders each day conforming to the highest safety standards.

OCL achieved sales of Taka 485 million during 2016-17, which is 22% higher than the previous reporting period, on the back of widening appeal and growing demand for LPG, resulting in the sales of 218,281 cylinder units during the year under assessment, as compared with 162,776 units sold during the previous year.

With our vision of emerging as a cost leader in the business of cylinder manufacturing, we continually look to explore means and options to moderate costs. One such successful initiation was a switch-over to the import of HR coils, one of the primary

raw material resources, from Europe to China with the outcome that we were able to lower costs, maintain quality and achieve quicker deliveries.

Going forward, OCL is engaged in strategic capacity augmentation that is set to double the Company's consolidated cylinder sales to capture a larger share of the market that is pegged at 1,200,000 units per annum, thereby enabling us to provide LPG to a growing customer base with integrated, one-stop fuel solutions. With this, and a focus on both widening and diversifying our sales sources, we are looking forward to venture into third-party cylinder sales agreements and also launch more SKUs and expect to achieve net-level breakeven by the end of June 2018.

ON THE EMPHASIS ON SUSTAINABILITY:

Sustainability is a core part of our strategy. For MJLBL, profitable growth does not only mean improving the financial reward for our shareholders. We focus on creating sustainable growth through supporting our customers and helping them ensure that they are able to maximize the efficiency out of their industrial / manufacturing assets. It also means rewarding our employees in terms of development, income and career growth and contributing positively to both the society and the environment.

I am happy to mention that many of our products contribute to creating solutions in response to national as well as local challenges. Our products embody human progress in areas like transportation, energy, cement, power and other process industries; indeed, we serve the largest spectrum of industries in Bangladesh at over 4,000 with our robust and dynamic portfolio of 220 SKUs of different products.

MJLBL's focus on sustainability has been recognized industry-wide and we will continue to engage in practices that ensure that we remain a benchmark for health, safety, security and environment in our industry.

ON THE COUNTRY-SPECIFIC STRUCTURAL DEMAND DRIVERS THAT CAN PROPEL THE INDUSTRY FORWARD:

Interestingly, one of the key data points that reflect economic recovery and buoyancy is the sales of vehicles. In this context, Bangladesh Road Transport Authority's data points that as many as 56 cars hit the roads every day, which is the highest ever as compared to any other period in the past. Increasing vehicular sales not only points to sustainable demand for lubricants from the personal transportation and automotive industries but also more disposable incomes in the hands of people that could result in higher consumption, propelling industries to ramp-up production to meet the increasing demand.

On the overall economy side, there have been huge investment opportunities in Bangladesh in a host of sectors, including energy, power, pharmaceuticals, information technology (IT), telecommunications and infrastructure, as well as garments, textiles and leather goods.

The USD 220 billion Bangladesh economy is growing fast with mega development projects, including the Taka 30,000 crore Padma Bridge, Taka 22,000 crore Dhaka metro railway, elevated expressway, flyovers, dozens of economic zones and the Payra seaport.

Public investment has increased to nearly 7% of GDP from 5% earlier, while private investment remains at around 23%. The manufacturing sector accounts for 30% of Bangladesh's GDP and is increasingly attracting both skilled and unskilled labour to produce value-added and diversified products.

Bangladesh has shown that there is no river that it cannot cross to achieve its goals. Since its opening, the 4.8-kilometer Bangabandhu Multipurpose Bridge on the Jamuna River has brought

together millions of people in Bangladesh and also served as a basis for the transmission of electricity, natural gas and phone lines between the two halves of the country. (Asian Development Bank data)

Seeing the bright economic, infrastructural and social prospects of the country, the Asian Development Bank is projected to increase public- and private-sector lending to Bangladesh to USD 8 billion for 2016 through 2020 to help the country build the infrastructure and skills needed for a strong, diversified and vibrant economy and to strengthen trade links within the region.

ON THE INITIATIVES PLANNED FOR THE CURRENT YEAR:

Our ability to provide cutting-edge solutions is at the center of our strategy and it sets us apart from our competitors. We will continue to drive our business on the back of our solutions and customer service excellence programs into the future too.

With a view to sharpen our marketing programs and efforts, we also intend to increasingly segment the market according to consumption cycles and nature of industries to further create custom build solutions, thereby enabling our customers to draw the maximum value out of our products.

Just like the launch of Delvac Super 1400 during the year, we will continue to identify opportunities under which we can further populate our portfolio with relevant and fast-growing products even as we seek to import more products into Bangladesh to cater to a larger number and range of applications.

I am also happy to share that our world-class 15-storey corporate tower is taking shape that will alter the skyline of Dhaka. Helping us consolidate our operations to drive efficiency gains and improve our decision-making while also fostering a collaborative approach to work, the upcoming tower also reflects our focus on sustainability, it being constructed as a LEED-certified Platinum-rated complex, emerging as among the tallest such towers with benchmark industry certifications.



M. Mukul Hossain
Chief Executive Officer

CHIEF EXECUTIVE OFFICER'S BUSINESS OVERVIEW

The year 2017 marks MJLBL's 19th successful year in providing international-quality lubricants and world-class industrial solutions backed by a culture that is efficiency-focused and customer-oriented.

Today, MJLBL has retained its status as the largest and most prominent lubricant solutions enterprise anchored on powerful brands.

Company Businesses

MJLBL, being the alliance partner of ExxonMobil, owns and operates the international-standard Lube Oil Blending Plant (LOBP) with a state-of-the-art In-line Blending System (IBP) that ensures the generation of lube oils that are highly compliant in terms of quality, specifications and performance-assurance standards.

Operating under the enduring ExxonMobil culture, MJLBL

has been in the service of the nation for the past 19 years, supplying world-class products and delivering superior operational solutions to as many as 4,000 industries across the country's industrial landscape. Many of the Company's products are used in several prominent national enterprises, which ensure that the Company fulfills its role in nation-building.

To enhance the spirit of customer service by reaching out to them in the shortest possible time and in the most efficient manner, the Company's client base is supported by its centralised resource teams and extensive distribution network. Besides, MJLBL's scale also allows the business to benefit from supplying varying product quantities to customers with speed and on a timely basis. The Company's customers comprise both institutions as well as individuals with whom it enjoys long-standing relationships. The Company's sales are well-balanced between institutional and retail segments of the market, thereby strengthening revenue streams with risk management and strong business diversification.

220

SKUs of different products in the portfolio that enable reaching out to all consumer segments of the market

One of the key differentiators and distinguishing factors of MJLBL that enables it to stay ahead of the competition is its ability to deliver knowledge-led, industry-specific, efficiency-driven technical solutions to its customers. Leveraging the decades of knowledge and insights amassed over the years paired with a competent and professional technical services and sales team, the Company is able to offer a holistic range of solutions that include inspection services, root-cause failure analysis, surveys and oil testing services, among others. Through technical services, MJLBL is able to demonstrate the superiority of Mobil lubricants on the one hand while also driving product offtake on the other.

Our product segmentation architecture

Product Segment	Customer Segment
Passenger vehicle lubricants	Institutional & Direct
Commercial vehicle lubricants	Wholesaler
Industrial lubricants	Distributor
Marine lubricants	Retailer
Aviation lubricants	End user

Under the MJLBL platform, the Company is also engaged in providing global lubricant solutions to customers in the downstream petroleum business under its trading platform and also owns and operates an Aframax oil tanker, Omera Queen, that has a consolidated capacity of 106,547 MT and is the country's largest such ocean-going vessel. During 2016-17, this asset was fully-booked and contributed meaningfully to the overall corporate revenue pool.

Taka 4,519 mn

Combined revenues derived from the trading and oil tanker businesses in 2016-17, up 32% over the previous reporting period

The MJLBL Group also operates three subsidiaries, Omera Petroleum Limited (OPL) , Omera Cylinders Limited (OCL) and MJL and AKT Petroleum Company Limited. Together, OPL and OCL are engaged in the integrated LPG (Liquefied Petroleum Gas) business that includes LPG transportation and bottling. Synergized with achieving the national aspiration of LPG emerging as a preferred 'green' fuel in the country, both OPL and OCL focused on enhancing awareness on the superior benefits of LPG vis-à-vis other conventional fuels and engaged in strong awareness-building to communicate this message, leading to a strong and respectable performance achieved during the year under review. MJL and AKT Petroleum Company Ltd. (MJL and AKT) is trying to capture the untapped lubricants market of Myanmar.

Taka
6,385 mn

Combined revenues of OPL, OCL, MJL and AKT in 2016-17, sharply up by 145% over the previous reporting period

Distribution Network

The Company has established an extensive and expansive distribution network over the last 19 years with significant capital expenditure on property, plant and equipment, totaling as much as Taka 5,526 mn.

By virtue of MJLBL's distribution network spanning the length and breadth of the country, the Company is able to facilitate next-day delivery to customers. Our network comprises national distribution hubs and regional/ local distribution centres. Moreover, the Company's network has a cumulative warehouse capacity of approximately 40,000 barrels, ensuring speedy and cost-effective customer delivery.

23,660

The total number of customer orders that were processed in 2016-17

Importantly, MJLBL embraced a Packaging Excellence Project (PEP) in December 2016 for the entire range of Mobil products and this project emerged as a case study for ExxonMobil being the fastest such implementation anywhere in the ExxonMobil ecosystem in the world for which the Company was lauded and praised by its principal. Significantly, the intent behind the new design was to increase retail presence by creating more 'billboard space' with a larger and more prominent label size. The design was thoughtfully chosen from alternates based on consumer research and inputs from focus groups. The new designs received a warm and excited reception when they were launched in a grand ceremony in Dhaka.

"With Bangladesh being on a strong growth trajectory with a large and aspiring population, the packaging refresh under our PEP received a tremendously encouraging response from the market as customers are always on the lookout for newness and novelty. The PEP incorporates such packaging features and designs that make the products look smarter and more attractive on the one hand while maintaining functionality on the other. The eye-catching product 'artwork' certainly helped us catch consumer attention and convert it into sales while also enabling us to widen the overall customer base."

SMARTSTOCK

In a bid to ensure that we service customer demands as per their evolving needs and requirements, we launched two additional packaging options comprising 1,000-litre Intermediate Bulk Containers (IBC) and 20,000-litre Flexibags, especially for bulk customers. These additional channels enabled lower packaging and unit transportation costs, enhanced speed of delivery and guaranteed product authenticity.

Going forward, there continues to be ample opportunities to enhance and more effectively and efficiently utilise parts of our distribution network to support growth and increase profitability. Continued revenue growth allows the Company to build on its relationships with customers and institutions and leverage its extensive distribution network, thereby increasing levels of profitability through operational gearing.

Suppliers

MJLBL sources base oils from ExxonMobil and additives from their mandated suppliers spread across several countries. Suppliers benefit from the Company's large scale and well-structured procurement capabilities. In addition to maintaining adequate and strategic stock as inventory, the Company is also proactive in engaging in demand analysis to input supply orders considering the lead times as well as the time taken into account for clearing customs and other port formalities.

Customers

The Company counts as many as 4,000 industries in Bangladesh as its customers in addition to several thousands of retail customers. Customers depend upon MJLBL to provide them with efficiency-enhancing industrial and mobility solutions that augment their production capacity and business competitiveness on the one hand and enhance lifestyles on the other.

The Company's businesses typically have well-established relationships with customers, which are supported by frequent customer visits by our technical and sales

"For us, Mobil Delvac Super 1400 was the need of the hour as the product straightaway improves the oil drain interval, thereby enhancing fleet utilisation levels on the one hand and directly contributing to increased business productivity and profitability on the other."

- A Mobil Delvac Super 1400 customer and fleet owner

and services teams. Sales visits were made to several customers during the year under report with an emphasis on also targeting newer customers.

With a view to sharpen the skills and understanding of its human resources, the Company provides frequent training and skill development programmes to enhance their interaction with customers and help acquire customers based on offering knowledge-driven solutions.

The Company offers its customers an extensive range of products covering a broad price spectrum supported by quick delivery. The product range is reviewed and altered as necessary to reflect customer orders and end-consumer requirements. The Company helps its customers to anticipate new trends and alerts them to new products as well. For instance, the Company launched 'Mobil Delvac Super 1400' to fill a crucial gap in the bus and truck lubricant space and the rationale for this launch was justified when the product sold one mn litres within a short span of its launch.

Our intellectual capital

Employee profile

No. of Years in the Company	No. of People
>15 years	6
11-15 years	23
6-10 years	41
0-5 years	112

Employee qualifications

Qualification	Percentage of Total Staff
Engineers	22.48%
MBAs	60.36%
CAs	2.37%
Graduates	14.79%

Operational excellence

At MJLBL, we are committed to safety, security and health of our stakeholders and the environment at large. We are committed to conducting our business in a manner that is compatible with both the environmental and economical needs of the communities we serve, while protecting the safety, security and health of our employees, contractors and the public at large. Operational excellence is the cornerstone of all that we do. As a result of this focus, we have significantly reduced injuries over the years with a strong safety track record. Besides, we also engage in a number of environmental-positive activities which begin with our commitment to improving environmental protection through increasing operational efficiencies and reducing emissions.

Our investment case

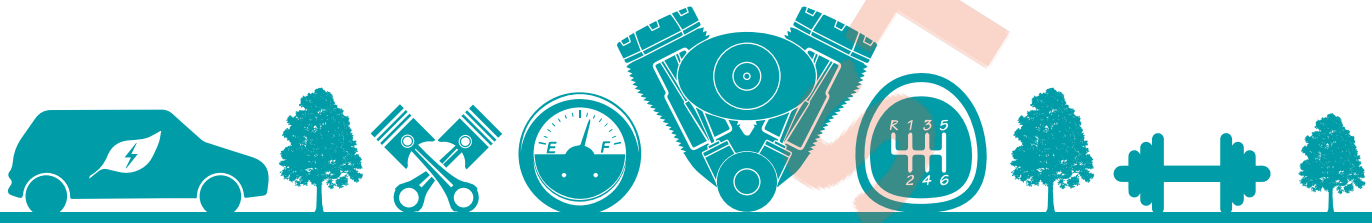
- Market leading positions with significant scale and geographic penetration
- Large and diversified product portfolio complemented by knowledge-driven solutions focused on enhancing asset operational efficiency and economy
- Consistent outperformance through entrenched brand recall and loyalty and consistent stakeholder awareness programs
- Well-invested and extensive distribution network providing a significant barrier to entry
- Potential for operational gearing from increasing revenues and leveraging the distribution network
- Ongoing strategies to further augment operating efficiencies that will potentially drive operating margin growth and profitability
- Strong balance sheet and cash flows with net cash position of Taka 91 mn as at 30 June 2017
- Well-diversified core supplemented by petrochemicals trading and logistics businesses and fast-growing subsidiaries engaged in alternative, eco-friendly fuel (LPG) bottling with strong production assets



MJL Bangladesh Limited

Mobil™

Performance Review



Sustainability drawn from a robust financial foundation

FINANCIAL UPDATE

At MJL Bangladesh Limited, our solid financial position is reflected in our virtual debt-free position (on net debt basis) and strong free cash flow generative platforms.

2016-17 Financial Highlights

Revenue
Taka
8,079 mn +3%
Previous reporting period:
Taka 7,840 mn

Operating profit
Taka
2,525 mn +12%
Previous reporting period:
Taka 2,249 mn

Interest expenses
Taka
16 mn -57%
Previous reporting period:
Taka 38 mn

Profit before tax
Taka
2,649 mn +14%
Previous reporting period:
Taka 2,317 mn

Profit after tax
Taka
1,985 mn +14%
Previous reporting period:
Taka 1,734 mn

Earnings per share
Taka
6.58 +14%
Previous reporting period:
Taka 5.75

ROCE
Percentage
23.88% +2bps
Previous reporting period:
23.86%

Debt-equity ratio
Percentage
13% -1,100 bps
Previous reporting
period: 24%

Current reporting period: 1 July 2016 to 30 June 2017
Previous reporting period: 1 July 2015 to 30 June 2016

OUR FINANCIAL JOURNEY

Revenues (Taka mn)

2012-13	2013-14	2014-15	2015-16	2016-17
6,979	7,716	8,116	7,840	8,079

Commentary: The year 2016-17 was strong as we delivered broad-based growth across our product portfolio. Importantly, we achieved these results despite high competitive pressures within the industry, unhealthy pricing practices by competitors and product dumping by global companies in the absence of strong regulatory standards, impacting prices. Our results hence are a reflection of the strength of our brands, the focus on our ability to maintain multi-year customer relationships and the knowledge-driven solutions that our teams bring to a wide range of industries and applications in Bangladesh.

Operating profit margin

2012-13	2013-14	2014-15	2015-16	2016-17
12.91%	18.36%	18.10%	28.68%	31.25%

Commentary: Our operating profit margin at 31.25% is respectable and in line with expectations. Operating profit increased by 12.28% to Taka 2,525 mn, up from Taka 2,249 mn in the previous reporting period. Aligned with retreating crude oil and other derivative prices during the year, we strategically passed on the benefits to our customers, thereby strengthening our relationships. On the other side, our culture of efficiency and streamlined operating practices enabled us to tightly control and optimise costs, which sheltered our margins. With higher projected revenue growth paired with protected realisations across products, we expect sustained growth in our operating profit margins going forward.

EBIDTA (Taka mn)

2013-14	2014-15	2015-16	2016-17
1,586	1,650	2,450	2,745

Commentary: A respectable growth in our revenues combined with better coverage of fixed costs led to a near 12% growth in our EBIDTA (Earnings before Interest, Depreciation, Tax and Amortisation) to Taka 2,745 mn in 2016-17 from Taka 2,450 mn in the previous reporting period. With our focus on achieving our desired volume sales and revenues and with a tight control on operating costs, we expect to grow our EBIDTA faster in the coming years.

Net profit (Taka mn)

2012-13	2013-14	2014-15	2015-16	2016-17
699	925	1,151	1,734	1,985

Commentary: Our net profit grew a healthy 14.47% from Taka 1,734 mn of the previous reporting period to Taka 1,985 mn in the 12-months ended 30 June 2017. Net profit margin improved to 24.57% during the year.

Net current assets (Taka mn)

2012-13	2013-14	2014-15	2015-16	2016-17
1,372	923	1,334	883	3,080

Commentary: Net current assets growth of 248.67% to Taka 3,080 mn reflects sound financial health even as the Company operates in a working capital-intensive industry and also indicates the potential expansion of operations with a low dependence on external capital.

Dividend (Taka per share – cash and stock-equivalent)

2012-13	2013-14	2014-15	2015-16	2016-17
2.50	2.50	2.61	3.00	3.64

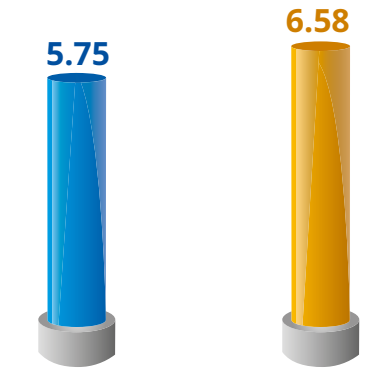
Commentary: MJLBL has maintained its dividend rate over the years, governed by its dividend policy of maximising value in the hands of its shareowners. Hence, shareholders not only benefit from a strong and unparalleled lubricants platform that the Company has built over the years but also from the solid free cash generative nature of the business with most of this generation returned to shareholders, which has consistently enhanced the value of dividends.

Earnings growth!

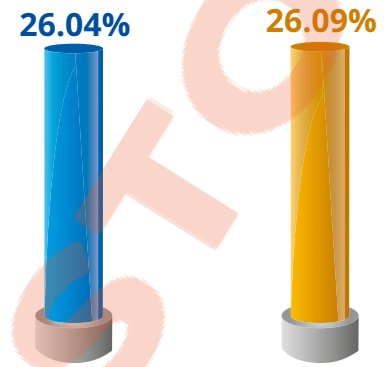
Our 2016-17 earnings per share increased about 14% to Taka 6.58, up from Taka 5.75 in the previous reporting period

GRAPHICAL PRESENTATION

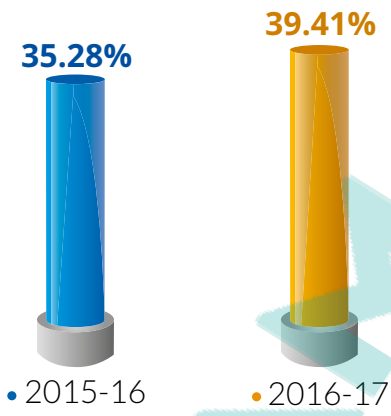
EPS (BDT)



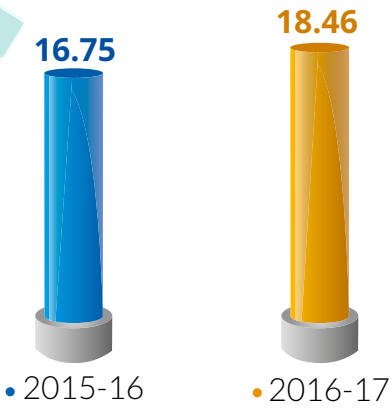
RETURN ON SHAREHOLDERS' FUND



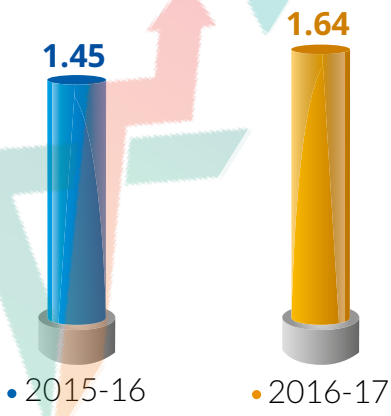
GROSS PROFIT RATIO



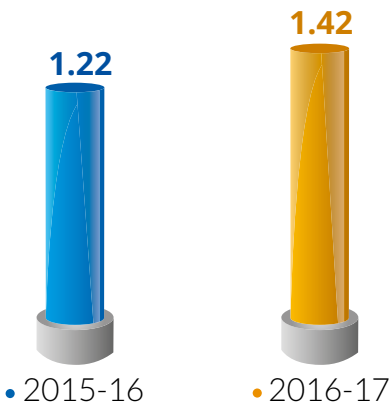
PRICE EARNINGS RATIO



CURRENT RATIO



QUICK RATIO



MJLBL AND INTEGRATED REPORTING

At MJL Bangladesh Limited, for the first time ever, we are presenting our 2016-17 annual report as an 'Integrated Report'. In presenting this Integrated Report, we have referred to the 'Annual Report Review Checklist' issued by both the Institute of Chartered Accountants of Bangladesh (ICAB) and the South Asian Federation of Accountants (SAFA) as well as the Integrated Reporting Framework (IRF) issued by the International Integrated Reporting Council (IIRC) in the form of 'Integrated Reporting Checklist'. As a forward-looking enterprise that considers proactive reporting its prime responsibility, integrated reporting enables the Company to communicate its strategy, governance, performance and prospects, in the context of its external operating environment, in a detailed and informative manner, leading to the creation of value in the short-, medium- and long-term. Our Integrated Report aims to enhance the quality of information available to our stakeholders for them to understand our Company and its operations better and also to take more informed decisions while working with us or investing in us.

Scope of the report

Our Integrated Report explains the strategic, operational and financial performance of the Company based on the financial information extracted from the Audited Financial Statements for the period ended 30 June 2017. The Audited Financial Statements of 2016-17 have been prepared in accordance with the requirements of:

- Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs);
- Companies Act, 1994;
- Securities and Exchange Rules, 1987 and
- Other applicable laws and regulations of the country

The non-financial information presented in our report has been extracted from internally-sourced and maintained records of management information, Board information and information reported externally. This qualitative information provides context to the financial information.

Our corporate governance practices report has been presented with reference to the revised Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC).

External Assurance

The Company has sought external assurance on the following reports during the period under consideration:

SL #	Descriptions of th report	External assurance
1.	Financial Statements Audit	ACNABIN, Chartered Accountants, an independent member of Baker Tilly International
2.	Corporate Governance Certification	Howladar Yunus & Co., Chartered Accountants
3.	PF Financial Audit	Ahmed Mashuque & Co., Chartered Accountants
4.	GF Financial Audit	Ahmed Mashuque & Co., Chartered Accountants
5.	Credit Rating	Credit Rating Information and Services Limited (CRISL)

Availability of the Annual Report

The printed copy of the Annual Report is sent to all shareholders, prior to the Annual General Meeting, giving the due period of notice. Furthermore, for easy and convenient access of all our stakeholders, the soft copy (PDF) of the report is made available on our website.

Responsibility of Integrated Report

I acknowledge the responsibility to assure all our stakeholders about the integrity of all the financial and non-financial information contained in this Integrated Report, presented in accordance with the Integrated Reporting Framework of the IIRC.

M. Mukul Hossain
Chief Executive Officer

Corporate Governance



Focused on being fair,
transparent and ethical

FOSTERING A TRANSPARENT CORPORATE GOVERNANCE CULTURE

Purpose:

The Code of Conduct has been prepared to provide guidance as well as assist the Board and the Management to focus the roles and responsibilities of Board members and Management to facilitate the Board's and Management's accountability to the Company and shareholders as well as ensuring effective communication between the Board and Management. Being a publicly listed company, MJL Bangladesh Limited has set the scope of the authority in the laws of the country as well as in the Memorandum and Articles of Association of the company reflecting to maintain its business operations with highest standard of the Corporate Governance. The Board and the Management team are committed to practice strong compliance and transparent business ethics and integrity at all levels of internal and external business conducts.

Role of the Board:

The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the company's financial position and ensure that its activities, accounts and asset management are subject to adequate control. The Board also ensures that company's Policies & Procedures and Codes of Conduct are implemented and maintained and the Company adheres to generally accepted principles for good governance and effective control of business activities. The Board appraises the presentation on finance, sales, marketing, major business segments and operations of the Company and other matters, as the members want. The Managing Director along with the Company Secretary finalizes the agenda papers for the Board meeting in consultation with the other person concerned. The minutes of the proceedings of each Board meeting are maintained in terms of statutory provisions. Each Director has a legal duty to act in the best interest of the Company. The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Company's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

Responsibility of the Board

1. Review and approve strategic business plans, financial objectives, major capital and operating budget and matters of policy proposed by senior management.

2. Monitor senior management's performance to implement the adopted strategies and provide relevant direction and advice where necessary to senior management to ensure the achievement of the Company's objectives.

3. Review and approving performance objectives for senior management team and monitor senior management's performance on a regular basis to ensure high standard performance.

4. Appoint MD/CEO and ensure management team of the highest caliber is in place to manage the Company.

5. Ensure, there is in place a succession planning strategy to replace senior management, when necessary.

6. Ensure that the Company is adequately capitalized to support the risks undertaken and to meet regulatory requirements,

7. Review the adequacy and integrity of the Company's internal control system on a regular basis.

8. Ensure that there is an effective and satisfactory framework for reporting internal financial controls and regulatory compliance so that the Board and Management will receive relevant and reliable information on a timely basis avoiding any exposure to unmanaged financial and operational risks.

Roles and Responsibility of the Directors

1. The members of the Board shall act honestly, in good faith and in the best interests of the shareholders and the company.

2. The Board members will be obligated to be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of decision taken by the board of directors.

3. Confidential information acquired by the members in the course of exercise of directorial duties shall remain the property of the company and it will be improper to disclose or allow it to be disclosed, unless that disclosure has been authorized by the company or legally mandated.

4. The members of the Board shall make every effort to attend all Board and Committee Meetings during their tenure. They will not absent themselves without good reasons or confirming leave of absence.

5. Board members having interest of any nature in the agenda of the meeting, shall declare beforehand the nature of their interest and withdraw from the room, unless they have a dispensation to speak.

6. Training opportunities/ orientation/workshops will be arranged for the members (especially for the newly inducted members) to make them acquainted with the international best practices, their fiduciary obligations, Code of Conduct etc.

7. Board Members shall always maintain 'Fit and Proper Test Criteria', clean CIB status and other obligations declared by the Primary and other Regulators.

8. Directors must avoid any conflicts of interest between the director and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Chairman of the Board or the Chairman of the Audit Committee.

9. Directors are prohibited from: (a) taking for themselves personal opportunities related to the Company's business; (b) using the Company's property, information, or position for personal gain; and/or (c) competing with the Company for business opportunities, provided, however, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates

to the Company's business, a director may do so.

10. Directors shall comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company, including insider trading laws. The Directors will follow the rules and regulations of Dhaka/Chittagong Stock Exchanges and that of Bangladesh Securities and Exchange Commission for dealing in the securities of the Company.

    Directors shall oversee fair dealing by employees and officers with the Company's customers, suppliers, competitors and employees.

11. Directors should promote ethical behavior and take steps to ensure the Company: (a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; (b) encourages employees to report violations of laws, rules, regulations or the Company's HR Policies including Code of Conduct to appropriate personnel; and (c) informs employees that the Company will not allow retaliation for reports made in good faith.

12. Directors should communicate any suspected violations of this Code promptly to the Chairman of the Board. Violations will be investigated by the Board or by a person or persons designated by the Board and appropriate action will be taken in the event of any violations of the Code.

13. The Directors will be indemnified against any liability incurred by them in defending any civil or criminal proceedings in which judgment is given in their favor or in which they are acquitted. Indemnification is also permitted where the court grants relief because the Director acted honestly and reasonably and ought fairly to be excused.

14. Any question on interpretation of any clause in this Code or an amendment to any provision of this Code shall be handled only by the Board of Directors.

15. All Directors shall issue an annual declaration confirming compliance with this Code. The Annual Report of the Company shall carry a certificate to this effect duly signed by the concerned.

Responsibilities of the Chairman of the Board of Directors

The Chairman is appointed by the Board with primary regard to his / her skills, expertise and experience relevant to the role and in accordance with the Memorandum and Articles of Association of the company.

The Chairman provides leadership to the Board in matters relating to the effective execution of all Board responsibilities. He or she is expected to spend whatever time necessary to fulfill his or her duties.

The Chairman presides over Board and General Meetings of the Company. He or she is expected to ensure that the Board is well informed and effective; that members, individually and as a group, have the opportunity to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the Board and the Company. Additionally, the Chairman must ensure that General Meetings too are conducted efficiently and that shareholders have adequate opportunity to air their views and obtain answers to their queries.

In addition to the above, the responsibilities of the Chairman are to:

1. Provide effective leadership in formulating the strategic direction for the Company and the Board. He or she has overall responsibilities in the execution of the strategic, financial and operating plans and policies and the annual and long term business and financial results of the Company.

2. Monitor workings of the Board especially the conduct of Board meeting. This includes work with the Company Secretary to schedule Board and Board Committee meetings, liaise with the MD/CEO and the Company Secretary on the agenda, ensure that all relevant issues for the effective running of the Company's business are on the agenda and ensure that Directors receive accurate, timely and clear information in particular about the Company's performance, to enable the Board to make sound decisions, monitor effectively and provide sensible advice to achieve the Company's objectives.

3. Work with the Board in establishing appropriate Board Committee structures including the assignment of Directors to Board Committees and the appointment of Chairman of each Board Committee and Code of Conduct. The Code of Conduct should set out matters relating to the authority (in particular whether the Board Committee has the authority to act on behalf of the Board or simply has the authority to examine a particular issue and report back to the Board with a recommendation), functions, membership, operations and responsibilities of such Board Committees, and other matters that the Board may consider appropriate.

4. Ensure the independence of the Board in discharging its duties. This includes encouraging Non-Executive Directors of the Board to meet regularly to deliberate on matters of concern and ensuring that the Board may engage independent advisors as required (subject to the proper approval process).

5. Ensure that the Board and individual Directors fully exercise their responsibilities and fully comply with applicable policies, laws, regulations, rules, directives and guidelines.

6. Consider and address the development needs of individual directors and the Board as a whole; maintain the necessary depth and breadth of knowledge and skills to enhance the effectiveness of the Board as a team.

7. Work with the Board in establishing the performance criteria and evaluation for the Board, the various Board Committees, individual Directors, the MD/CEO and the senior management team. Within the evaluation framework, the Chairman shall encourage regular Board discussions and assessments of the MD/CEO and the senior management team's performance.

8. Promote effective relationships and open communication between the Board and senior management team, in relation to corporate governance matters and corporate performance.

9. Represent the Company and the collective views of the Board externally and overseeing the public relations, including relations with key clients, government officials, other public organizations and the public generally. In addition, the Chairman is encouraged to use his or her best endeavors to promote the Company's business in Bangladesh and overseas.

10. Besides, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the company.

ROLES & RESPONSIBILITIES OF CEO/MANAGING DIRECTOR

The primary function of the MD/CEO is to direct and supervise the business and affairs of the Company. In terms of the financial, business and administrative authorities vested upon him by the board, the MD/CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.

The specific duties and responsibilities of the MD/CEO are as follows:-

Develop the long-term vision for the Company.

1. Guide strategic planning process to develop and recommend strategic plans to the Board to ensure the Company's profitable growth and achievement of its business objective and secure Board's approval for the business plan annually.

2. Take full accountability for the setting and achievement of the Company's objectives and one-year budgetary targets for all key performance indicators. Successfully implement the business and operational plans of the Company including ensuring that resource allocation is correct, day-to-day operations run effectively and that financial monitors and controls are in place to measure progress towards stated efficiency and productivity goals.

3. Review and report regularly to the Board on the overall progress and results against operating and financial objectives and initiate courses of action for improvement.

4. Continuously collect and analyze information on the current business and economic climate and trends, and on conditions in markets, technologies, products and people which may present risk or opportunity to the Company. Ensure that this intelligence is communicated appropriately and influences the Company short-term behavior and long-term directions. Foster a culture which enables the Company to respond to new developments.

5. Ensure that processes and systems are in place to enable the MD/CEO to keep the Board fully informed on all material undertakings and activities of the Company and any material external factors emanating from industry, financial markets, governments and regulators.

6. Act as a liaison between Management and the Board. Work closely with the Chairman to ensure that Board and Board Committee meetings are focused on the right issues, and that information provided to the Board is timely and complete in order to enable them to discharge their responsibilities. Participate in Board discussions as a director of the Company.

7. Authorize commitment of corporate resources in the ordinary course of business in order to pursue the approved strategic plans and objectives of the Company provided that major commitments, exposures and risks will be reported to the Board on a regular and timely basis.

8. Ensure effective disclosure policy, internal controls and risk management systems are in place.

9. Manage and oversee the required disclosure and other communications between the Company, shareholders, stakeholders and the public.

10. Act as the principal spokesperson for the Company for the financial and investment community and shareholders.

11. Ensure effective communications and appropriate relationships are maintained with all stakeholders, including shareholders, the Board, management, employees, customers, suppliers, regulators and public bodies.

12. Establish and regularly review with the Board a plan for senior management

13. Development and succession to provide the continuity of leadership required by the Company in future.

14. Create a positive work climate that is conducive to attract, retain and motivate.

15. Top-quality employees at all levels and foster a culture of personal accountability in balance with an acceptance of the importance of teamwork.

16. Together with the Management team, identify strategic opportunities for the company, including strategic collaboration, alliances, mergers, acquisitions and

17. Dispositions and pursue and negotiate the same.

Besides, the Managing Director / CEO may/ shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Bank.

RESPONSIBILITIES OF THE CHIEF FINANCIAL OFFICER (CFO)

The CFO of the company has to be a graduate from a recognized university or equivalent, having at least 5 years experience in handling financial and corporate affairs of a listed company and member of recognized body of professional accountants. CFO is responsible to prepare financial statements, budgets, operational reporting and interpreting, evaluating operating results, establishing internal control procedures to safe-guard company's assets. CFO presents the financial position relating to the period which has been over, and the period which has to come that is the financial position attained and the financial projection i.e. where the company will be. Therefore CFO plays a very important role as he controls the reflection of performance, which is reported to different authorities and the organization is assessed by them, and he must perform his job with professional competency and integrity, so that the financial statements give credible information to its users. The code of corporate governance provides the guidelines and opportunity to do this.

Chief Financial Officer is required to furnish necessary and classified information to the board of directors along with his analysis and suggestions as the Chief Financial Officer attends the board meetings, any issue with financial implications is being discussed, the person likely to be most in command of these implication is on the spot and immediately available for questions.

In order to strengthen and formalize corporate decision-making process, significant issues are required to be placed for the information, consideration and decision of the boards of directors by the CFO. These are:

1. Annual business plan, cash flow projection, forecasts and long term planes.
2. Budgets include capital, manpower and overhead budgets along with variance analyses.
3. Quarterly operating results of the company as a whole and in terms of its operating divisions or business segments.
4. Details of joint ventures or collaboration agreements or agreements with distributors, agents, etc.
5. Default in payment of principal and/or interest, including penalties on late payments and other dues, to a creditor, bank or financial institution, or default in payment of public deposit.
6. Failure to recover material amounts of loans, advances, and deposits made by the company, including trade debts and inter-corporate finances.
7. Significant public or product liability claims likely to be made against the company, including any adverse judgment or order made on the conduct of the company.

Responsibilities towards Shareholders

1. The Chief Financial Officer is required to provide all the necessary data to be presented in the Director's Report. For this purpose Chief Financial Officer must ensure the following:

- The financial statement, prepared by the management of company, present fairly its states of affairs, the results of its operation, cash flows and changes in equities.
- Proper books of accounts of the company have been maintained
- Appropriate accounting policies have been consistently applied in preparation in financial statements and accounting estimates are based on reasonable and prudent judgment.

- International accounting standards, as applicable in Bangladesh, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as going concern.
- There has been no material departure from the best practice of corporate governance as detailed in the listing regulations.

Internal and External Reporting

Chief Financial Officer has extensive responsibilities for internal and external reporting. All the information required for decision-making by the Board of Directors and Chief Executive is processed and furnished by the Chief Financial Officer. Apart from this, external reporting requirement is fulfilled by Chief Financial Officer, the accounts and financial statements are signed by the Chief Financial Officer before they are sent to concerned authorities.

Responsibilities of Head of Internal Audit & Control

Head of Internal Audit must be professionally qualified and suitably experienced and member of recognized body of professional accountants Head of Internal Audit is widely responsible to examine and evaluate company's financial and internal control systems, management procedures to ensure that records are accurate and controls are adequate to protect against fraud and waste. He plays an important role to appraise company operations, evaluating its efficiency, effectiveness, and compliance with corporate policies and procedures, laws, and government regulations. He is also responsible to submit reports to management on how well accounting policies are working and where changes should be made.

1. The main responsibilities of the Head of internal Audit and Control is to carry out an independent appraisal of the effectiveness of the policies, procedures and standards by which the Company's financial, physical and information resources are managed. Ensure an independent audit mechanism to monitor the effectiveness of the organizational and procedural controls. Examine and evaluate the financial system of the Company to ensure that it is being run efficiently and economically.

2. Examine and evaluate the adequacy and effectiveness of the organization's governance, risk management process, system of internal control structure and the quality of performance to achieve

the company goals and objectives.

3. Reviewing the reliability and integrity of financial and operating information and the means to identify measure, classify and report such information.

4. Review the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports and whether the company is in compliance.

5. Review specific operations at the request of the Audit Committee or management, as appropriate.

6. Monitor and evaluate the effectiveness of the organization's risk management system.

7. Reviewing the quality of performance of external auditors and the degree of coordination with internal audit.

8. Review the internal control statement by the senior management used by the external auditor for audit planning.

9. Prepare the audit plan on annual basis to cover all key functions based on risk rating subject to approval by Audit Committee. Leading the comprehensive and risk based teams to perform audit checks across different sections and conduct physical audit based on the audit plan. Prepare reports through compilation of findings and recommendations thereon and advising management of appropriate remedial action.

10. Responsible for monitoring/reviews and surveillance, identifying the corrective course of action to management. The significant deficiencies identified by the audit team should be reported to the Board on a periodic basis. The Audit Committee of the Board should be the cell to whom such report should be forwarded for review. Contribute to the overall work of the Internal Audit department with respect to implementation of policies and procedures.

11. The deficiencies identified during the audits should be notified to the appropriate level and significant audit findings should be reported to the Managing Director level. At the end of the year there should be a summary report on the audit findings and corrective actions taken which should be forwarded to the Audit Committee of the board and the Managing Director.

12. Monitoring and evaluating the effectiveness of the organization's risk management system.

13. Reviewing the quality of performance of external auditors and the degree of coordination with internal audit.

Assumes any other responsibilities when deemed necessary and/or advised by the competent authority. Also accountable for adherence to Company policies and procedures.

RESPONSIBILITIES OF THE COMPANY SECRETARY

The Company Secretary is responsible for ensuring the compliance of the company in relation to financial and legal practices, as well as issues of corporate governance. S/he acts as a point of communication between the management, board of directors, company shareholders, reporting in a timely and accurate manner on company procedures and developments. The appointment of the company secretary is a matter for the Board approval as a whole and his/her removal is also a decision of the Board.

The Company Secretary is responsible for:

1. Performs as the bridge between the Board, Management and Shareholders on strategic and statutory decisions and directions.

2. Acts as a quality assurance representative in all information streams towards the Shareholders/ Board.

3. Is responsible for ensuring that appropriate Board procedures are followed and advises the Board on Corporate Governance matters.

Acts as the Disclosure Officer of the Company and monitors the compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives, etc. issued by BSEC or Stock Exchange(s) applicable to the conduct of the business activities of the Company so as to protect the interests of the investors and other stakeholders.

1. Support the chairperson in the smooth functioning of the Board. Receive agenda items from other Directors/staff and ensure appropriate agenda items are tabled at Board meetings. This is done in consultation with the Chief Executive and the Chair who is responsible for preparing Board meeting agendas.

2. The company secretary is closely involved in preparing the schedule of Board and Committee meetings for the year. The company secretary prepares the agendas for these meetings in conjunction with the chairperson and key executives. The company secretary should ensure that information is dispatched timorously to all directors to enable them to prepare adequately for these meetings. The company secretary takes the minutes of these meetings and should ensure that they are distributed as soon as possible thereafter to aid directors in implementing the decisions. He/ She confirms that Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) are run effectively .This includes checking that a quorum is present. Also make sure that agendas and minutes of AGMs and EGMs are circulated timely.

3. The company secretary must ensure that the directors and management operate within an authority framework approved by the board and reviewed and updated from time to time.

4. Maintain strict confidentially of information, manage situations like conflict of interest, identify problems and implement or recommend solutions.

5. Maintain liaise with various corporate bodies Chambers/other bodies, Regulators.

STATEMENT ON DIRECTOR'S RESPONSIBILITY

The Directors are responsible for preparing the annual report and financial statement in accordance with the Companies Act, 1994, Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), Securities and exchange Rules 1987 and the Listing Regulation of the DSE and CSE. The Companies Act requires the Directors to present the report along with the financial statements for each financial year in accordance with BFRS and BAS as adopted by the Institute of Chartered Accountants of Bangladesh and applicable laws and regulations. The financial statements are required by law and Bangladesh Accounting standards to present fairly the financial position and the performance of the company for the period and to comply with rules and regulations issued by Bangladesh bank, The Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. In preparing financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- Ensure that the financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as adopted by the Institute of Chartered Accountants of Bangladesh
- Prepare the financial statements on going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for keeping proper accounting records that disclose reasonable accuracy in the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act, 1994 and have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities. To ensure this the Directors have taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on a regular basis.

Under applicable laws and regulations, the Directors are responsible for preparing a directors' report that comply with that laws and regulations.

The Directors confirm that the annual report together with the Directors' report and the financial statements have been prepared in compliance with the laws, rules and regulatory guidelines.

Nazimuddin Chowdhury
Chairman

REPORT ON FINANCIAL STATEMENTS BY CEO AND CFO

The financial statements of MJLBL have been prepared in accordance with the Companies Act, 1994, International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) and other applicable laws, rules and regulations.

In this regard, we also certify to the board that:

We have reviewed financial statements for the period ended in June 30, 2017 and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws

There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

S M Rahmatul Mujeeb FCA
Chief Financial Officer (Acting)

M. Mukul Hossain
Chief Executive Officer

SMARTSTOCK

REPORT OF THE AUDIT COMMITTEE

MJL Bangladesh Limited established an Audit Committee as a sub-committee of the Board of Directors. The Audit Committee is responsible to the Board and they assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The duties and responsibilities of the Audit Committee are clearly set forth in writing by the Board in the Audit Committee Charter.

Composition of Audit Committee:

In accordance with the requirements of Corporate Governance guideline of BSEC, the Audit Committee of MJL Bangladesh Limited comprised of five (05) members including two Independent Directors. Following are the members of the Audit Committee:

1. **Dr. Mohammad Tamim** (Independent Director), Chairman
2. **Mr. Q M Shariful Ala** (Independent Director), Member
3. **Mr. Md. Aminur Rahman** Member
4. **Mr. Tanjil Chowdhury** Member
5. **Mr. Quamrul Hasan** Member

Mr. Mir Md. Rokibul Kabir is the member sectary of the audit committee.

Major Responsibilities of the Audit Committee:

The authority, roles and responsibilities of the Audit Committee are delineated in the Audit Committee Charter. The Board has assigned authority and responsibilities to the Committee to provide oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations.

Some of the major responsibilities of the Audit Committee are as follows:

- Review the periodic financial reporting and other financial results, and upon getting satisfactory review outcome recommend the same to the Board.
- Review the effectiveness and appropriateness of financial reporting process and guidelines, internal control system, risk management framework, and overall company's processes for monitoring compliance with laws and regulations.
- Review the adjustments, disagreements and key issues of external auditors. Meet with management and external auditors to review critically the financial statements, accounting policies and assumptions as well as its

corresponding financial affect on audited financial statement.

- Recommend appointment, reappointment and termination of external auditors to the Board. Review the scope of work and evaluate the works performed by external auditors.
- Review the effectiveness of internal audit functions including performance, structure, adequacy of resources and compliance with professional standards. Verify audit findings and material weaknesses and monitor timely implementation of management action plans of the open audit issues.
- Carry out other tasks as mentioned in the Charter approved by the Board of Directors.

Committee Meetings:

According to the requirement of approved charter,committee needs to sit for at least four (04) meetings in a year. Audit Committee may hold special meeting as and when required. A total of five (05) meetings were held for the period from June 2016 to July 2017. The committee reviewed different issues related to company's risk management, internal control system, accounting and reporting process and periodic financial statements. Key officials as relevant to the matters discussed were present in the meeting as mandated by the Committee.

Committee's Report Summary:

During the year, Audit Committee conducted the following major activities:

- Reviewed the audited accounts for the year ended June 30, 2016 and recommended for submission to the Board for approval.
- Reviewed the quarterly accounts for the year ended September 30, 2016, December 31, 2016, March 31, 2017 and recommended for submission to the Board for approval.
- Reviewed the draft audited accounts of the company for the year ended June 30, 2017 and recommended for submission to the Board for approval.
- Reviewed and approved the Annual Internal Audit Plan Outlook for the year 2017.
- Reviewed and approved the following reports:
  - MJLBL Human Resource Management Audit
  - Omera Petroleum Limited Procurement Process Audit
  - MJLBL Dhaka Head Office Building Construction Audit
  - Special Review on Employee Attendance in LAMSYS-October 2016
  - Sales and Marketing Audit
  - Reviewed and recommended action plans for all previous open audit issues.

All meeting proceedings including the observations and recommendations of the Audit Committee were properly documented and reported to the Board of Directors for information, approval and necessary action.

Dr. Mohammad Tamim
Chairman
Board Audit Committee

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Corporate Office

Howladar Yunus & Co.
House-14(Level 4 & 5)
Road-16A, Gulshan-1
Dhaka-1212
Bangladesh
T+880 29883863

Certificate on Compliance of Conditions of the Corporate Governance Guidelines to the Shareholders of MJL Bangladesh Limited

We were engaged by MJL Bangladesh Limited (the "Company") to provide certification whether the Company has complied with the conditions of corporate governance guidelines issued by the Bangladesh Securities and Exchange Commission in its notification number SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 for the period ended 30 June 2017.

The Company's Responsibilities

Those charged with governance and management of the Company are responsible for complying with the conditions of corporate governance guidelines. Those charged with the governance of the Company are also responsible for stating in the director's report whether the Company has complied with the conditions of corporate governance guidelines.

Our responsibilities

Our responsibility is to examine the Company's status of compliance with the conditions of corporate governance guidelines and to certify thereon in the form of an independent assurance conclusion based on the evidence obtained. For the purpose of the engagement, we comply with ethical requirements, including independence requirements, and plan and perform our procedures to obtain assurance whether the Company has complied with the conditions of corporate governance guidelines.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, the Company has complied with the conditions of corporate governance guidelines for the period ended 30 June 2017.

Chartered Accountants

Dated: Dhaka
13 November 2017

Chartered Accountants
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COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Status of compliance with conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 is presented below:

(Report under Condition No. 7.00)

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
1.0	**Board of Directors**				
1.1	**Board's Size**				
	The number of Board of Directors should not be less than 5 (five) and more than 20 (twenty)		✓		
1.2	**Independent Directors**				
	(i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		
	(ii) a)	Who either does not hold any share or holds less than 1% shares to the total paid-up shares of the company;	✓		
	(ii) b)	Who is not a sponsor of the company and is not connected with the companies any sponsor or director or shareholder who holds one percent (1%) or more share of the total paid-up shares of the company on the basis of family relationship.	✓		
	(ii) c)	Who does not have any other relationship whether pecuniary or otherwise, with the company or its subsidiary/ associated companies or its subsidiary / associated companies.	✓		
	(ii) d)	Who is not a member, director or officer of any stock exchange?	✓		
	(ii) e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market?	✓		
	(ii) f)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm.	✓		
	(ii) g)	Who shall not be an independent director in more than 3 (three) listed companies.	✓		
	(ii) h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI).	✓		
	(ii) i)	Who has not been convicted for a criminal offence involving moral turpitude?	✓		
	(iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	(iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		
	(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
	(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1.3	**Qualification of Independent Director (ID)**				
	(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
	(ii)	The person should be a Business Leader / Corporate Leader / Bureaucrat / University Teacher with Economics or Business Studies or Law background / Professionals like Chartered Accountants, Cost & Management Accountants, and Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management / professional experience.	✓		
	(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	-	-	Not Applicable
1.4	**Chairman of the Board and Chief Executive Officer**				
	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals with defined different roles and responsibilities. The Chairman of the company shall be elected from among the directors of the company.		✓		
1.5	**The Directors' Report to Shareholders**				
	(i)	Industry outlook and possible future development in the industry.	✓		
	(ii)	Segment-wise or product-wise performance.	✓		
	(iii)	Risks and concerns.	✓		
	(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
	(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	-	-	Not Applicable
	(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	✓		
	(vii)	Utilization of proceeds from public issues, rights issues and / or through any others instruments.	-	-	Not Applicable
	(viii)	An explanation if the financial result deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	-	-	Not Applicable

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	-	-	Not Applicable
	(x)	Remuneration to directors including independent directors.	✓		
	(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 issuer 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)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		
	(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
	(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
	(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	-	-	Not Applicable
	(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
	(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	-	-	Not Applicable
	(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
	(xxi)	The pattern of shareholdings and name wise details disclosing the aggregate number of shares:			
	(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	✓		
	(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	✓		

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	(xxi) c)	Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit).	✓		
	(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		
	(xxii)	Appointment/Reappointment of Directors:			
	(xxii) a)	A brief resume of the director.	✓		
	(xxii) b)	Nature of his/her expertise in specific functional areas.	✓		
	(xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2.0	**Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)**				
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.		✓		
2.2	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors.		✓		
3.0	**Audit Committee**				
	(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
	(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
	(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
3.1	**Constitution of the Audit Committee**				
	(i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
	(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	✓		
	(iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	✓		

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	-	-	Not Applicable
	(v)	The company secretary shall act as the secretary of the Committee.	✓		
	(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
3.2	**Chairman of the Audit Committee**				
	(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
	(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
3.3	**Role of Audit Committee**				
	(i)	Oversee the financial reporting process.	✓		
	(ii)	Monitor choice of accounting policies and principles.	✓		
	(iii)	Monitor Internal Control Risk management process.	✓		
	(iv)	Oversee hiring and performance of external auditors	✓		
	(v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓		
	(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓		
	(vii)	Review the adequacy of internal audit function.	✓		
	(viii)	Review statement of significant related party transactions submitted by the management.	✓		
	(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	✓		
	(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	-	-	Not Applicable

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
3.4	**Reporting of the Audit Committee**				
3.4.1	**Reporting to the Board of Directors**				
	(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
	(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
	(ii) a)	Report on conflicts of interests.	-	-	Not Applicable
	(ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system.	-	-	Not Applicable
	(ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations.	-	-	Not Applicable
	(ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately.	-	-	Not Applicable
3.4.2	**Reporting to the Authorities:**				
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.		-	-	Not Applicable
3.5	**Reporting to the Shareholders and General Investors:**				
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.		✓		
4.0	**External /Statutory Auditors should not engage in the following services**				
	(i)	Appraisal or valuation services or fairness opinions.	✓		
	(ii)	Financial information systems design and implementation.	✓		
	(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
	(iv)	Broker-dealer services.	✓		
	(v)	Actuarial services.	✓		
	(vi)	Internal audit services.	✓		
	(vii)	Any other service that the Audit Committee determines.	✓		
	(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		

Condition No.		Title	Compliance status Put (✓) in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	(ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7	✓		
5.0	**Subsidiary Company**				
	(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	✓		
	(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	✓		
	(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓		
	(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓		
	(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
6.0	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**				
	The CEO and CFO shall certify to the Board that:-				
	(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:			
	(i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
	(i) b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
	(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7.0	**Reporting and Compliance of Corporate Governance**				
	(i)	The company shall obtain a certificate from a practicing Professional Accountant/ Secretary (Chartered Accountant/ Cost and Management Accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		
	(ii)	The directors of the company shall state in the directors' report whether the company has complied with these conditions.	✓		

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear shareholders,

The Board of Directors of MJLBL take the pleasure in presenting the Audited Statement of Financial Position, Statement of Profit or Loss & other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the reporting period ended June 30, 2017 along with the Auditors Report thereon for your valued consideration.

Global economic outlook

Overview

As per the International Monetary Fund (IMF), the global upswing in economic activity is strengthening, with global growth projected to rise to 3.6% in 2017 and 3.7% in 2018. But the recovery is not complete: while the baseline outlook is strengthening, growth remains weak in many countries and inflation is below target in most advanced economies. Commodity exporters, especially of fuel, are particularly hard hit as their adjustment to a sharp step-down in foreign earnings continues. Besides, while short-term risks are broadly balanced, medium-term risks are still tilted to the downside. For policy-makers, the welcome cyclical pick-up in global activity provides an ideal window of opportunity to tackle the key challenges that include:

- Boosting potential output while ensuring its benefits are broadly shared
- Building resilience against downside risks

Managing these challenges proactively represents a positive development and provides good cause for greater confidence. However, a closer look suggests that the global recovery may not be sustainable—inflation often remains below target with weak wage growth and the medium-term outlook still disappoints in many parts of the world. The recovery is also vulnerable to some other serious risks. Financial markets that ignore these risks are susceptible to disruptive re-pricing and are sending a misleading message to policy-makers, who, in turn, need to maintain a longer-term vision and seize the current opportunity to implement the structural and fiscal reforms needed for greater economic resilience, productivity and investment.



Emerging markets have faced pressures in the face of trade liberalization and technological change, but growth has, in many cases, lifted all deciles of their income distributions and attitude towards trade's effects on labour markets remains largely optimistic.

Behind recent positive growth developments, longer-term trend per capita growth rates in many economies will be lower than trend growth rates of the past. In particular, most advanced economies face medium-term growth rates significantly lower than in the decade before the global financial crisis of 2007-09. The reasons behind these slowdowns differ across countries. For some economies, notably China's, declining long-term growth is a natural result of rebalancing and convergence. For emerging commodity exporters, which benefited from China's own rapid manufacturing growth in the past years, permanently lower export prices call for new growth models. For advanced economies, expected slow productivity growth and ageing workforce play major roles. Lower trend per capita growth rates can be problematic for several reasons: they make it harder for the poor to raise their living standards; they raise the pain of reallocating resources in the face of economic changes; they deter productivity-enhancing investment; they harm the sustainability of publicly-funded social safety nets; and they feed political resentment by undermining hopes for the future and beliefs about the fairness of economic outcomes.

Outlook

Global economic growth is projected to increase from 3.2% in 2016 to 3.6% in 2017 and 3.7% in 2018—representing an upward revision of 0.1 percentage point for both 2017 and 2018 relative to April. Economic activity is projected to pick up speed in all country groups except for the Middle East and forecasts of the strength of the outlook by region have changed only modestly.

The growth rate for emerging markets and developing economies is forecast to rise to 4.6% in 2017, 4.9% in 2018 and about 5% over the medium term. In per capita terms, growth rates are about 1.3 percentage points lower, but substantially above the per capita growth rate for advanced economies (1.4%, on average, during 2017-22), implying a gradual convergence in GDP per capita between the two country groups. The upward revisions to the growth forecast primarily reflect stronger projected activity in China and in emerging Europe for 2017 and 2018. For emerging markets and developing economies, this pace of growth and convergence is slower than during the past decade, but faster than during 1995–2005.

Aligned with a stronger-than-expected rise in growth in advanced economies so far in 2017 (especially in the Euro area), their projected growth rate has been revised upwards to 2.2% for 2017 (from 2% projected in April)—a notable increase from 1.7% in 2016. The advanced economy forecast for 2018 is unchanged, with lower projected US growth (under the assumption that fiscal policy will not provide the previously envisaged boost to demand) offsetting higher projected growth in the Euro area.

Bangladeshi economy review

The USD 220 billion Bangladeshi economy is growing fast with mega developmental projects, including the Taka 30,000 crore Padma Bridge, Taka 22,000 crore Dhaka Metro Railway, elevated expressway, flyovers, dozens of export processing zones (EPZ) and the Payra seaport expansion, among others.

As referenced from the provisional estimates by the Bangladesh Bureau of Statistics (BBS), the growth rate of the country's gross domestic product (GDP) is expected to reach 7.24% in FY2016-17, which was 7.11% in FY2015-16, representing a healthy 13 bps growth despite a challenging macro-economic environment. This will be the third time in the country's history over the last two decades (since FY2006-07) that the GDP growth would cross the threshold 7% mark.

Simultaneously, for FY2016-17, Bangladesh's per capita gross national income (GNI) has been projected to be about USD 1,602, which is USD 138 higher than the preceding year of FY2015-16. Even though GNI recorded a growth of 9% in FY2016-17, it must be noted that the

previous growth figure of GNI was 11.3%. As regards per capita GDP, this too has been estimated to rise to USD 1,538 in FY2016-17 from the previous level of USD 1,385 in FY2015-16, registering an increase of USD 153 (11% growth). Lower growth of GNI compared to the GDP is attributed to the falling inflow of remittances (resulting in current account deficit) along with marginal depreciation of the Bangladeshi Taka (BDT) against the United States Dollar (USD), both a departure from recent trends.

Of the estimated growth rate of 7.24% for the year FY2016-17, it can be discerned that the agriculture sector's contribution will be to the tune of 0.5% (0.43% in FY2015-16), contribution of industry about 3.18% (3.24% in FY2015-16) and that of the services sector about 3.31% (3.21% in FY2015-16). As is observed, the industrial sector's contribution is underpinned by the manufacturing sector, despite lower growth of export earnings.

It has been found that the services sector's contribution is mainly enhanced by growth of public administration and Defence, education, health and social work and wholesale and retail trade and repair of motor vehicles, motorcycles and personal and household goods. These sectors account for as much as 50.2% of the estimated 3.31% growth on account of the services sector. Indeed, if this year's elevated growth figure is considered, it can be observed that additional growth has been driven by the services sector, while somewhat declined contribution of the industrial sector has been compensated by that of the agriculture sector.

Agriculture is the largest employer in Bangladesh. It employs 47% of the total labour force and makes up 87% of rural employment comprising 16% of the country's GDP. Two-thirds of rural households rely on both farm and non-farm incomes. Interestingly, a 10% rise in farm income generates a 6% rise in non-farm income. Policy reforms, investment in research, mechanisation and use of high-yielding crop varieties have driven growth in the country's agricultural sector. (Source: The Dhaka Tribune)

As reported by the BBS, investment as a percentage of GDP is expected to rise by 0.6 percentage points to 30.27% in FY2016-17, thanks primarily to a spurt in the public investment levels. However, the investment-GDP ratio figure is still 0.63 percentage points lower than the Seventh Five Year Plan's (7FYP) projection of 30.9%. According to the 7FYP, by the end of FY2019-20, investment-GDP ratio is expected to be 34.4%. Private investment as a percentage of GDP is projected to be only 0.02 percentage points higher in FY2016-17, though during the preceding year the recorded change was 0.92 percentage points. For public investment as a percentage of GDP, the BBS projection is expected to rise by 0.59 percentage points.

Bangladesh's transformation!

"The Bangladeshi economy has undergone a major transformation over the past two decades. This change has been spearheaded by the rapid expansion of the garment industry, which has helped reduce poverty and raise the employment of women. The result has been a sustained increase in per capita income. It is important to recognize that Bangladesh is making important progress toward its goal of middle-income status. Bangladesh also stands out in terms of development indicators. Poverty has been nearly halved since 1990. Inequality remains low and stable. Your country also stands out among low-income countries in terms of life expectancy, child mortality and access to water and sanitation. In addition, there has been good progress on financial inclusion. This includes efforts to enhance access and usage of financial services. Bangladesh compares very favorably with other developing countries across a broad range of financial inclusion indicators."

Extracted from a speech by Misuhiro Furusawa, Deputy Managing Director, IMF, on Bangladesh

Outlook

The latest report by the Asian Development Bank (ADB) states that the Bangladeshi economy will grow to 6.9% in 2016-17 and remain unchanged in the following year.

"In Bangladesh, South Asia's garment industry leader, exports are a key element driving growth that is forecast at 6.9% in 2017 and 2018," the Asian Development Outlook (ADO) report said.

The ADB report also described the projected growth rate as "more impressive, given the sluggish growth in developed economies in Europe and elsewhere that Bangladesh relies upon as markets for its exports and as sources of remittances."

In the report, the ADB is confident about the nation's prevailing political situation, expecting that the political calm will continue and thus will support consumer and investor confidence.

At the same time, the report expects that the central bank would be aware of keeping inflation under check, while allowing ample private credit growth to support economic activity.

However, it points out that the gross domestic product (GDP) growth would be faster with higher demand in the Euro area and if the United Kingdom does not depreciate its currency against the United States Dollar.

The ADB is also optimistic about the macro-economic sectors and says in the report that increased wages and continued credit access will support sustainable private consumption.

Global lubricants industry

As per a report by Global Industry Analysts, Inc. (sourced from www.strategyr.com), a steady rise in vehicle ownership rates represents the key demand driver for lubricating oils and greases.

The report indicates that the global market for lubricating oils and greases is projected to reach 12.4 billion gallons by 2020, driven by the rise in vehicle ownership rates in developing countries. Besides, strong demand for a range of manufactured finished goods and the subsequent need to expand production capacities are compelling manufacturers to rely on machinery to automate their production and processing activities. The importance of smooth functioning of such machinery and the need to prevent equipment failure due to excess friction and lack of lubricity, are driving the demand for lubricating oils and greases.

Lubricating oils and greases help reduce friction and heat between moving mechanical parts in machinery and automobiles, thus preventing premature wear-and-tear and ensuring longer working life of machines. The automotive industry is one of the major markets for lubricating oils and greases. Automotive lubricants are used in the crankcase of a vehicle engine to ensure smooth operations.

Industrial machinery also represents a major end-use market for lubricating oils and greases. The health of the manufacturing sector therefore influences demand dynamics in the market. Improving global manufacturing PMI indices and the resulting expansion in production capacities will help drive growth in the industrial lubricants market. Moreover, the increase in manufacturing activity will spur investments in production machinery, thus creating a strong business case for industrial lubes.

In the automotive sector, stringent standards for controlling exhaust gas emissions from vehicles are necessitating frequent vehicle maintenance. This scenario creates lucrative opportunities for auto lubes in the automotive services sector. Moreover, use of engine oils in automobiles helps bring excellent fuel efficiency by reducing friction between different moving parts in an engine.

The Asia Pacific, including Bangladesh, represents the largest and the fastest growing market, with volume sales projected to grow at a CAGR of 5% over the medium-term. While automotive lubricants represent the largest product market, industrial lubricants are supported by the huge demand for industrial engine oils and growing consumption of process oils.

Bangladeshi lubricants industry overview

The lubricants industry in Bangladesh in the private sector is over a decade old.

The industry broadly includes application-wise segmentation comprising lubricants used for railways, aviation, marine, passenger and commercial vehicles (including trucks), motorcycles and other two-wheelers and industrial units, among others. Until 2000, only the state-owned oil companies were allowed to import, blend and distribute lubricants in the country. At that time, the majority of the lube oils (as much as 65%) contained no additives. The government liberalized the market and banned non-additive lubricants in 2001, to ensure minimum standards. Since then, more than 75 brands of lubricants, including renowned multinationals, have entered the market. But currently, about 7-8 brands account for as much as 54% of the total business.

Bangladesh's vehicle lubricant segment is extremely dense, with many lubricant manufacturing and exporting companies in the country. This, coupled by an ever-growing vehicle industry where more and more wheels are taking to the roads every day, the potential demand for lubricants is immense and is witnessing consistent growth over the years. Also, a stable government at the centre has ensured that there is holistic development in terms of fuelling the core growth sectors of the economy, including road networks and other infrastructure, thereby providing the much needed stimulus to industries to grow and prosper, hence providing the nation's lubricants industry to complement this stimulus.

The lubricant industry in the country is also buoyant when one considers the fact that consumers are conscious of buying the best possible and highest quality oil available in the market, without any waste additives. This is a common trend that is keenly observed when most consumers visit their mechanics for servicing their vehicles. Indeed, they are anxious of risking the performance of their vehicle due to the usage of oil of an inferior quality. With regards to this evolving environment, customer education has not only gained centre-stage but has also provided branded lubricants players to have a stronger footing in the market because of their ability to actively demonstrate the performance and tangible benefits of using their products.

Moreover, there also exists the possibility of low quality lubricant imports from developed countries which are repackaged and sold in the country at cheaper prices, which, as per estimates, tend to be nearly half of that of branded and superior quality lubricants. In such a scenario, the government has been focusing on curbing such illegal imports and is working towards raising mass awareness for buying good quality lubricants.

Interestingly, some of the key factors that affect consumer buying decisions include:

- Performance
- Price
- Higher API grades
- Quality
- Goodwill
- Packaging aesthetics
- Availability

It has also been observed that a large number of consumers are also becoming increasingly comfortable in buying lubricants whose popularity rides on word-of-mouth and thus are not that price-conscious or sensitive. This plays to the advantage of brands, having been promoted extensively and gaining consumer trust through excellence in quality and through stringently and rigorously adhering to the highest quality standards.

The automotive sector accounts for 67% of the total lubricant consumption in Bangladesh and the industrial sector the remaining 33%. But the growth in the lubricants industry in the last few years has mostly been due to the growth in the industrial sector, especially the power sector. Cement, steel and fertilizer industries also consume a good amount of lubricants. The proportion of lubricants consumed by the industrial sector is expected to increase even more in the future as industries grow and the demand for lubricants to be used in this sector increases.

The Bangladeshi lubricants market is growing at almost 3% a year, which is on par with India, but is behind China. The sector has been witnessing steady growth especially in the automotive and industrial sectors. The annual demand today stands at nearly 1 lakh tonnes. Moreover, over the last decade or so, the market for lubricants has nearly doubled to more than Taka 2,200 crore from Taka 1,100 crore on increasing customer awareness leading to strong

and sustainable demand. With the falling oil prices, greater awareness and demand for lubricants and rise in the demand of the resource from end-user industries, the country's lubricants sector is projected to expand at an even faster growth rate, going ahead.

Interestingly, the consumption of engine oil can grow by 5-6% annually if there is a constant supply of electricity and gas. As Bangladesh sees more and more investments in infrastructure development as well as social uplift, there has been marked growth in terms of penetration of gas and electricity even in the hinterlands, thus laying the foundations of stable demand for lubricants even at the grassroots, while complementing this demand in urban agglomerations.

Beyond the automobiles and heavy vehicles sector, the lubricants segment sees strong growth through consistent demand from segments including industries like power plants, cement, steel and fertilizers.

Bangladeshi lubricants industry drivers

Surge in the automotive industry: A steady rise in the purchasing power of the middle-class and affordable automobile loans are contributing to the growth of car sales in Bangladesh, as per a report by The Daily Star. The auto loan portfolio of banks grew 22.36% to Taka 1,413 crore in 2016 compared to a year ago. Also, the number of auto loan accounts saw a 17.52% growth to 14,702 accounts last year. Declining lending rates for the past two years have been pushing up the demand for auto loans.

Moreover, greater affordability is also driving sales. Earlier borrowers had to pay 15-16% interest for an auto loan, but now the rate has come down to as low as 10%. According to Bangladesh Reconditioned Vehicles Importers and Dealers Association (BARVIDA), the total number of registered private cars in the country was 3.5 lakh as of March 2017. The size of the car market now stands between Taka 4,000 crore and Taka 5,000 crore with an annual growth rate of 15-20%. BARVIDA data shows that 15,000 private cars are imported on an average per year. This growth was driven by a growing middle-class population.

Growing middle-class: Boston Consulting Group (BCG), in a research, showed that two million Bangladeshis join the ranks of middle and affluent class every year. Per capita income rose to USD 1,602 in the last fiscal year, up from less than USD 500 a decade ago, according to the Bangladesh Bureau of Statistics (BBS). Growing affluence and increasing disposable incomes portend increasing consumerism that could potentially drive the demand for lubricants in the country.

Infrastructure creation: Bangladesh has shown that there is no river that it cannot cross to achieve its goals. Since its opening, the 5.6-kilometer Bangabandhu Bridge (popularly called Jamuna Multi-purpose Bridge) on the Jamuna River has brought together millions of people in Bangladesh and also served as a basis for the transmission of electricity, natural gas and phone lines between the two halves of the country. The bridge connects Bhuapur on the Jamuna River's east bank to Sirajganj on its west bank.

Seeing the bright economic, infrastructural and social prospects of the country, the Asian Development Bank will increase public- and private-sector lending to Bangladesh to USD 8 billion for 2016 through 2020 to help the country build the infrastructure and skills needed for a strong, diversified economy and to strengthen trade links within the region.

The Padma Bridge, positioned as an iconic symbol of Bangladesh's rising economic might, is a multipurpose road-rail bridge across the Padma River. When completed, it will be the largest bridge in Bangladesh and the first fixed river crossing for road traffic. It will connect Louhajong, Munshiganj to Shariatpur and Madaripur, linking the south-west of the country to northern and eastern regions. The bridge is one of the most challenging projects globally, being constructed on the second largest river flow in the world. Every second, approximately 140,000 cubic metres of water flows through the project area. The Government has undertaken massive development programmes targeting the Padma Bridge. It is planning to establish a high-tech park in Shariatpur. In Bagerhat,

it has already started the construction of an airport. The bridge will also connect the Payra port. According to economists, the Bridge will add 1.66% growth to the nation's GDP. The benefit-cost ratio of Padma Bridge is also very high. The country will greatly benefit from reduced travel time and the increased connectivity will help link the backward regions with the rest of the country. It will also connect the country's second-most important port at Mongla and the industrial zone in Khulna. Padma Bridge will also provide strategic connectivity to the Asian Highway and the trans-Asian railway.

Garments industry growth: The transformation in the Bangladeshi economy has been spearheaded by the rapid expansion of the garments industry, leading to a reduction in poverty as also a rise in employment opportunities for women. The apparel industry, which accounted for 80% of the total exports worth USD 34.24 billion in 2015-16, hopes to increase its share of earnings through substantive investments in renovating factories and improving working conditions.

Deepening reach of the financial services industry: There has also been good progress on financial inclusion, including efforts to enhance access and usage of financial services. Bangladesh has been a favourable country for foreign investment while there is also a huge scope to pursue capital markets development to channel savings toward long-term investments. There is confidence among investors and consumers as Government expenditure is set to rise. (Source: IMF)

Rising FDI into the country: As per a Reuters report, while India announced a USD 2 billion credit line to Bangladesh for infrastructural investments, etc,. China has committed a massive USD 24 billion credit line to the country. The funding comprises projected investments in augmenting the country's power capacity through the construction of power plants and in other key areas such as mega infrastructure projects, agriculture, energy, transportation and information technology, among others.

Focus on EPZ: As per a PwC report, foreign companies are increasingly considering investments into Bangladesh from multiple perspectives, comprising the positioning of Bangladesh as a manufacturing hub for exports in terms of leveraging local capabilities, cost advantages and available incentives. Export processing zones (EPZs) have been built by the government to provide ready infrastructure, along with fiscal and non-fiscal incentives to attract investments. Moreover, global firms are increasingly focusing on serving the domestic market, especially in sectors with large potential, such as food, banking and telecommunications, which is being driven by the emerging middle-class. The Bangladesh Institute of Development Studies (BIDS) reported that 20% of the country's total population is in the middle-income segment with the share expected to increase to 33% by 2030.

Rising clout of M/SMEs: As per a report by The Daily Star, M/SMEs now occupy an important position in the national economy. They account for about 45% of manufacturing value addition, about 80% of industrial employment, about 90% of total industrial units and about 25% of the labour force. Their total contribution to export earnings varies from 75-80%. The industrial sector makes up 31% of the country's gross domestic product, most of which is being increasingly derived from the large number of SMEs.

The total number of SMEs in Bangladesh is estimated to be 79,754 establishments. Of them, 93.6% are small and 6.4% are medium. The 2003 Private Sector Survey estimated that there are about 6 million micro, small and medium enterprises, with fewer than 100 employees. About 60-65% of all SMEs are located outside the metropolitan areas of Dhaka and Chittagong.

The country's SME sector has created roughly 20 lakh jobs between 2009 and 2016. Today, private and foreign banks disburse half of all farm loans and a third of these are going to SMEs.

The potential of SMEs in the country is significant. Every year about two million young people join the country's workforce. Half of them find jobs at home or abroad. So, it has become a challenge to create more jobs so that the rest can be employed. SMEs can be an answer to some of the major economic and employment problems

facing the country today. The target of achieving double-digit growth hinges largely on the performance of the small and medium enterprises. In a labour surplus country like Bangladesh, SMEs can play a substantial role in providing the impetus to the development of the modern manufacturing sector and job creation outside the agriculture and informal sectors.

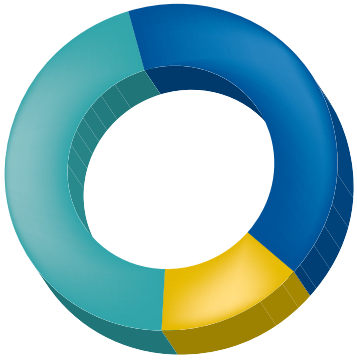
For a developing country like Bangladesh, SMEs are a cost-effective way towards the reduction of unemployment.

Since Bangladesh has not yet displayed adequate performance in large-scale industries that are predominantly owned and operated by public bodies, the country can solve its unemployment situation by encouraging SMEs. In a way, inclusive growth can only be achieved through a vibrant SME sector in a country like Bangladesh.

Our performance

We, at MJLBL have been able to achieve remarkable financial performance for the period ended June 30, 2017, at a time when the overall economy faced several challenges. Revenue for the same period was surged by 3% to reach BDT 8,079 million. This has been possible due to our adherence to our customer needs and delivering high-performance products in a highly competitive market. The manufacturing, trading and oil tanker unit generates around 45%, 41% and 14% of MJLBL's total revenue respectively.

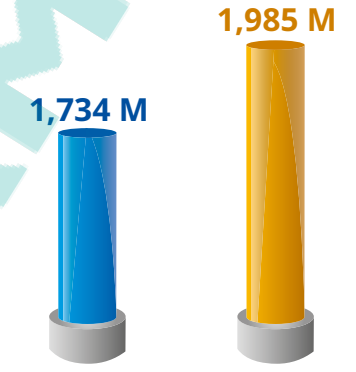
JULY 2016-JUNE 2017



Oil Tanker	14%
Manufacturing	45%
Trading	41%

We have been able to reduce our cost of revenue by a respectable 4% due to prudent management of costs and efficient sourcing of raw materials. Gross profit margin went up to 39.41% in 2016-17 compared with 35.28% of 2015-16. Profit after tax increased by 14% to reach BDT 1,985 million.

PROFIT AFTER TAX



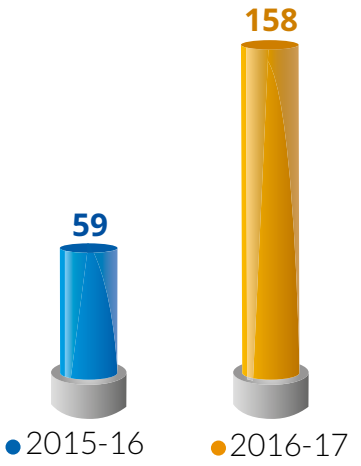
Most importantly, we have been able to reduce our financial charges by 57% in 2016-17 compared to previous reporting period of 2015-16. This has been possible by balancing optimum utilization of bank borrowings, internal funds and equity.

The sound credit worthiness of MJLBL also helped us to secure funds at a very competitive pricing.

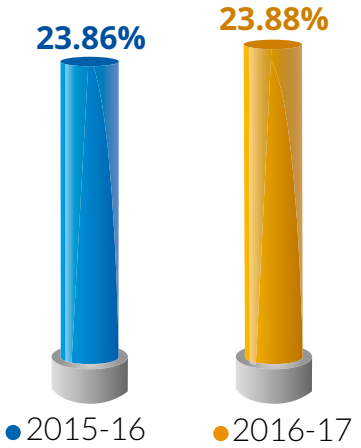
FINANCIAL CHARGES



INTEREST COVERAGE RATIO



RETURN ON CAPITAL EMPLOYED



This noteworthy performance contributed to a higher return on capital employed, which increased to 23.88% from 23.86% of the previous reporting period 2015-16. The interest coverage ratio for the period of 2016-17 was 158 times compared to 59 times of the previous period. This is a good indicator of MJLBL's financial capacity to serve its outstanding debt and a reassurance for all lenders.

Earnings per share stood at BDT 6.58 in 2016-17 compared to BDT 5.75 of the previous reporting period. Market capitalization appreciated by 38% to reach BDT 36,653 million (as on 30 June 2017) on the Dhaka Stock Exchange.

Parent/Subsidiary/ Associated companies

MJL Bangladesh is a Public Limited Company listed on the Dhaka and Chittagong Stock Exchanges. The major shareholders of the company are EC Securities Limited and Jamuna Oil Company Limited owning 52.062% and 19.454% stakes respectively. The rest 28.484% shares are owned by General Public, Institutes & non resident Bangladeshi.

MJL Bangladesh Ltd is the parent company of Omera Petroleum Ltd (OPL), Omera Cylinders Ltd (OCL) and MJL AKT Petroleum Company Limited. Details of these subsidiaries are reported in page no 206, 223, 233 of this annual report.

MJL Bangladesh Limited has also formed an associate company incorporated in Singapore by the name of MJL (S) PTE LTD on May 18, 2016. It has been operating for principal activities being wholesale of solid, liquid and gaseous fuels and related products. It is also acting as a trading and investment arm of MJL Bangladesh Limited.

Related party transaction

A statement on related party transactions is shown in page no 194 of this annual report

Corporate and financial reporting framework

The members of the board, in accordance with the Bangladesh Securities and Exchange Commission's Notification no: SEC/ CMRRCD/2006-158/134/ Admin/44dated 07 August 2012, confirm compliance with the financial reporting framework for the following:

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

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

c. 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.

d. International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

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

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

Reporting and compliance of corporate governance guideline

The Company obtained a certificate of compliance regarding corporate governance from Howladar Yunus and Co. which is shown in page no 99 of this annual report.

Risk factors

Different risk factors and management perception about their mitigation is reported in page no 128 of this annual report.

Key operating and financial data of last five years

Key operating and financial data of last five years is shown in page no. 79 of this annual report.

Dividend

Profit after tax during the year stood at BDT 1,985 million

in 2016-17 against BDT 1,734 million of the previous reporting period indicating a sharp increase of 14% in value. The Board has recommended 45% cash dividend i.e. Taka 4.5 per share in its meeting held on October 26, 2017, having record date of November 23, 2017.

Contribution to the national exchequer

MJLBL regularly pays its corporate tax, withholding tax and VAT on time. We have deposited BDT 688 million to the government exchequer as withholding tax and corporate tax in the reporting period of 2016-17. We have also deposited BDT 2,230 million as VAT in the same period

Shareholding pattern

The shareholding pattern of the company at the end of June 2017 is shown in page no 135 of this annual report.

Board meetings and attendance

During the period ended June 30, 2017, five meetings of the Board of Directors were held. The attendance of the Directors is shown in page no 127 of this annual report.

Audit committee

During the period ended June 30, 2017, five meetings of the Board of Audit Committee were held. The attendance of the members is shown in page no 127 of this annual report.

Going concern

The financial statements of the company have been prepared on a going concern basis, which encompasses the realization of assets and the satisfaction of liabilities in the normal course of business. The Board of Directors of MJLBL has made an annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the company's ability to continue as a going concern and confirms the entity as a going concern.

Human resources

Details on human capital of the company is shown in page no 141 of this annual report

Directors' profile

Directors' profile along with their representation in other company is shown in page no 31 of this annual report.

Directors' remuneration

Directors' are not entitled for any remuneration other than the fees for attending the meeting of the Board and its Committee. The amount of remuneration paid to directors is also disclosed in page no 191 of this annual report.

Director's election and re-appointment

As per provisions of the Companies Act 1994 and the Articles of Association of the company, one-third of the total number of Directors is to retire by rotation every year. The Board of Directors of the company comprises eight members including two Independent Directors. The Board in its meeting held on October 26, 2017, has appointed Mr. Md. Quamrul Hasan as a nominated Director of Jamuna Oill Company Limited replacing Mr. Md. Masudur Rahman. Accordingly, two existing Directors, Mr. Md. Quamrul Hasan and Mr. Tanjil Chowdhury will retire from the Board at the 19th Annual General Meeting and, being eligible, offered themselves for re-election.

Appointment of auditors

The auditors, ACNABIN Accountants, will retire at the conclusion of the ensuing Annual General Meeting. As per Bangladesh Securities and Exchange Commission notification no. SEC/CMRRCD/2009-193/104/Admin dated July 27, 2011; every public listed company shall not appoint any firm of Chartered Accountants as its statutory auditors for a consecutive period exceeding three years. Since ACNABIN is eligible for re-appointment, they have expressed their interest to perform the audit of the company's financial statements for the year 2017-2018. Therefore, the Board

of Directors has proposed, ACNABIN Chartered Accountants to engage as statutory auditors (subject to approval at the 19th Annual General Meeting to be held on December 24, 2017 by the members of the company) up to the 20th Annual General Meeting to be held in 2018.

Appreciation

Finally, on behalf of the Board, I would like to take this opportunity to thank all the employees of MJLBL for their tremendous efforts, passion and resilience in delivering results in a fiercely competitive environment. I would also like to express sincere gratitude to the shareholders and all stakeholders of the company for their continued support that has paved the way for sustainable success. The Board is also grateful to the Government of Bangladesh, Ministry of Energy and Mineral Resources Division, Ministry of Commerce and Industries, Bangladesh Bank (BB), Bangladesh Investment Development Authority (BIDA), National Board of Revenue (NBR), Bangladesh Securities & Exchange Commission (BSEC), Registrar of Joint Stock Companies and Firms (RJSC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Central Depository Bangladesh Limited (CDBL), Chief Controller of Export and Import, MJLBL's bankers and financial institutions, vendors and other business partners for their cooperation extended to the company during the year.

Thank you all.

On behalf of the Board of Directors

Nazimuddin Chowdhury
Chairman



শেয়ারহোল্ডার সমীপে পরিচালক প্রতিবেদন

সুপ্রিয় শেয়ারহোল্ডারগণ,

এমজেএলবিএল-এর পরিচালনা পর্ষদ ২০১৭ সালের ৩০ জুন পর্যন্ত আর্থিক পরিস্থিতির নিরীক্ষাকৃত প্রতিবেদন, সামগ্রিক আয়ের প্রতিবেদন, নগদ প্রবাহের প্রতিবেদন এবং ইকুইটি পরিবর্তনসংক্রান্ত প্রতিবেদন সন্তুষ্টির সঙ্গে আপনাদের মূল্যবান বিবেচনার জন্য উপস্থাপন করছে।

বৈশ্বিক অর্থনৈতিক চিত্র

সারসংক্ষেপ

আন্তর্জাতিক মুদ্রা তহবিলের (আইএমএফ) বিবেচনায়, বৈশ্বিক অর্থনৈতিক কার্যক্রম উর্দ্ধমুখী রয়েছে এ মুহূর্তে। ২০১৭ সালের ৩.৬% থেকে ২০১৮ সালের বৈশ্বিক প্রবৃদ্ধি ৩.৭% এ উন্নীত হবে বলে ধরা হয়েছে। কিন্তু অথীর্নতির পুনরুদ্ধারপর্ব শেষ হয়নি এখনো; প্রাথমিক লক্ষণসমূহ জোরদার হলেও অনেক দেশেই প্রবৃদ্ধি এখনো দুর্বল এবং উন্নত দেশেও লক্ষ্যমাত্রার নিচে রয়েছে মুদ্রাস্ফীতি। এর প্রতিঘাত পড়েছে পণ্য রপ্তানিকারক, বিশেষত জ্বালানি খাতের ওপর, যেহেতু বৈদেশিক মুদ্রা অর্জনের নিম্নগতির সাথে নিজেদেরও মানিয়ে নিতে হচ্ছে তাদের। এছাড়া, স্বল্পমেয়াদী ঝুঁকিসমূহে মোটামুটি ভারসাম্য আনা সম্ভব হলেও এখনো নিম্নগামী রয়েছে মাঝারি-মেয়াদী ঝুঁকির ক্ষেত্রসমূহ। নীতিপ্রণেতাদের সামনে বৈশ্বিক কার্যক্রমের চক্রাবর্তিক গতিশীলতা এ সময়কার প্রধান চ্যালেঞ্জগুলো মোকাবেলা করার এক সুবর্ণ সুযোগ খুলে দিয়েছে, যার মধ্যে রয়েছে:

- সম্ভাব্য উৎপাদন বাড়ানো যেখানে নিশ্চিত করা হবে বৃহত্তর অংশীদারিত্ব
- নিম্নগামী ঝুঁকির বিরুদ্ধে সহনশীলতা গড়ে তোলা

উদ্যোগী ভূমিকা নিয়ে এসব চ্যালেঞ্জের মোকাবেলা করার বিষয়টি এক ইতিবাচক অগ্রগতি এবং বৃহত্তর আস্থার যোগানদাতা। যদিও একটু গভীরভাবে লক্ষ্য করলে দেখা যাবে, বৈশ্বিক পুনরুদ্ধার কার্যক্রম টেকসই নাও হতে পারে। প্রায়শই লক্ষ্যমাত্রার নিচে অবস্থান করছে মুদ্রাস্ফীতি, মজুরি প্রবৃদ্ধিও দুর্বল এবং বিশ্বের অনেক অঞ্চলে মাঝারি-মেয়াদী দৃষ্টিভঙ্গি এখনো হতাশাজনক। পরিপার্শ্বিক অন্যান্য কয়েকটি গুরুতর ঝুঁকির কারণে পুনরুদ্ধার প্রক্রিয়াটিও রয়েছে যথেষ্ট নাজুক পরিস্থিতির মধ্যে। যেসব আর্থিক বাজার এসব ঝুঁকি উপেক্ষা করে চলেছে তারা বিপর্যয়কর পুনর্মূল্যায়নের শিকার হতে পারে এবং এটি নীতিপ্রণেতাদের কাছে ভুল বার্তা প্রেরণ করছে।
নীতিপ্রণেতারা চান দীর্ঘমেয়াদী রূপকল্প টিকিয়ে রাখতে এবং বৃহত্তর অর্থনৈতিক স্থিতি, উৎপাদনশীলতা এবং বিনিয়োগের লক্ষ্যে প্রয়োজনীয় কাঠামোগত এবং আর্থিক সংস্কার বাস্তবায়নের ক্ষেত্রে বিদ্যমান সুযোগ কাজে লাগাতে।
বাণিজ্যিক উদারীকরণ এবং প্রযুক্তিগত পরিবর্তনের কারণে কিছুটা চাপের মধ্যে রয়েছে উদীয়মান অর্থনীতিসমূহ, যদিও অনেক ক্ষেত্রেই প্রবৃদ্ধির সুবাদে সম্ভব হয়েছে তাদের আয় বিতরণের দশমাংশ হার আগের তুলনায় ওপরে তুলে আনা এবং শ্রম বাজারের প্রতি বাণিজ্যিক প্রভাবের দৃষ্টিভঙ্গিও এ সময়ে প্রধানত থেকেছে ইতিবাচক।



সাম্প্রতিক ইতিবাচক এসব প্রবৃদ্ধি উন্নয়নের কারণে অনেক অর্থনীতিতে মাথাপিছু প্রবৃদ্ধি হারের দীর্ঘমেয়াদী প্রবণতা অতীতের প্রবৃদ্ধি হারের নিচে অবস্থান করবে। বিশেষত, অধিকাংশ উন্নত অর্থনীতিতে মাঝারি-মেয়াদী প্রবৃদ্ধিহার ২০০৭-০৯ সালের বৈশ্বিক আর্থিক সংকটের আগের দশকের চেয়ে অনেক নিচে থাকবে। বিভিন্ন দেশে এ শ্লথগতির কারণ হবে ভিন্ন ভিন্ন। কোনো কোনো অর্থনীতি, যেমন চীনে, প্রবৃদ্ধির দীর্ঘমেয়াদী নিম্নগামীতা হবে পুনঃভারসাম্যকরণ এবং সর্বসম্মিলনের স্বাভাবিক পরিণতি। গত বছর ম্যানুফ্যাকচারিং খাতে চীনের দ্রুত প্রবৃদ্ধির পরিণতিতে উদীয়মান পণ্য রপ্তানিকারকরা নতুন প্রবৃদ্ধি মডেল অনুসারে তাদের রপ্তানিমূল্য স্থায়ীভাবে কমিয়ে আনবে। উন্নত অর্থনীতির ক্ষেত্রে প্রত্যাশিত ধীরগতির উৎপাদন প্রবৃদ্ধি এবং হ্রাসপ্রবণ কর্মশক্তি প্রভাব ফেলবে। মাথাপিছু প্রবৃদ্ধির নিম্নগামী প্রবণতা বেশ কয়েকটি কারণে সংকটজনক হয়ে উঠতে পারে: এর কারণে দরিদ্রদের পক্ষে জীবনমান উন্নয়ন কঠিন হবে; অর্থনৈতিক পরিবর্তনের মুখে সম্পদের পুনর্বন্টন করাটা আরো কঠিন হবে; উৎপাদন বৃদ্ধির লক্ষ্যে বিনিয়োগের সামনে তৈরি করবে নতুন বাধা; সরকারি-অর্থায়নে পুষ্ট সামাজিক নিরাপত্তা বেষ্টনীর স্থায়ীত্ব ক্ষতিগ্রস্ত হবে; এবং আশাপ্রদ ভবিষ্যত এবং অর্থনৈতিক নায্যতায় মানুষের বিশ্বাসকে ক্ষতিগ্রস্ত করে তা রাজনৈতিক অসন্তোষ বৃদ্ধির কারণ হয়ে দাঁড়াতে পারে।

রূপচিত্র

বৈশ্বিক প্রবৃদ্ধি ২০১৬ সালের ৩.২% থেকে ২০১৭ সালে ৩.৬% এবং ২০১৮ সালে ৩.৭%-তে উন্নীত হবে। এর অর্থ, এপ্রিলকে হিসেবে নিয়ে ২০১৭ এবং ২০১৮ সালের মধ্যে প্রবৃদ্ধির উর্দ্ধগতি থাকবে দশমিক ১ শতাংশ। মধ্যপ্রাচ্যের দেশগুলো ছাড়া অন্য সর্বত্র অর্থনৈতিক কার্যক্রম আরো গতিশীল হবে এবং আঞ্চলিক ভিত্তিতে অর্থনৈতিক শক্তিমত্তার ক্ষেত্রে পরিবর্তন হবে যৎসামান্য।

উদীয়মান এবং উন্নয়নশীল দেশের প্রবৃদ্ধি হার ২০১৭ সালে ৪.৬%, ২০১৮ সালে ৪.৯% এবং মধ্যম মেয়াদে ৫%-এ উন্নীত হবে। মাথাপিছু হিসাবে, প্রবৃদ্ধিহার ১.৩ শতাংশ কম, যদিও উন্নত দেশের মাথাপিছু প্রবৃদ্ধি হারের তুলনায় তা যথেষ্ট বেশি (২০১৭-২২ মেয়াদে গড়ে ১.৪%), যার অর্থ দুটি দেশের মধ্যে মাথাপিছু জিডিপির স্বাভাবিক সম্মিলন। সম্ভাব্য প্রবৃদ্ধির এ উর্দ্ধমুখী সংশোধনে মূলত প্রতিফলিত হচ্ছে ২০১৭ এবং ২০১৮ সালে চীন এবং উদীয়মান ইউরোপে জোরদার কর্মকান্ডের কথা। উদীয়মান বাজার এবং উন্নয়নশীল অর্থনীতিতে এই প্রবৃদ্ধির গতি এবং সম্মিলন প্রক্রিয়াটি হবে বিগত দশকের তুলনায় ধীরগতির যদিও ১৯৯৫-২০০৫ এর তুলনায় গতিশীল।

উন্নত অর্থনীতিতে (বিশেষত ইউরো এলাকায়) ২০১৭ সালে এখন পর্যন্ত প্রত্যাশার চেয়ে শক্তিশালী উত্থানের সঙ্গে সঙ্গতি রেখে ২০১৭ সালে তাদের প্রবৃদ্ধি (এপ্রিল মাসের ২% থেকে) উর্দ্ধমুখী ২.২%-তে উপনীত হয়েছে, ২০১৬ সালের তুলনায় যা ১.৭% বৃদ্ধি। ২০১৮ সালে উন্নত অর্থনীতির প্রক্ষেপণ অপরিবর্তিত থাকবে, মার্কিন যুক্তরাষ্ট্রের নিম্নগামী প্রবৃদ্ধির (আর্থিক নীতিমালা বিদ্যমান চাহিদার বিপরীতে পূর্বে অনুমানকৃত সম্ভাব্য প্রবৃদ্ধি প্রদান করবে না ধরে নিয়ে) পরিণতিতে তৈরি করবে ইউরো এলাকার উর্দ্ধগামী প্রবৃদ্ধি।

বাংলাদেশের অর্থনৈতিক পর্যালোচনা

২২০ বিলিয়ন মার্কিন ডলারের বাংলাদেশী অর্থনীতি এগিয়ে চলেছে জোর কদমে, যেখানে অন্যান্যের মধ্যে রয়েছে ৩০ হাজার কোটি টাকার পদ্মা সেতু, ২২ হাজার কোটি টাকার ঢাকা মেট্রো রেলওয়ে, এলিভেটেড এক্সপ্রেসওয়ে, ফ্লাইওভার, কয়েক ডজন রপ্তানি প্রক্রিয়াকরণ অঞ্চল (ইপিজেড) এবং পায়রা সমুদ্র বন্দরের সম্প্রসারণ প্রকল্প।

বাংলাদেশ পরিসংখ্যান ব্যুরোর (বিবিএস) হিসাবে, ২০১৬-১৭ অর্থবছরে দেশের গড় জাতীয় উৎপাদনের প্রবৃদ্ধিহার হবে ৭.২৪% যা ২০১৫-১৬ অর্থবছরে ছিল ৭.১%। একটি চ্যালেঞ্জিং ম্যাক্রো-অর্থনীতির পরিবেশেও এতে প্রতিফলিত হয়েছে ১৩ বিপিএস প্রবৃদ্ধি। জাতীয় ইতিহাসে বিগত দুই দশকে এ নিয়ে তৃতীয়বারের মতো প্রবৃদ্ধির মাত্রা ৭% এর সূচক অতিক্রমণের ঘটনা ঘটলো।

এর সমান্তরালে ২০১৬-১৭ অর্থবছরে বাংলাদেশের মাথাপিছু গড় জাতীয় আয় (জিএনআই) ১,৬০২ মার্কিন ডলারে পৌঁছাবে বলে ধরা হয়েছে। পূর্ববর্তী ২০১৫-১৬ অর্থবছর থেকে এটি ১৩৮ মার্কিন ডলার বেশি। ২০১৬-১৭ অর্থবছরে জিএনআই ৯% প্রবৃদ্ধি ঘটলেও মনে রাখতে হবে এর আগে জিএনআই প্রবৃদ্ধি ছিল ১১.৩%। মাথাপিছু জিডিপি হিসেবে পূর্ববর্তী ২০১৫-১৬ অর্থবছরের ১,৩৮৫ মার্কিন ডলারের বিপরীতে ২০১৬-১৭ অর্থবছরে তা উন্নীত হবে ১,৫৩৮ মার্কিন ডলারে; ১৫৩ ডলার বা ১১% প্রবৃদ্ধি। সাম্প্রতিক পরিস্থিতির পরিবর্তনের কারণে মার্কিন ডলারের বিপরীতে বাংলাদেশি টাকার অবমূল্যায়ন এবং রেমিট্যান্স প্রবাহ কমে যাওয়ার কারণেই জিডিপির তুলনায় জিএনআইয়ের কম প্রবৃদ্ধি ঘটেছে।

২০১৬-১৭ অর্থবছরে ৭.২৪% প্রবৃদ্ধি হারের মধ্যে ধারণা করা যায়, কৃষিখাতের অবদান হবে ২০১৫-১৬ অর্থবছরের (০.৪৩%) ধারাবাহিকতায় ০.৫%, শিল্পখাতের অবদান হবে ২০১৫-১৬ অর্থবছরের (৩.২৪%) ধারাবাহিকতায় ৩.১৮% এবং সেবা খাতের অবদান হবে ২০১৫-১৬ অর্থবছরের (৩.২১%) ধারাবাহিকতায় ৩.৩১%। দেখা যাচ্ছে রপ্তানি আয়ের প্রবৃদ্ধি কম হলেও শিল্পখাতকে ছাড়িয়ে যাবে ম্যানুফ্যাকচারিং খাত।

দেখা গেছে, সেবা খাতের অবদান বৃদ্ধির মূল কারণ সরকারি প্রশাসন ও প্রতিরক্ষা, শিক্ষা, স্বাস্থ্য ও সমাজকর্ম, পাইকারি ও খুচরা বিক্রি, মোটর যান, মটর সাইকেল মেরামত এবং ব্যক্তিগত ও ঘরোয়া জিনিসপত্র কেনাকাটায় প্রবৃদ্ধি। সেবা খাতের অনুমিত ৩.৩১% প্রবৃদ্ধিতে এসব খাতের অবদান হবে প্রায় ৫০.২%। সত্যি বলতে, চলতি বছরের উন্নত প্রবৃদ্ধি হারকে বিবেচনায় নেয়া হলে দেখা যাবে, সেবা খাতের প্রবৃদ্ধির কারণে সম্ভব হয়েছে অতিরিক্ত প্রবৃদ্ধি এবং শিল্প খাতের অধোগামিতা পুষিয়ে দিতে উঠে এসেছে কৃষি খাতের প্রবৃদ্ধি।

বাংলাদেশে বৃহত্তম কর্মসংস্থান জোগান দিচ্ছে কৃষিখাত। মোট শ্রমশক্তির ৪৭% নিয়োজিত রয়েছে এ খাতে এবং পল্লী এলাকায় কর্মসংস্থানের ৮৭% নিশ্চিত হচ্ছে এর মাধ্যমে, দেশের জিডিপিতে যার অবদান ১৬ শতাংশ। গ্রামীণ এলাকায় দুই-তৃতীয়াংশ পরিবার কৃষিজ কিংবা অকৃষিজ আয়ের ওপর নির্ভরশীল। লক্ষ্যণীয়, কৃষিখাতে ১০% আয় বৃদ্ধির

পরোক্ষ অর্থ অকৃষিখাতে ৬% আয় বাড়িয়ে তোলা। দেশের কৃষিখাতে প্রবৃদ্ধি গতিশীল করার পেছনে ভূমিকা রেখেছে নীতিগত পর্যায়ে সংস্কার, গবেষণায় বিনিয়োগ, যান্ত্রিকীকরণ এবং উচ্চ ফলনশীল নানা জাতীয় শস্যের আবাদ। (সূত্র: দ্য ঢাকা ট্রিবিউন)

বিবিএস-এর প্রতিবেদন অনুসারে ২০১৬-১৭ অর্থবছরে জিডিপির শতাংশ হিসেবে বিনিয়োগ ০.৬% বেড়ে উন্নীত হবে ৩০.২৭% যার প্রধান কারণ সরকারি বিনিয়োগ বৃদ্ধি। অবশ্য সপ্তম পঞ্চবার্ষিকী পরিকল্পনায় উল্লিখিত ৩০.৯% সূচকের চেয়ে এখনো ০.৬৩% নিচে রয়েছে বিনিয়োগ-জিডিপি অনুপাত। ৭এফওয়াইপি অনুসারে ২০১৯-২০ অর্থবছরে বিনিয়োগ-জিডিপি অনুপাত ৩৪.৪% হওয়ার কথা। ২০১৬-১৭ অর্থবছরের ০.০২% ওপরে অবস্থান করবে জিডিপির শতাংশ হিসেবে বেসরকারি বিনিয়োগ, যদিও বিগত বছরে এ পরিবর্তন ছিল ০.৯২%। জিডিপির শতাংশ হিসেবে সরকারি বিনিয়োগ ০.৫৯% বৃদ্ধি পাবে বলে ভবিষ্যদ্বাণী করেছে বিবিএস।

আইএমএফ-এর উপ-ব্যবস্থাপনা পরিচালক মিশুহিরো ফুরুশাওয়া বাংলাদেশ সম্পর্কে তার বক্তব্যে বলেন, 'গত দুই দশকে বড় ধরনের পরিবর্তন পার হয়েছে বাংলাদেশের অর্থনীতি। এতে অগ্রণী ভূমিকায় ছিল পোশাক শিল্প, যার কারণে দারিদ্র্য বিমোচন এবং নারীর কর্মসংস্থান বাড়ানো সম্ভব হয়েছে। ফলশ্রুতিতে বেড়েছে মাথাপিছু আয়। লক্ষ্যণীয়, মধ্যম-আয়ের দেশ হয়ে ওঠার পথে গুরুত্বপূর্ণ অগ্রগতি সাধন করছে বাংলাদেশ। উন্নয়ন সূচকেও অনন্য অবদান রেখে চলেছে দেশটি। ১৯৯০ সালের তুলনায় অর্ধেকে নেমে এসেছে দারিদ্র্য। বৈষম্য হ্রাস পেয়ে রয়েছে স্থিতিশীল পর্যায়ে। স্বল্পোন্নত দেশগুলোর মধ্যে প্রত্যাশিত আয়ু, শিশুমৃত্যুহার এবং পানি ও পয়ঃনিষ্কাশন সুবিধার প্রশ্নে অনন্য অগ্রগতি সাধিত হয়েছে এখানে। আর্থিক অন্তর্ভুক্তির সূচকেও ব্যাপক অগ্রগতি ঘটেছে তাদের। এর মধ্যে রয়েছে আর্থিক সেবা প্রাপ্তি ও তার ব্যবহারের সুযোগ বৃদ্ধি। উন্নয়নশীল দেশসমূহে মোটা দাগে আর্থিক অন্তর্ভূক্তির সূচকে সুবিধাজনক অবস্থানে রয়েছে বাংলাদেশ।'

রূপরেখা

এশীয় উন্নয়ন ব্যাংকের (এডিবি) সর্বশেষ প্রতিবেদন অনুসারে, ২০১৬-১৭ অর্থবছরে বাংলাদেশের অর্থনীতির প্রবৃদ্ধি ঘটবে ৬.৯% এবং তা অপরিবর্তিত থাকবে পরের বছর।

এশীয় উন্নয়ন আউটলুকে (এডিও) বলা হয়, পোশাক শিল্পে দক্ষিণ এশীয় অঞ্চলের নেতা বাংলাদেশে রপ্তানির কারণে গতিশীল হচ্ছে প্রবৃদ্ধি যা ২০১৭ এবং ২০১৮ সালে ৬.৯% এ উন্নীত হবে বলে ভবিষ্যদ্বাণী করা হয়েছে।

এডিবির প্রতিবেদনে আরো বলা হয়, ইউরোপসহ অন্যান্য উন্নত অর্থনীতি যাদের ওপর বাংলাদেশ তার রপ্তানি ও রেমিট্যান্সের জন্য নির্ভরশীল তাদের নিজেদের শ্লথগতি অর্থনীতি সত্ত্বেও বাংলাদেশের এই প্রক্ষেপিত প্রবৃদ্ধি হার অত্যন্ত ইতিবাচক।

প্রতিবেদনে দেশের বিরাজমান রাজনৈতিক পরিস্থিতি সম্পর্কে আশাবাদ ব্যক্ত করে বলা হয়, আগামীতেও এ স্থিতিশীলতা অব্যাহত থাকবে এবং বিনিয়োগকারী ও গ্রাহকের আস্থা প্রতিষ্ঠায় সহযোগী ভূমিকা পালন করবে। একইসাথে অর্থনীতি সচল রাখতে বেসরকারি ঋণ সহায়তা প্রদানের পাশাপাশি মুদ্রাস্ফীতি নিয়ন্ত্রণে কেন্দ্রীয় ব্যাংক কার্যকর ভূমিকা রাখবে বলেও আশাবাদ ব্যক্ত করা হয়।

অব্যশ এতে বলা হয়, ইউরো অঞ্চলে চাহিদা বৃদ্ধির কারণে মার্কিন ডলারের বিপরীতে যুক্তরাজ্যের মুদ্রামানের অবমূল্যায়ন না ঘটালে গড় অভ্যন্তরীণ (জিডিপি) উৎপাদন দ্রুততর হবে। ম্যাক্রো-অর্থনীতি খাতেও ইতিবাচক প্রবণতা উল্লেখ করে এডিবি জানায়, টেকসই বেসরকারি ভোক্তাদের সহায়তা দেবে বর্ধিত মজুরি এবং অব্যাহত ঋণ প্রাপ্তির সুবিধা।

বৈশ্বিক লুব্রিক্যান্ট শিল্প

বৈশ্বিক শিল্প বিশ্লেষকদের প্রতিবেদন (www.strategyr.com) অনুসারে আরো বেশি মানুষের যানবাহনের মালিকানা লাভের ঘটনা লুব্রিক্যান্ট অয়েল এবং গ্রিজের চাহিদা বৃদ্ধিতে অবদান রাখবে। প্রতিবেদনে বলা হয়, বৈশ্বিক বাজারে লুব্রিক্যান্ট ও গ্রিজের চাহিদা ২০২০ সালে ১২.৪ বিলিয়ন গ্যালনে উন্নীত হবে। এর অন্যতম কারণ উন্নয়নশীল দেশে গাড়ির মালিকের সংখ্যা বৃদ্ধি। এছাড়া, অনেক ধরনের ম্যানুফাকচারিংয়ে ফিনিশড পণ্যের জোরালো চাহিদা বৃদ্ধি এবং উৎপাদন বাড়ানোর চাহিদার কারণে উৎপাদনকারীগণ চাইবেন তাদের উৎপাদন এবং প্রক্রিয়াকরণ পদ্ধতিতে আরো বেশি স্বয়ংচালিত যন্ত্রপাতির সূচনা ঘটাতে। এ ধরনের যন্ত্রপাতির কার্যক্রম নির্বিঘ্ন রাখা এবং লুব্রিসিটির অভাবে সংঘর্ষের ঘটনা এড়াতে অনিবার্য প্রয়োজন হিসেবে লুব্রিক্যান্ট অয়েল এবং গ্রিজের চাহিদা বাড়বে স্বাভাবিকভাবেই।

যন্ত্রপাতি এবং যানবাহনের ক্ষেত্রে লুব্রিকেটিং অয়েল এবং গ্রিজের কাজ হচ্ছে সচল অবস্থায় যান্ত্রিক উপকরণসমূহের মধ্যে পারস্পরিক সংঘর্ষ এবং তজ্জনিত উৎপন্ন তাপের পরিমাণ কমিয়ে রাখা। এর ফলে অকালে ক্ষয়রোধ সম্ভব হয় এবং নিশ্চিত হয় যন্ত্রপাতির দীর্ঘস্থায়ী কর্মজীবন। লুব্রিকেটিং অয়েল এবং গ্রিজের একটি বড় বাজার অটোমেটিভ শিল্প। ইঞ্জিনের সচলতা নির্বিঘ্ন রাখার জন্য একটি যানবাহনের ক্র্যাংকেসে প্রয়োগ করা হয় লুব্রিকেটিং অয়েল।

লুব্রিকেটিং অয়েল ও গ্রিজের আরেকটি এন্ড-ইউজার বাজার হচ্ছে শিল্পখাতের যন্ত্রপাতি। এভাবে বাজার চাহিদাকে প্রভাবিত করে থাকে ম্যানুফ্যাকচারিং খাতের স্বাস্থ্য পরিস্থিতি। শিল্পখাতে লুব্রিক্যান্ট বাজার প্রবৃদ্ধিতে ভূমিকা রাখতে পারে ম্যানুফ্যাকচারিং খাতে বৈশ্বিক সূচকের উন্নয়ন এবং এর ফলে তার উৎপাদন সামর্থ্য বৃদ্ধির ঘটনা। উপরন্তু ম্যানুফ্যাকচারিং খাতে কর্মকান্ড বৃদ্ধির কারণে যন্ত্রপাতি উৎপাদন খাতে বিনিয়োগ ত্বরান্বিত হবে যার মধ্য দিয়ে শিল্পখাতে লুবের সামনে খুলে যাবে লাভজনক ব্যবসায়িক সম্ভাবনার দুয়ার।

অটোমেটিভ খাতে, যানবাহন থেকে গ্যাস নির্গমনের ওপর কড়া মানদন্ড আরোপ হওয়ার দরুণ নিয়মিত হারে যানবাহন রক্ষণাবেক্ষণের গুরুত্ব বেড়েছে। এ দৃশ্যপট অটোমেটিভ সেবা খাতে অটো লুবের জন্য তৈরি করবে সম্ভাবনাময় সুযোগ। এছাড়া, যানবাহনে ইঞ্জিন অয়েল ব্যবহারের কারণে ইঞ্জিনের বিভিন্ন চলমান যন্ত্রাংশের মধ্যে পারস্পরিক সংঘর্ষ কমে আসায় জ্বালানি দক্ষতা বাড়বে যানবাহনের।

বর্তমানে বাংলাদেশসহ এশীয় প্রশান্ত মহাসগরীয় অঞ্চল হচ্ছে বিশ্বের সবচেয়ে

বৃহত্তম এবং দ্রুত বর্ধনশীল বাজার। মধ্যম মেয়াদে এর বিক্রয় প্রবৃদ্ধি ঘটবে সিএজিআর-এর ৫%। অটোমেটিভ লুব্রিক্যান্ট থাকবে বৃহত্তম পণ্য বাজার যদিও শিল্পখাতের লুব্রিক্যান্ট বাজার নির্ভর করবে শিল্পখাতে ইঞ্জিন অয়েলের চাহিদা এবং প্রসেস অয়েলের ক্রমবর্ধমান ব্যবহারের ওপর।

বাংলাদেশে লুব্রিক্যান্ট শিল্পের পর্যালোচনা

বাংলাদেশে বেসরকারি খাতের লুব্রিক্যান্ট শিল্পের বয়স প্রায় এক দশক হতে চললো। এর অন্তর্ভুক্ত রয়েছে প্রয়োগ-ভিত্তিক বিভেদকরণ, যেমন: রেলওয়ে, এভিয়েশন, মেরিন, যাত্রী পরিবহন এবং (ট্রাকসহ) বাণিজ্যিক পরিবহন, মটরসাইকেল এবং শিল্প ইউনিটসহ অন্যান্য দ্বিচক্রযানের জন্য লুব্রিক্যান্ট। ২,০০০ সাল পর্যন্ত দেশে কেবল রাষ্ট্রায়ত্ব তেল কোম্পানিগুলোরই সুযোগ ছিল তেল আমদানি, ব্লেন্ডিং এবং বিতরণের। ওই সময়ে ৬৫% শতাংশের বেশি লুব অয়েলে কোনো অ্যাডিটিভ থাকত না। বাজার উদারীকরণের মাধ্যমে ন্যূনতম মানদন্ড বজায় রাখার লক্ষ্যে ২০০১ সালে নন-অ্যাডিটিভ লুব্রিক্যান্টের আমদানি নিষিদ্ধ করে সরকার। সেই থেকে এখন পর্যন্ত খ্যাতিমান বহুজাতিক কোম্পানির লুব্রিক্যান্টের ৭৫টির বেশি ব্র্যান্ড প্রবেশ করেছে বাজারে। তবে মোট বাজারের ৫৪% নিয়ন্ত্রণ করছে শীর্ষস্থানীয় ৭-৮টি ব্র্যান্ড।

বাংলাদেশের যানবাহন লুব্রিক্যান্ট অংশের ঘনত্ব অত্যন্ত বেশি। অনেকগুলো লুব্রিক্যান্ট প্রস্তুতকারক এবং রপ্তানিকারক রয়েছে দেশে। এর সাথে যুক্ত হয়েছে ক্রমবর্ধমান যানবাহন শিল্প। প্রতিদিন আরো বেশি করে গাড়ি নামছে সড়কগুলোতে। স্বাভাবিকভাবেই এ খাতে লুব্রিক্যান্ট চাহিদা থাকবে উর্দ্ধমুখী এবং তা অব্যাহত থাকবে আগামী বছরগুলোতেও। পাশাপাশি, কেন্দ্রে একটি স্থিতিশীল সরকার থাকায় অর্থনীতির মূল প্রবৃদ্ধি খাতসমূহের পাশাপাশি সড়ক নেটওয়ার্ক এবং অন্যান্য অবকাঠামো খাতে নিশ্চিত হয়েছে অব্যাহত উন্নয়নের ধারাবাহিকতা। এর ফলে তৈরি হবে শিল্পখাতের প্রবৃদ্ধি ও উন্নয়নের জন্য প্রয়োজনীয় উদ্দীপনা এবং এতে অবদান রাখতে সক্ষম হবে দেশের লুব্রিকান্ট শিল্প।

গ্রাহকরা যখন চাইছেন কোনো প্রকার বর্জ্য অ্যাডিটিভ ছাড়াই বাজারের সর্বোচ্চ গুণগত মানের তেল কিনতে তখন লুব্রিক্যান্ট শিল্পের আরো সম্ভাবনাময় হিসেবে উঠে আসাটাই স্বাভাবিক। যখন তারা তাদের গাড়ির সার্ভিসিং করাতে আসেন তখনই তাদের মধ্যে পরিলক্ষিত হয় এ সাধারণ প্রবণতা। নিম্ন মান সম্পন্ন তেলের প্রয়োগে যানবাহনের ক্ষতির ব্যাপারে অত্যন্ত উদ্বেগের মধ্যে থাকতে হয় তাদের। পরিবর্তিত এ পরিবেশে গ্রাহকদের শিক্ষার দরুণ তারাই যে বাজারের কেন্দ্রে অবস্থান নিয়েছেন তাই নয়, বরং উন্নত দক্ষতা প্রদর্শন এবং দৃশ্যমান উপকারিতার সুবাদে ব্র্যান্ডেড লুব্রিক্যান্টের সামনে হাজির করেছেন বাজারে একটি শক্তিশালী অবস্থান নেয়ার সুবর্ণ সুযোগ।

এছাড়াও আছে উন্নত দেশ থেকে নিচু মানসম্পন্ন লুব্রিক্যান্ট অয়েল পুনরায় প্যাকেটজাতকরণের মাধ্যমে আমদানি এবং কম দামে তা দেশে বিক্রি করার প্রবণতা। অনুমান, এর পরিমাণ হবে ব্র্যান্ডেড এবং উন্নত মানের লুব্রিক্যান্ট বাজারের অন্তত অর্ধেক। এ বাস্তবতায় সরকার চেষ্টা করছে অবৈধ আমদানি প্রতিহত করার পাশাপাশি গুণগত মানসম্পন্ন লুব্রিক্যান্ট অয়েল কেনার লক্ষ্যে গণসচেতনতা তৈরির।

গ্রাহকদের ক্রয়ের সিদ্ধান্ত প্রভাবিত করছে যেসব শর্ত তার মধ্যে রয়েছে:

- দক্ষতা
- মূল্য
- উচ্চতর এপিআই গ্রেড
- গুণগত মান
- সুনাম
- নান্দনিক প্যাকেজিং
- সহজপ্রাপ্যতা

আরো লক্ষ্য করা গেছে যে, ক্রমশ বেশি সংখ্যক গ্রাহকরা মানুষের মুখে মুখে ছড়িয়ে যাওয়া জনপ্রিয়তার ওপর স্বচ্ছন্দে নির্ভর করে লুব্রিক্যান্ট ক্রয় করছেন যা প্রমাণ করছে তারা আবেগ বা পূর্ব-ধারণার অনুবর্তী হচ্ছেন না। এর সুফল পাচ্ছে ব্র্যান্ডগুলো যেহেতু ব্যাপক প্রচারের ফলে সর্বোচ্চ গুণগত মান বজায় রাখা এবং গুণগত উন্নত মানদন্ডের সাথে সঙ্গতি রাখার মাধ্যমে গ্রাহকের আস্থা অর্জন করতে পারছে তারা।

বাংলাদেশে মোট লুব্রিক্যান্টের ৭০ শতাংশ গ্রহণ করে অটোমেটিভ খাত। বাকি ৩০ শতাংশ যায় শিল্পখাতে। তবে বিগত কয়েক বছরে লুব্রিক্যান্ট বাজারের সম্প্রসারণ ঘটেছে মূলত শিল্পখাত, বিশেষত বিদ্যুৎ খাতের সম্প্রসারণের কারণে। একটি বড় অংশ চলে যায় সিমেন্ট, ইস্পাত এবং সার শিল্প খাতেও। আগামী দিনে শিল্পখাতে লুব্রিক্যান্টের ব্যবহার আরো বাড়বে বলে ধারণা করা হচ্ছে যেহেতু শিল্প বাড়ছে, এবং একই সঙ্গে বাড়ছে লুব্রিক্যান্ট চাহিদাও।

বাংলাদেশে লুব্রিক্যান্ট বাজারের প্রবৃদ্ধি বছরে ৩% যা ভারতের সমমাত্রার হলেও চীনের তুলনায় পিছিয়ে। এক্ষেত্রে বিশেষত অটোমেটিভ এবং শিল্পখাতে অব্যাহত প্রবৃদ্ধি পরিলক্ষিত হচ্ছে। এ মুহূর্তে আমাদের বার্ষিক চাহিদা প্রায় ১ লাখ টন। উপরন্তু জোরালো এবং টেকসই চাহিদা বিষয়ে গ্রাহক সচেতনার সুবাদে গত এক দশক কিংবা কাছাকাছি সময়ে লুব্রিক্যান্ট বাজার ১,২০০ কোটি টাকা থেকে উন্নীত হয়েছে ২,৪০০ কোটি টাকায়। তেলের পড়তি দামের পাশাপাশি এন্ড-ইউজার শিল্পখাতের উৎস থেকে লুব্রিক্যান্ট বিষয়ক বৃহত্তর সচেতনতা এবং চাহিদা বৃদ্ধির কারণে দেশের লুব্রিক্যান্ট খাতে সামনের দিকে সম্প্রসারণ ঘটবে আরো দ্রুত গতিতে।

লক্ষ্যণীয়, ইঞ্জিন অয়েলের ভোক্তা বছরে ৫-৬% বৃদ্ধি পেতে পারে যদি বিদ্যুৎ এবং গ্যাসের সরবরাহ নির্বিঘ্ন রাখা যায়। বাংলাদেশ যেভাবে সামাজিক উন্নতির পাশাপাশি অবকাঠামো নির্মাণ খাতে আরো বেশি বিনিয়োগ করছে ক্রমশ, গ্যাস এবং বিদ্যুৎ খাতে, এমনকি প্রত্যন্ত অঞ্চলেও ঘটেছে উল্লেখযোগ্য প্রবৃদ্ধি। ফলে তৃণমূল পর্যায়েও একটি ভিত্তি তৈরি হয়ে গিয়েছে লুব্রিক্যান্ট চাহিদার, যার পরিপূরণ ঘটছে নাগরিক প্রতিষ্ঠানসমূহের মধ্য দিয়ে।

অটোমোবাইল এবং ভারি যানবাহন খাতের বাইরেও লুব্রিক্যান্ট অংশের সামনে, বিশেষত, বিদ্যুৎ স্থাপনা, সিমেন্ট, ইস্পাত এবং সার কারখানা খাতেও রয়েছে জোরালো প্রবৃদ্ধির সম্ভাবনা।

বাংলাদেশি লুব্রিক্যান্ট শিল্পের চালিকাশক্তি

অটোমেটিভ শিল্পের উত্থান: দ্য ডেইলি

স্টারের এক প্রতিবেদন অনুসারে মধ্যবিত্ত শ্রেণীর ক্রয়ক্ষমতার অব্যাহত বৃদ্ধি এবং বহনসাধ্য অটোমোবাইল ঋণ সুবিধার কারণে বাংলাদেশে গাড়ি বিক্রির পরিমাণ বেড়েছে। ব্যাংকগুলোর অটো লোন এর পরিমাণ পূর্ববর্তী বছরের তুলনায় ২২.৩৬% বেড়ে ২০১৬ সালে উন্নীত হয়েছে ১,৪১৩ কোটি টাকায়। তাছাড়া, অটো লোন হিসাবের সংখ্যা ১৭.৫২% বেড়ে ১৪,৭০২ টিতে উন্নীত হয়েছে গত বছর। গত দুই বছরের নিম্নগামী ঋণ হারের কারণে উর্দ্ধগামী চাহিদা তৈরি হয়েছে অটো লোনের।

উপরন্তু, ব্যয় বহন ক্ষমতা বৃদ্ধির কারণেও বাড়ছে বিক্রির পরিমাণ। আগে একটা গাড়ি লোনের জন্য ঋণকারীকে সুদ দিতে হতো ১৫-১৬%, কিন্তু এখন ১০%-এ নেমে এসেছে এ হার। বাংলাদেশ রিকন্ডিশনড ভেহিকলস অ্যান্ড ডিলারস অ্যাসোসিয়েশনের (বারভিডা) হিসাবে, ২০১৭ সালে বাংলাদেশে নিবন্ধিত বেসরকারি গাড়ির সংখ্যা ছিল ৩.৫ লাখ। বর্তমানে বার্ষিক ১৫-২০% প্রবৃদ্ধিসহ ৪,০০০ কোটি থেকে ৫,০০০ কোটি টাকার মধ্যে অবস্থান করছে গাড়ির বাজার। বারভিডার উপাত্ত অনুসারে বছরে গড়ে আমদানি করা হচ্ছে ১৫,০০০ বেসরকারি গাড়ি। একটি ক্রমবর্ধনশীল মধ্যবিত্ত-শ্রেণী জনগোষ্ঠীর কারণে সম্ভব হয়েছে এ প্রবৃদ্ধি।

ক্রমবর্ধমান মধ্যবিত্ত শ্রেণী: বস্টন কনসাল্টিং গ্রুপ (বিসিজি) তাদের এক গবেষণায় দেখিয়েছে, প্রতি বছর বাংলাদেশে ২০ লাখ লোক মধ্যবিত্ত এবং বিত্তশালী শ্রেণীতে যোগ দিচ্ছে। বাংলাদেশ পরিসংখ্যান ব্যুরোর (বিবিএস) হিসাবে গত অর্থবছরে মাথাপিছু আয় উন্নীত হয়েছে ১,৬০২ মার্কিন ডলারে; এক দশক আগেও যা ছিল মাত্র ৫০০ মার্কিন ডলার। বিত্তের প্রবৃদ্ধি এবং ব্যয়যোগ্য আয়বৃদ্ধির কারণে ভোগপ্রবণতা বৃদ্ধি পাচ্ছে যার সুবাদে দেশে তৈরি হয়েছে লুব্রিক্যান্ট চাহিদা বৃদ্ধির সম্ভাবনা।

অবকাঠামো নির্মাণ: বাংলাদেশ দেখিয়ে দিয়েছে, লক্ষ্য অর্জনের পথে এমন কোনো নদী নেই যা সে অতিক্রম করতে পারবে না। উদ্বোধনের পর থেকেই বাংলাদেশের কয়েক কোটি মানুষকে এক সুতোয় গেঁথেছে ৫.৬ কিলোমিটার দীর্ঘ বঙ্গবন্ধু সেতু (যমুনা বহুমুখী সেতু) এবং দেশের দুই অংশের মধ্যে বিদ্যুৎ, গ্যাস এবং ফোন লাইন যোগাযোগ সম্ভব করেছে। সেতুটি যমুনা নদীর পূর্ব তীরে ভুয়াপুরকে সংযুক্ত করেছে পশ্চিম তীরের সিরাজগঞ্জের সাথে।
দেশের সামনে উজ্জ্বল অর্থনৈতিক, অবকাঠামোগত এবং সামাজিক সম্ভাবনা দেখে এশীয় উন্নয়ন ব্যাংক দেশের অবকাঠামো উন্নয়ন এবং একটি শক্তিশালী বহুমাত্রিক অর্থনীতি নির্মাণ এবং আঞ্চলিক পর্যায়ে ব্যাণিজ্য সংযোগ বাড়াতে প্রয়োজনীয় দক্ষতা বৃদ্ধির লক্ষ্যে বাংলাদেশে সরকারি এবং বেসরকারি ঋণের পরিমাণ বাড়িয়ে ২০১৬ থেকে ২০২০ সালের ভিতর ৮ বিলিয়ন ডলারে উন্নীত করতে যাচ্ছে।

বাংলাদেশের ক্রমবর্ধমান অর্থনৈতিক শক্তির প্রতীক হয়ে ওঠা পদ্মা সেতু পদ্মা নদীর ওপর নির্মিতব্য বহুমুখী সড়ক এবং রেল যোগাযোগসমৃদ্ধ সেতু। নির্মাণ শেষ হওয়ার পর এটি হবে বাংলাদেশের বৃহত্তম সেতু এবং সড়ক যোগাযোগের ক্ষেত্রে প্রথম স্থায়ী নদী পারাপার। এটি দেশের দক্ষিণ-পশ্চিম অংশের সাথে উত্তর এবং পূর্বাঞ্চলের মধ্যে যোগসূত্র তৈরি করেছে লৌহজং এবং মুন্সিগঞ্জের সাথে শরিয়তপুর এবং মাদারিপুরের সংযোগ প্রতিষ্ঠার মধ্য দিয়ে। বিশ্বের দ্বিতীয় বৃহত্তম নদীপ্রবাহের ওপর এ সেতুর নির্মাণকাজ বৈশ্বিক প্রেক্ষিতেও অন্যতম চ্যালেঞ্জিং একটি প্রকল্প। প্রকল্প এলাকা দিয়ে প্রতি সেকেন্ডে পানিপ্রবাহের পরিমাণ ১,৪০,০০০ ঘনমিটার। পদ্মা সেতু ঘিরে বিশাল উন্নয়ন কর্মসূচি হাতে নিয়েছে সরকার। শরিয়তপুরে নির্মিত হচ্ছে একটি হাই-টেক পার্ক। বাগেরহাটে ইতোমধ্যেই শুরু হয়েছে বিমান বন্দর নির্মাণের কাজ। পায়রা বন্দরকেও সংযুক্ত করতে যাচ্ছে এ সেতু। অর্থনীতিবিদদের মতে, জাতীয় জিডিপিতে এ সেতুর অবদান হবে ১.৬৬% প্রবৃদ্ধি। সেতুর লাভ-ব্যয় অনুপাতও উচ্চ মাত্রার। যাতায়তে সময় কম লাগার কারণে দারুণ উপকৃত হবে জাতি। এছাড়া যোগাযোগ বৃদ্ধির সুবাদে পিছিয়ে পড়া এলাকাগুলো দেশের বাকি অংশের সাথে সংযুক্ত করা সম্ভব হবে। দেশের দ্বিতীয় বৃহত্তম সমুদ্র বন্দর মংলা এবং খুলনার শিল্প অঞ্চলকেও সংযুক্ত করবে এ সেতু। এশিয়ান হাইওয়ে এবং ট্রান্স-এশিয়ান রেলওয়ের সঙ্গেও কৌশলগত যোগাযোগ প্রতিষ্ঠা করবে পদ্মা সেতু।

পোশাক শিল্প প্রবৃদ্ধি: বাংলাদেশের অর্থনীতির উত্তরণে অগ্রণী ভূমিকা রেখে এসেছে পোশাক শিল্প, যার কারণে সম্ভব হয়েছে দারিদ্র্য বিমোচন এবং নারীর কর্মসংস্থানের সুযোগ বৃদ্ধি। দেশের মোট রপ্তানির ৮০ ভাগ আসে এ পোশাক শিল্প থেকে ২০১৫-১৬ সালে যার পরিমাণ ছিল ৩৪.২৪ মার্কিন ডলার। এর পরবর্তী লক্ষ্য কারখানার উন্নয়ন এবং কর্মক্ষেত্রের পরিবেশ উন্নয়নের মাধ্যমে আয়ের খাতে নিজের অংশীদারিত্ব আরো বাড়িয়ে তোলা।

আর্থিক সেবা শিল্প খাতের পরিধি বাড়ানো: আর্থিক খাতে প্রবেশের সুযোগ এবং এর ব্যবহারিক প্রয়োগের সুযোগ বৃদ্ধির সুবাদে আর্থিক অন্তর্ভূক্তিকরণ খাতেও সংঘটিত হয়েছে উল্লেখযোগ্য অগ্রগতি। বাংলাদেশে এ সময়টাতে ছিল বিদেশি বিনিয়োগের অনুকূল পরিবেশ এবং দীর্ঘমেয়াদী বিনিয়োগের লক্ষ্যে পুঁজিবাজার উন্নয়নের বিপুল সুযোগ বিরাজ করছে এখন তার সামনে। সরকারি ব্যয় বৃদ্ধির কারণে বিনিয়োগকারী এবং ভোক্তাদের মধ্যে বিরাজ করছে আস্থার পরিবেশ। (সূত্র: আইএমএফ)

দেশে এফডিআই বৃদ্ধি : রয়টার্স প্রতিবেদন অনুসারে বাংলাদেশের অবকাঠামো খাতে বিনিয়োগে ২ বিলিয়ন ডলার ঋণ দিয়েছে ভারত এবং চীন অঙ্গীকার করেছে ২৪ বিলিয়ন ডলার প্রদানের। এসব বিনিয়োগের লক্ষ্য হবে বিদ্যুৎ স্থাপনা নির্মাণের মাধ্যমে বিদ্যুৎ সামর্থ্য বাড়ানো এবং অন্যান্য গুরুত্বপূর্ণ খাত, যেমন: বৃহৎ অবকাঠামো প্রকল্প, কৃষি, জ্বালানি, পরিবহন এবং তথ্য প্রযুক্তি খাতের উন্নয়ন।

ইপিজেড-এ মনোযোগী: পিডবলিউসি প্রতিবেদন অনুসারে, বিভিন্ন দৃষ্টিভঙ্গি থেকে বাংলাদেশে বিনিয়োগের ব্যাপারে আরো বেশি আগ্রহী হয়ে উঠছে বিদেশি কোম্পানিসমূহ। রপ্তানির লক্ষ্যে একটি ম্যানুফ্যাকচারিং হাব হিসেবে আত্মপ্রকাশ করতে যাচ্ছে বাংলাদেশ। এর রয়েছে স্থানীয় সামর্থ্য, ব্যয়সাশ্রয়ী এবং আনুষাঙ্গিক প্রণোদনা। বিনিয়োগ আকর্ষণের জন্য আর্থিক এবং নন-আর্থিক প্রণোদনা প্রদানের পাশাপাশি তৈরি অবকাঠামো জোগানের লক্ষ্যে সরকার গড়ে তুলেছে এসব রপ্তানি প্রক্রিয়াকরণ অঞ্চল (ইপিজেড)। তার ওপর, বৈশ্বিক কোম্পানিগুলো ক্রমশ আরো বেশি করে ভাবছে ঘরোয়া বাজারের কথা, বিশেষত, যেখানে বড়

ধরনের সম্ভাবনা রয়েছে, যেমন: খাদ্য, ব্যাকিং এবং টেলিকম্যুনিকেশন, যার পরিচালনা করছে উদীয়মান মধ্যবিত্ত শ্রেণী। বাংলাদেশ ইনস্টিটিউট অব ডেভেলপমেন্ট স্টাডিজ (বিআইডিএস) জানিয়েছে, মাঝারি-আয়ের গ্রুপে অবস্থান করছে দেশের মোট জনসংখ্যার ২০ শতাংশ যা ২০৩০ সাল নাগাদ উন্নীত হবে ৩৩ শতাংশে।

এম/এসএমই গুচ্ছের আবির্ভাব:
দ্য ডেইলি স্টারের এক প্রতিবেদন অনুসারে জাতীয় অর্থনীতিতে গুরুত্বপূর্ণ অবস্থান করে নিয়েছে এম/এসএমই। ম্যানুফ্যাকচারিং খাতে তাদের অবদান ৪৫% এবং শিল্পখাতের কর্মসংস্থানে ৮০%, মোট শিল্প ইউনিটের ৯০% এবং শ্রমশক্তির ২৫%। রপ্তানি আয় খাতে তাদের মোট অবদান ৭৫-৮০%। দেশের গড় জাতীয় উৎপাদনের ৩১% আসে এ শিল্প খাত থেকে যার অধিকাংশই আসছে বিপুল সংখ্যক এসএমই থেকে।

বাংলাদেশে মোট ৭৯,৭৫৪টি এসএমই রয়েছে। এর মধ্যে ৯৩.৬% ক্ষুদ্র এবং ৬.৪% মাঝারি। ২০০৩ সালে বেসরকারি খাতের জরিপে দেখা যায় দেশে প্রায় ৬০ লাখ মাইক্রো, ক্ষুদ্র এবং মাঝারি উদ্যোগ রয়েছে যাদের প্রত্যেকের কর্মীসংখ্যা গড়ে ১০০ জনের নিচে। এর ৬০-৬৫% উদ্যোগ গড়ে উঠেছে ঢাকা এবং চট্টগ্রাম মেট্রোপলিটন এলাকার বাইরে। দেশের এসব ক্ষুদ্র এবং মাঝারি উদ্যোগে ২০০৯ থেকে ২০১৬ সালের ভিতর ২০ লাখ লোকের কর্মসংস্থান ঘটেছে। বর্তমানে ফার্ম লোনের অর্ধেকই দিচ্ছে দেশের বেসরকারি এবং বিদেশি ব্যাংকগুলো যার এক তৃতীয়াংশ বিনিয়োগ হচ্ছে এসব এসএমইর পেছনে।

দেশে এসএমইর সামনে রয়েছে অসীম সম্ভাবনা। প্রতি বছর ২০ লাখ তরুণ যোগ দিচ্ছে দেশের কর্মশক্তি হিসেবে। এর অর্ধেকই দেশে অথবা দেশের বাইরে কাজ নিচ্ছে। অতএব নতুন কর্মসংস্থান তৈরির প্রশ্নটি একটি চ্যালেঞ্জ হয়ে দাঁড়িয়েছে যেহেতু অন্যদের জন্যেও কাজের সুযোগ তৈরি করতে হবে। দেশের বর্তমান অর্থনৈতিক এবং কর্মসংস্থানের যে সংকট তার একটি বড় সমাধান দিতে পারে এসব এসএমই। দুই ডিজিটের প্রবৃদ্ধি অর্জনের বিষয়টি অনেকটাই নির্ভর করছে ক্ষুদ্র ও মাঝারি উদ্যোগসমূহের দক্ষতার ওপর।

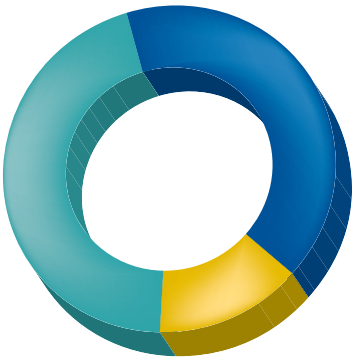
বাংলাদেশের মত একটি উদ্বৃত্ত শ্রমের দেশে আধুনিক ম্যানুফ্যাকচারিং খাতের উন্নয়নে এবং কৃষি ও অনানুষ্ঠানিক খাতের বাইরে কর্মসংস্থান তৈরিতে প্রয়োজনীয় গতিশীলতা আনার ক্ষেত্রে গুরুত্বপূর্ণ ভূমিকা রাখতে পারে এসব এসএমই। বাংলাদেশের মত একটি উন্নয়নশীল দেশে বেকারত্ব কমিয়ে আনার ব্যয়সাশ্রয়ী উপায় হতে পারে এসএমই।

বাংলাদেশে সরকারি পরিচালনায় বৃহদাকার শিল্পখাতের পূর্ণ সম্ভাবনা এখনো বিকশিত হবার অবকাশ রয়েছে, সেহেতু এসএমই উৎসাহিত করার মাধ্যমে বেকারত্ব সংকট নিরসন সম্ভব। বাংলাদেশের মতো একটি দেশে গতিশীল এসএমই খাতের অবদানেই কেবল অর্জন করা সম্ভব অন্তর্ভুক্তিমূলক প্রবৃদ্ধি।

আমাদের অবস্থান

সামগ্রিক অর্থনীতি যখন অবস্থান করছে বিভিন্ন চ্যালেঞ্জের মুখে তখন আমরা, এমজেএলবিএল-এ ৩০ জুলাই ২০১৭ তারিখে শেষ হওয়া মেয়াদে অনন্য আর্থিক সাফল্য অর্জন করেছি। রেভিনিউ এ সময়ে ৩% বেড়ে উন্নীত হয়েছে বাংলাদেশি মুদ্রায় ৮,০৭৯ মিলিয়ন টাকায়। তীব্র প্রতিদ্বন্দ্বিতামূলক একটি বাজারে গ্রাহকের চাহিদার কাছাকাছি থাকা এবং উচ্চ মান সম্পন্ন পণ্য সরবরাহের মাধ্যমে অর্জিত হয়েছে এ সাফল্য। এমজেএলবিএল-এর মোট রেভিনিউর ৪৫% ম্যানুফ্যাকচারিং, ৪১% ট্রেডিং এবং ১৪% আসছে অয়েল ট্যাংকার ইউনিট থেকে।

জুলাই ২০১৬-জুন ২০১৭



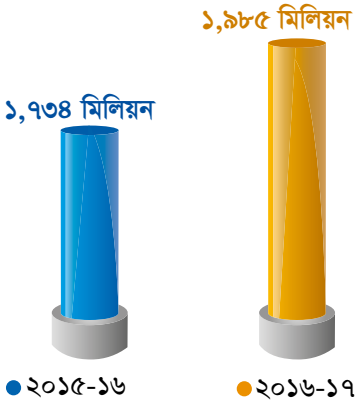
অয়েল ট্যাংকার	১৪%
ম্যানুফ্যাকচারিং	৪৫%
ট্রেডিং	৪১%

বিবেচক ব্যবস্থাপনা এবং দক্ষতার সাথে কাঁচামাল সংগ্রহের সুবাদে রেভিনিউ ব্যয় ৪% কমিয়ে আনতে সক্ষম হয়েছি আমরা। ২০১৫-১৬ এর ৩৫.২৮% এর তুলনায় মোট মুনাফা উন্নীত হয়েছে ৩৯.৪১%। কর পরবর্তী মুনাফা ১৪% বেড়ে উন্নীত হয়েছে বাংলাদেশি মুদ্রায় ১,৯৮৫ মিলিয়ন টাকায়।

কর উত্তর মুনাফা

সবচেয়ে বড় কথা আমরা পূর্ববর্তী ২০১৫-১৬ এর তুলনায় ২০১৬-১৭ মেয়াদে আমাদের আর্থিক চার্জ ৫৭% কমিয়ে আনতে সক্ষম হয়েছি। ব্যাংকের ঋণ, অভ্যন্তরীণ তহবিল এবং ইকুইটির মধ্যে সর্বোচ্চ ভারসাম্য তৈরির কারণে সম্ভব হয়েছে এটি। ঋণসংক্রান্ত বিষয়ে এমজেএলবিএল-এর মজবুত সুনামের কারণে প্রতিযোগিতামূলক হারেই তহবিল গঠনে সমর্থ হয়েছি আমরা।

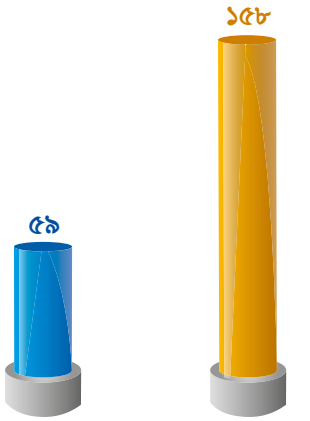
কর উত্তর মুনাফা



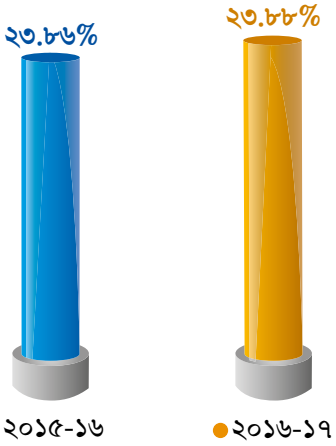
আর্থিক চার্জ



সুদ কাভারেজ অনুপাত



নিয়োগকৃত পুঁজির রিটার্ন



লক্ষ্যণীয় এ দক্ষতার সুবাদে বিনিয়োগকৃত পুঁজির উচ্চ মাত্রার রিটার্ন ঘটেছে যা ২০১৫-১৬ সালের ২৩.৮৬% থেকে উন্নীত হয়েছে ২৩.৮৮% এ। ২০১৬-১৭ সালে পুঁজির সুদ কাভারেজ অনুপাত পূর্বেকার ৫৯ গুণ থেকে উন্নীত হয়েছে ১৫৮ গুণে। অনাদায়ী দেনা পরিশোধে এবং ঋণদাতাদের আশ্বস্ত করার ক্ষেত্রে এমজেএলবিএলের আর্থিক সামর্থ্যের একটি চমৎকার সূচক এটি।

২০১৬-১৭ সালে শেয়ার প্রতি আয় ছিল ৬.৫৮ টাকা যা পূর্ববর্তী সময়ে ছিল ৬.৩২ টাকা। ঢাকা স্টক এক্সচেঞ্জে (৩০ জুন, ২০১৭ পর্যন্ত) বাজার পুঁজি ৩৮% প্রবৃদ্ধি ঘটিয়ে উন্নীত হয়েছে বাংলাদেশি মুদ্রায় ৩৬,৬৫২ মিলিয়ন টাকায়।

প্যারেন্ট/ সাবসিডিয়ারি/ সহযোগী কোম্পানি

এমজেএল বাংলাদেশ ঢাকা এবং চট্টগ্রাম স্টক এক্সচেঞ্জে তালিকাভুক্ত একটি পাবলিক লিমিটেড কোম্পানি। কোম্পানির মেজর শেয়ারহোল্ডারদের মধ্যে রয়েছে ৫২.০৬২ শতাংশ শেয়ার নিয়ে ইসি সিকিউরিটিজ লিমিটেড এবং ১৯.৪৫৪ শতাংশ নিয়ে যমুনা অয়েল কোম্পানি। অবশিষ্ট ২৮.৪৮৪ শতাংশ শেয়ার রয়েছে সাধারণ জনগণ, ইন্সটিটিউট এবং অনীবাসি ব্যাক্তি মালিকানায়।

ওমেরা পেট্রোলিয়াম লিমিটেড (ওপিএল) এবং ওমেরা সিলিন্ডারস লিমিটেড (ওসিএল) এবং এমজেএল একেটি পেট্রোলিয়াম কোম্পানির প্যারেন্ট কোম্পানি এমজেএল বাংলাদেশ লিমিটেড। এসব সাবসিডিয়ারীর বিস্তারিত বিবরণ এ বার্ষিক প্রতিবেদনের ২০৬, ২২৩, ২৩৩ পৃষ্ঠায় তুলে ধরা হলো।

২০১৬ সালের ১৮ মে সিঙ্গাপুরে এমজেএল (এস) প্রাইভেট লিমিটেড নামে একটি সহযোগী কোম্পানি গঠন করেছে এমজেএলবিএল বাংলাদেশ লিমিটেড। এটি মূলত কঠিন, তরল এবং বায়বীয় জ্বালানি এবং এ জাতীয় পণ্যের পাইকারি হিসেবে কাজ করছে। এমজেএলবিএল বাংলাদেশ লিমিটেডের একটি ট্রেডিং এবং বিনিয়োগ শাখা হিসেবেও কাজ করছে এটি।

সংশ্লিষ্ট পার্টির সঙ্গে লেনদেন

সংশ্লিষ্ট পার্টির সঙ্গে লেনদেনের একটি প্রতিবেদন এ বার্ষিক প্রতিবেদনের পৃষ্ঠা নং ১৯৪ তে তুলে ধরা হলো।

করপোরেট এবং আর্থিক প্রতিবেদন রূপরেখা

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন-এর বিজ্ঞপ্তি নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪অ্যাডমিন/৪৪ তারিখ ৭ আগস্ট ২০১২ অনুসারে পর্ষদের সদস্যবৃন্দ নিচে পেশকৃত আর্থিক প্রতিবেদনের রূপরেখার সাযুজ্য নিশ্চিত করছে:

ক. এমজেএলবিএল এর ব্যবস্থাপনা কর্তৃক প্রণীত আর্থিক প্রতিবেদনে কোম্পানির বর্তমান হালহকিকত, এর কার্যক্রমের ফলাফল, নগদ প্রবাহ এবং ইকুইটির পরিবর্তন সুস্পষ্ট তুলে ধরা হয়েছে।

খ. ইস্যুকারী কোম্পানির হিসাবরক্ষণ যথাযথ বজায় রাখা হয়েছে।

গ. আর্থিক প্রতিবেদন তৈরির প্রাক্কালে হিসাব নীতিমালা যথাযথ অনুসরণ করা হয়েছে। কার্যকারণ এবং সুবিবেচনার ভিত্তিতে প্রণীত হয়েছে প্রাক্কলিত হিসাব।

ঘ. আর্থিক প্রতিবেদন তৈরির সময়, বাংলাদেশের ক্ষেত্রে যেমত প্রযোজ্য, ইন্টারন্যাশনাল অ্যাকাউন্টিং স্ট্যান্ডার্ডস (আইএএস)/ বাংলাদেশ অ্যাকাউন্টিং স্ট্যান্ডার্ডস (বিএএস)/ ইন্টারন্যাশনাল ফাইনান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস)/ বাংলাদেশ ফাইনান্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (বিএফআরএস) এর মানদন্ড অনুসরণ করা হয়েছে। এ থেকে কোনো প্রকার বিচ্যুতি ঘটলে তারও উল্লেখ করা হয়েছে সুস্পষ্টভাবে।

ঙ. অভ্যন্তরীণ নিয়ন্ত্রণের পদ্ধতি কার্যকর এবং নিয়মিত তদারকির অধীন।

চ. একটি সচল প্রকল্প হিসেবে কার্যক্রম অব্যাহত রাখার পথে কোনো সমস্যা নেই কোম্পানির।

কর্পোরেট সুশাসন নির্দেশিকার সঙ্গে সঙ্গতি বজায় রাখা

কর্পোরেট সুশাসন নির্দেশিকার সঙ্গে সঙ্গতি বজায় রেখে হাওলাদার ইউনূস অ্যান্ড কোম্পানির নিকট থেকে একটি সনদ পেয়েছে যা এ বার্ষিক প্রতিবেদনের পৃষ্ঠা নং ৯৯ তে তুলে ধরা হলো।

ঝুঁকির ক্ষেত্র

অত্র চূড়ান্ত প্রতিবেদনের ১২৮ নং পৃষ্ঠায় বিভিন্ন ঝুঁকির ক্ষেত্রসমূহ এবং তার প্রশমনে ব্যবস্থাপনার দৃষ্টিভঙ্গি তুলে ধরা হয়েছে।

বিগত পাঁচ বছরের গুরুত্বপূর্ণ কার্যক্রম ও আর্থিক উপাত্তসমূহ

অত্র চূড়ান্ত প্রতিবেদনের ৭৯ নং পৃষ্ঠায় গুরুত্বপূর্ণ কার্যক্রম ও আর্থিক উপাত্তসমূহ তুলে ধরা হয়েছে।

লভ্যাংশ

২০১৬-১৭ সালে কর উত্তর মুনাফা পূর্ববর্তী বছরের বাংলাদেশি মুদ্রায় ১,৭৩৪ মিলিয়ন টাকার বিপরীতে ছিল ১,৯৮৫ মিলিয়ন টাকা। এক্ষেত্রে প্রবৃদ্ধি ঘটে ১৪ শতাংশ। ২০১৭ সালের ২৬ অক্টোবর কোম্পানির পরিচালনা পর্ষদ

৪৫ শতাংশ নগদ লভ্যাংশ (শেয়ার প্রতি ৪.৫০ টাকা) এর সুপারিশ করেছে যা নথিভুক্ত হয় ২০১৭ সালের ২৩ নভেম্বর।

জাতীয় কোষাগারে অবদান

এমজেএলবিএল যথাসময়ে নিয়মিত তার করপোরেট ট্যাক্স, উইথহোল্ডিং ট্যাক্স এবং ভ্যাট পরিশোধ করে থাকে। ২০১৬-১৭ পর্বে আমরা সরকারি কোষাগারে উইথহোল্ডিং ট্যাক্স এবং করপোরেট ট্যাক্স হিসেবে বাংলাদেশি মুদ্রায় ৬৮৮ মিলিয়ন টাকা জমা দিয়েছি। একই সময়ে আমরা ভ্যাট হিসেবে জমা দিয়েছি বাংলাদেশি মুদ্রায় ২,২৩০ মিলিয়ন টাকা।

শেয়ারহোল্ডিং বিন্যাস

অত্র চূড়ান্ত প্রতিবেদনের ১৩৫ নং পৃষ্ঠায় জুন ২০১৭ সালে সমাপ্ত কোম্পানির শেয়ারহোল্ডিং বিন্যাস তুলে ধরা হলো।

পর্ষদের বৈঠক এবং হাজিরা

৩০ জুন ২০১৭ সাল পর্যন্ত পরিচালনা পর্ষদের পাঁচটি বৈঠক অনুষ্ঠিত হয়। এগুলোতে পরিচালকদের হাজিরা খতিয়ান এ প্রতিবেদনের ১২৭ নং পৃষ্ঠায় তুলে ধরা হলো।

নিরীক্ষা কমিটি

৩০ জুন ২০১৭ সাল পর্যন্ত নিরীক্ষা কমিটি পর্ষদের পাঁচটি বৈঠক অনুষ্ঠিত হয়। এগুলোতে সদস্যদের হাজিরা খতিয়ান এ প্রতিবেদনের ১২৭ নং পৃষ্ঠায় তুলে ধরা হলো।

চলমান প্রকল্প

চলমান প্রকল্প হিসেবে প্রণীত হয়েছে কোম্পানির আর্থিক প্রতিবেদনসমূহ। ব্যবসার সাধারণ কার্যপ্রণালী অনুসারে এর মধ্যে বিবেচনায় নেয়া হয়েছে কোম্পানির সম্পদ ও দায়ভার উভয়ই। চালু একটি প্রকল্প হিসেবে কোম্পানির এগিয়ে যাবার পথে বস্তুগত কোনো অনিশ্চয়তা বিরাজ করছে কিনা সে বিষয়ে একটি বার্ষিক মূল্যায়নপূর্বক এমজেএলবিএল এর পরিচালনা পর্ষদ এটিকে একটি চালু প্রকল্প হিসেবে নিশ্চিত করেছেন।

জনসম্পদ

কোম্পানির জনসম্পদের বিস্তারিত এ বার্ষিক প্রতিবেদনের পৃষ্ঠা নং ১৪১ তে তুলে ধরা হলো।

পরিচালক পরিচিতি

কোম্পানির পরিচালক পরিচিতি এবং তাদের প্রতিনিধিত্ব এ বার্ষিক প্রতিবেদনের পৃষ্ঠা নং ৩১ তে তুলে ধরা হলো।

পরিচালকের ভাতা

পর্ষদ ও কমিটির সভায় হাজিরা প্রদানের বাইরে কোনো প্রকার ভাতার ব্যবস্থা নেই পরিচালকদের জন্য। পরিচালকদের সম্মানীর পরিমাণ অত্র প্রতিবেদনের পৃষ্ঠা নং ১৯১ তে উল্লেখ করা হলো।

পরিচালক নির্বাচন এবং পুনর্নিয়োগ

১৯৯৪ সালের কোম্পানি অধ্যাদেশের ধারা অনুসারে এবং কোম্পানির কার্যপ্রণালি বিধি অনুসারে পর্যায়ক্রমে মোট পরিচালকের এক তৃতীয়াংশ অবসরে যাবেন প্রতি বছর। দু'জন স্বতন্ত্র পরিচালকসহ মোট আটজন সদস্য নিয়ে গঠিত হয়ে থাকে কোম্পানির পরিচালনা পর্ষদ। নতুন পরিচালক জনাব মো. কামরুল হাসান যমুনা অয়েল কোম্পানির প্রতিনিধি পরিচালক হিসেবে ২০১৭ সালের ২৬ অক্টোবর কোম্পানির পরিচালনা পর্ষদ সভায় জনাব মো. মাসুদুর রহমানের স্থলাভিসিক্ত হন। বিদ্যমান দু'জন পরিচালক জনাব মো. কামরুল হাসান এবং জনাব তানজিল চৌধুরী ১৯তম বার্ষিক সাধারণ সভায় পর্ষদ থেকে অবসর নিচ্ছেন এবং উপযুক্ততা বিধায়, তাদের পুনর্নিবাচনের জন্য আবেদন করছেন।

নিরীক্ষক নিয়োগ

আসন্ন বার্ষিক সাধারণ সভা শেষ হবার মধ্য দিয়ে অবসর নেবেন নিরীক্ষক একনাবীন। ২০১১ সালের ২৭ জুলাই তারিখে বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের প্রজ্ঞাপন নং এসইসি/ সিএমআরআরসিডি/ ২০০৯-১৯৩/ ১০৪/ অ্যাডমিন অনুসারে একটানা তিন বছরের অধিক সংবিধিবদ্ধ নিরীক্ষক হিসেবে দায়িত্ব পালন করতে পারবে না কোনো চার্টার্ড অ্যাকাউন্ট্যান্ট ফার্ম। যেহেতু উপযুক্ততা বিদ্যমান, ২০১৭-২০১৮ সালে কোম্পানির আর্থিক প্রতিবেদন নিরীক্ষক হিসেবে দায়িত্ব পালনের আগ্রহ প্রকাশ করেছে একনাবীন। এ কারণে পরিচালনা পর্ষদ প্রস্তাব করেছে, ২০১৮ সালে ২০তম বার্ষিক সাধারণ সভা অনুষ্ঠান পর্যন্ত (২০১৭ সালের ২৪ ডিসেম্বর ১৯তম বার্ষিক সাধারণ সভায় কোম্পানির সদস্যদের অনুমোদনসাপেক্ষে) সংবিধিবদ্ধ নিরীক্ষক হিসেবে একনাবীন চার্টার্ড অ্যাকাউন্ট্যান্টস ফার্মকে নিয়োগ প্রদানের জন্য।

কৃতজ্ঞতা

সবশেষে পর্ষদের পক্ষ থেকে এমজেএলবিএলের সকল কর্মীকে আমি ধন্যবাদ জানতে চাই তাদের অসাধারণ প্রয়াস, উদ্যম আর দৃঢ়তার জন্য যা এ ধরনের একটি ব্যবসায়িক প্রতিযোগীতামূলক পরিবেশেও কোম্পানীর বিজয় নিশ্চিত করেছে। একই সঙ্গে কোম্পানির সাফল্য অর্জনের পথে অব্যাহত সমর্থন দিয়ে যাওয়ায় সকল শেয়ারহোল্ডার এবং স্টেকহোল্ডারদের প্রতি জানাই আন্তরিক কৃতজ্ঞতা। এছাড়া বছরব্যাপী সহযোগীতা দিয়ে যাওয়ার জন্য একই সাথে বাংলাদেশ সরকার, জ্বালানি ও খনিজ সম্পদ মন্ত্রণালয়, শিল্প ও বাণিজ্য মন্ত্রণালয়, বাংলাদেশ ব্যাংক (বিবি), বাংলাদেশ ইনভেস্টমেন্ট ডেভেলপমেন্ট অথরিটি (বিআইডিএ), ন্যাশনাল বোর্ড অব রেভিনিউ (এনআরবি), বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ অ্যান্ড ফার্মস (আরজেএসসি), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চিটাগাং স্টক এক্সচেঞ্জ (সিএসই), সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিমিটেড (সিডিবিএল), চিফ কনট্রোলার অব এক্সপোর্ট অ্যান্ড ইমপোর্ট, এমজেএলবিএল এর ব্যাংকার এবং আর্থিক প্রতিষ্ঠান, সরবরাহকারী এবং অন্যান্য ব্যবসায়িক সহযোগীদের প্রতি গভীর ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছে এমজেএল বাংলাদেশ লিমিটেড।

সবাইকে ধন্যবাদ।

পরিচালনা পর্ষদের পক্ষে

নাজিমউদ্দিন চৌধুরী
চেয়ারম্যান

Annexure I

Pattern of shareholding on June 30, 2017 as required by the revised Corporate Governance Guidelines under section 1.5 (xxi) issued by BSEC

i) Parent/Subsidiary/Associated companies and other related party:

Name of Shareholder	Percentage	Shares held
EC Securities Limited	52.062	157,054,113
Jamuna Oil Company Limited	19.454	58,687,524

ii) Shareholding status of Directors/CEO/CS/CFO/Head of Internal Audit and their spouses and minor children:

Name	Relation	Shares held
Mr. Nazimuddin Chowdhury	Nominated Director of Jamuna Oil Company Ltd.	Nil
Mr. Abdul-Muyeed Chowdhury	Nominated Director of EC Securities Ltd.	Nil
Mr. Md. Aminur Rahman	Nominated Director of EC Securities Ltd.	Nil
Mr. Md. Quamrul Hasan	Nominated Director of Jamuna Oil Company Ltd.	Nil
Mr. Tanjil Chowdhury	Nominated Director of EC Securities Ltd.	6,691
Mr. Azam J Chowdhury	Nominated Director of EC Securities Ltd.	6,691
Dr. Mohammad Tamim	Independent Director	Nil
Mr. Quazi Mohammad Shariful Ala	Independent Director	Nil
Mr. M. Mukul Hossain	Chief Executive Officer	Nil
Mr. S M Rahmatul Mujeeb, FCA	Senior Finance Controller & CFO (Acting)	Nil
Mr. Mir Md. Rokibul Kabir	Company Secretary (Acting)	Nil

iii) Top-five salaried persons other than CEO, CFO, CS and HIA

Designation	Name	Shares held
General Manager & In-charge of plant	Engr. Salah Uddin Ahmed	8,000
DGM - Supply Chain	Mohammad Hamidul Islam	Nil
Head of Brand & Market Communication	Syed Ghulam Dastagir	Nil
Chief Technology Officer	Shafquat Mahmud Fahmi	Nil
DGM - Industrial Lubricants	Md. Rasheduzzaman	Nil

iv) Shareholders holding ten percent or more voting interest in the Company:

Name of Shareholder	Percentage	Shares held
EC Securities Limited	52.062	157,054,113
Jamuna Oil Company Limited	19.454	58,687,524

Annexure II

Board meeting and attendance during the period ended June 30, 2017

Name of Directors	Number of meetings held whilst a Board member	Meetings Attended	Remarks
Mr. Nazimuddin Chowdhury	5	5	
Mr. Masudur Rahman	5	4	Nomination withdrawn on October 26, 2017
Mr. Abdul-Muyeed Chowdhury	5	4	
Mr. Md. Aminur Rahman	5	5	
Mr. Azam J Chowdhury	5	4	
Mr. Tanjil Chowdhury	5	5	
Dr. Mohammad Tamim	5	5	
Mr. Quazi Mohammad Shariful Ala	5	4	
Mr. Md. Quamrul Hasan	-	-	Appointed on October 26, 2017

Audit Committee meeting and attendance during period ended June 30, 2017

Name of Members	Number of meetings held whilst an Audit Committee Member	Meetings Attended	Remarks
Dr. Mohammad Tamim	5	5	
Mr. Md. Aminur Rahman	5	5	
Mr. Masudur Rahman	5	4	Nomination withdrawn on October 26, 2017
Mr. Tanjil Chowdhury	5	5	
Mr. Quazi Mohammad Shariful Ala	5	5	
Mr. Md. Quamrul Hasan	-	-	Appointed on October 26, 2017

MANAGING OUR RISKS

MJLBL carries out a robust assessment of the core risks facing the Company, including those that would impact its business model, future performance or liquidity, on an ongoing basis.

The Company's business, results and financial conditions are influenced by a range of risks and uncertainties, a number of which remain beyond the control of the Board.

The Board reviews key risks and controls and, while the following highlights some of the key risks that have affected or could impact the Company, some other unforeseen threats may affect or influence the conduct of the business. However, we believe that our proactive stance to risk assessment and analysis will help us potentially mitigate such risks.

AREA OF RISK
Market demand

DESCRIPTION

A growing proportion of the Company's revenue arises from trade with independent retailers / small mechanics outlets. The activity levels within this customer base are determined by consumer demand created through growing automotive and transportation industries. The other part of the Company's sales profile comprises customers located in the industrial / manufacturing sectors. The demand from this segment is broadly influenced by the level of economic activity in the country as well as general macro trends.

POTENTIAL IMPACT

Periods of economic recession that reduce consumer confidence or contraction in the general economy have the potential to affect market activity, resulting in retreating demand for our products.

MITIGATION

Market activity is monitored proactively in broad-based product applications and across specific product categories. This visibility allows prompt response to factors adversely affecting our business. Furthermore, since the Company's principal activities include the manufacturing and distribution of lubricant products, the Company has the ability to react quickly to market changes. In addition, the development of a range of specialist products provides the Company with broad market penetration and the capability to manage the downside risk arising from market contractions. Additionally, our range of 220 SKUs of different products served across more than 4,000 industries represents an adequate and diversified buffer in case of specific segmental slowdown.

AREA OF RISK
Competitor risk

DESCRIPTION

The Company operates across Bangladesh, which has a number of similar trading characteristics. Within each micro-market, the Company competes directly with a variety of regional and national distributors and manufacturers both in the organised and unorganised segments of the market.

POTENTIAL IMPACT

The emergence of a competitor with a strong business model could undermine the Company's growth objectives and aspirations.

MITIGATION

The Company seeks to sustain its competitive position by maintaining close relationships with its supplier and customer base. Substantial and continued investment in operational facilities, a robust brand recall with positive characteristics, an extensive product offering, a knowledgeable sales force promoting a solutions-driven approach to meeting customer challenges, ready product availability and that too across varying quantities and efficient material handling and logistics enables the Company to continue to improve its market leading position while also driving incremental market share through brand advocacy and customer service excellence.

AREA OF RISK
Technology risk

DESCRIPTION

The software platform is a vital component of the Company's operating strategy, underpinning the delivery of operational objectives and providing the framework for maintaining financial control.

POTENTIAL IMPACT

Given its importance, any prolonged system failure has the potential to adversely affect business performance. Weak cyber security could also lead to data theft and other system and security breaches.

MITIGATION

We possess dedicated hardware and software systems with strong in-built redundancy across our data centers / data storage infrastructure located in the country. Furthermore, the Company operates well-defined backup procedures and has robust contingency planning to enable swift recovery from a failure of this nature. Additionally, robust security systems embedded with cutting-edge software help create strong firewalls, hence thwarting any cyber espionage attempts and protecting systemic integrity.

AREA OF RISK

People and knowledge risk

DESCRIPTION

The Company's ability to deliver continued success and results is dependent upon its people. Besides, our customers depend upon our people and our intellectual capital to help them achieve their stated operational efficiency levels while maximising asset utilisation and minimising downtime.

POTENTIAL IMPACT

An inadequate pool of suitably qualified and talented people can disrupt business development and undermine the Company's ability to deliver sustainable growth.

MITIGATION

People recruitment, training and development are aimed at ensuring that the Company has suitably skilled and qualified people to meet current as well as future operational needs of its businesses. Furthermore, the Company is committed to creating opportunities for individuals to achieve their desired career progression ambitions. In addition, our ability to retain our key staff over the years has been one of the chief reasons why we were able to protect and preserve our resident intellectual capital. As many as 50% of our total workforce has been with our Company for more than five years, indicating our capabilities in keeping our staff loyal, engaged and motivated.

AREA OF RISK

Financial risk

DESCRIPTION

A strong financial framework is essential for ensuring the sustainability of operations and viability of business.

POTENTIAL IMPACT

Lax financial systems could weaken the Company's foundations over time, leading to losses and eventual insolvency.

MITIGATION

The Company's finance team maintains stringent financial control with adequate reporting. The Company's financial strengths are visible in continuity of operations over the past 19 years, meeting timely payment obligations to debt and other capital providers, on-time disbursement of salaries as well as regular dividend payments to shareholders. The Company has one of the strongest balance sheets in the industry with negligible debt on the books, high free cash flow generative platforms and low capex requirements because of being fully-invested in the creation of world-class assets and manufacturing capacities.

AREA OF RISK

Legislation and regulation risk

DESCRIPTION

The Company's operations are regulated by a variety of laws and regulations, the principal ones relating to worker health, safety and security, environmental stewardship, employment, port and customs, financial reporting and taxation, among others.

POTENTIAL IMPACT

Failure to comply could cause reputational harm and lead to civil or criminal proceedings, causing disruption to the Company's operations and leading to financial loss.

MITIGATION

The Company manages its current and potential obligations through a frame work of well-defined policies and procedures and, wherever appropriate, engages the services of competent third-party advisers and consultants. As a part of ExxonMobil, the Company also strictly embraces the operating standards set by the parent with rigorous adherence and compliance controls.

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MJL Bangladesh Limited



S M Rahmatul Mujeeb, FCA
Chief Financial Officer (Acting)

REVIEW OF FINANCIAL PERFORMANCE

We drive our financial performance to make acceptable returns that allow us to reinvest in sustaining our success. We bring forward the value of our financial discipline in ensuring the sustainability and viability of our organization and take decisions that help us achieve our stated objectives over the long-term.

Overview

We focus on quality of earnings, cash generation and margin enhancement and exercise rigorous discipline in selecting and pursuing opportunities which meet or better these financial targets. Capital allocation is tightly controlled and our investment appetite is driven by our excellence in engineering and human capital and in meeting the operational agendas of our clients.

Taken together, our business model and approach improve our competitiveness and are helping us achieve our goal of

being the trusted partner for our customers as an enduring lubricants solutions provider.

Financial strengths

- Strong balance sheet with a gearing of 13% and cash and cash equivalent of Taka 92 million (as on 30 June 2017)
- Prudent Group-wide capital allocation strategies with the effect that all our businesses / subsidiaries are profitable and cash positive
- Free cash flow increased by 75% to Taka 2,085 million during the year under report, indicative of the solidity of our business
- Sustained profitability focus with the outcome that our net profits have grown at a healthy 2.97% CAGR over the past five years.
- Strong treasury function contributing to sustained growth in income from prudent and risk-mitigated treasury operations

Financial risk management

Financial risks related to funding (liquidity and counterparty risks), interest rate risk and foreign exchange risk are managed by the Group treasury function. Short- and long-term funding requirements are assessed to optimize funding structures and liquidity risk associated with borrowings. It is the Company's policy to cover foreign currency exposures arising from the acquisition of goods and services with forward exchange contracts (hedging strategies).

Prospects and financial targets

We believe that economic conditions in Bangladesh have demonstrated resilience and the prevailing economic landscape is stable with an upward bias on the back of a strong incumbent central Government with policies aimed at removing the structural bottlenecks obstructing economic growth and development. Besides, the Governmental focus on world-class infrastructure creation (example, the Padma Bridge) has the potential capacity to transform the country's economic and growth aspirations.

At MJLBL, we will continue investing in competitive price points across our product range and are committed to maintaining gross margins from continued improvements in operational efficiencies. Inflationary pressures will remain a key risk and we will focus on mitigating these through strategic and selective cost-push. Besides, our no discounting policies have not only protected our financial integrity but also ensured that we do not create artificial demand through discounting, rather choosing to educate our customers in using the right products as a sustainable route to grow the demand for our products.

Going ahead, attention will remain on improving our performance by engaging in a critical analysis of costs and operational activities even as we focus on further moderating our cost of debt while increasingly using our cash flows to repay / prepay debt in a bid to strengthen our balance sheet.

KEY PERFORMANCE INDICATORS

At MJLBL, the standalone entity comprises the flagship lubricant manufacturing and trading business and oil tanker units. On a consolidated level, MJLBL has three subsidiaries, Omera Petroleum Limited (OPL), Omera Cylinders Limited (OCL) and MJL & AKT Petroleum Company Ltd. Both OPL and OCL are engaged in the downstream LPG business. MJL and AKT is involved in selling lubricants in the untapped Myanmar market.

REVENUE PERFORMANCE

Business unit	2015-16 revenues (July – June) BDT Million	2016-17 revenues (July – June) BDT Million	Percentage growth (%)	Contribution to consolidated revenues BDT Million	Contribution to consolidated revenues (%)
Manufacturing (under MJL Bangladesh Limited)	3,899	4,087	5%	4,087	27%
Trading (under MJL Bangladesh Limited)	3,894	3,774	-3%	3,774	25%
Oil tanker (under MJL Bangladesh Limited)	1,054	1,232	17%	1,232	8%
Omera Petroleum Limited (subsidiary)	2,234	5,852	162%	5,852	39%
Omera Cylinders Limited (subsidiary)	397	485	22%	-	-
MJL & AKT Petroleum Ltd. (subsidiary)	70	107	52%	107	1%
Total				**15,052**	**100%**

CAPITAL EFFICIENCY

Metric	2013-14	2014-15	2015-16	2016-17
Return on capital employed	18.27%	17.19%	23.86%	23.88%
Return on net worth	19.29%	18.05%	24.87%	24.71%

WORKFORCE COMPETENCY

Metric	2013-14	2014-15	2015-16	2016-17
Revenue per employee (BDT Million)	51	49	47	44
Addition to employee base (%)	3	9	2	8

EXCHEQUER CONTRIBUTION

Metric	2013-14	2014-15	2015-16	2016-17
Taxes and VAT (BDT Million)	1,958	2,099	2,407	2,901

SOCIETAL VALUE CREATION

Metric	2013-14	2014-15	2015-16	2016-17
Salary and staff welfare expenses (BDT Million)	134	143	229	219
Supplier purchases (BDT Million)	5,619	5,925	5,219	4,703

SHAREHOLDER VALUE CREATION

Metric	2013-14	2014-15	2015-16	2016-17
Dividend	25%	30%	40%	45%
Book value per share (Taka)	31	30	33	34
Market capitalization (BDT Million)	20,079	29,454	26,602	36,653

COMMUNICATION TO SHAREHOLDERS AND OTHER STAKEHOLDERS

At MJLBL, we believe that our success depends not only on embracing the highest standards of performance and service delivery that our stakeholder ecosystem has come to expect of us, but also on our ability to understand, influence and manage the expectations of this ecosystem. This represents the cornerstone of our focus on communication to shareholders and other stakeholders

At our Company, we take into cognizance the interests of all our external and internal stakeholders. These include current as well as potential shareholders, clients, colleagues, government regulators, media, professional bodies and trade associations and the communities around our manufacturing facilities and distribution centres. We recognise that consistent, effective, open, transparent, honest and timely communication is important to help us convey our aims, objectives, policies and other key corporate developments on an ongoing basis and to endorse our integrity and trustworthiness as a publicly-listed company.

In this regard, we provide information through a number of channels including traditional media and through digital channels, such as our website and social media sites. We ensure at all times that our communication conveys our beliefs and values while explaining in some detail the core rationale behind the update/s. We are also prompt to issue notifications that might be price-sensitive, to the concerned authorities and regulatory bodies. Importantly, we pursue our commitment of open and honest communication through:

- Shareholders and potential investors – We communicate with shareholders and potential investors via our investor relations page on our website and share information about the Company's performance through a comprehensive and information-rich Annual Report, at our Annual General Meeting and through full-year and quarterly results presentations. We also engage with analysts and other investment management firms to share updates while providing them with a contextual reference on our progress and aspirations.
- External stakeholders – We deploy a range of media to communicate with external stakeholders. These include face-to-face meetings and events as well as sharing marketing materials such as brochures, case studies and newsletters, especially with our customers. We operate a proactive programme of communication to share information with the media and ensure we provide timely and accurate information about our achievements, performance and successes, on our website and social media channels.
- Internal stakeholders – We communicate with our colleagues across Bangladesh through both informal and formal communication channels, with a particular emphasis on ensuring we have feedback mechanisms in place to promote open and active dialogue and communication between colleagues. These communication channels include webinars, staff notices, newsletters, posters and conferences to ensure colleagues understand the Company's overarching aims and objectives and know where they fit in to help achieve these. This also provides a mechanism for knowledge exchange throughout the Group.

Something interesting!

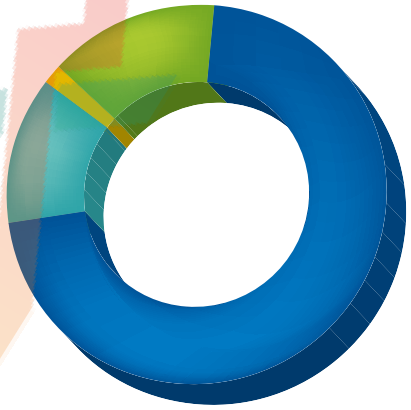
At MJLBL, we are among the few companies in our industry to publish a detailed newsletter, Pitstop, on a bi-annual basis. Our newsletter not only helps our employees stay abreast of the latest developments at our Company but also brings them closer to our other colleagues through a dedicated 'Employee News' section. With an attractive and reader-friendly layout, our newsletter also embeds a number of photographs that help build familiarity.

INVESTOR FRIENDLY INFORMATION

Shareholding composition of June 30, 2017

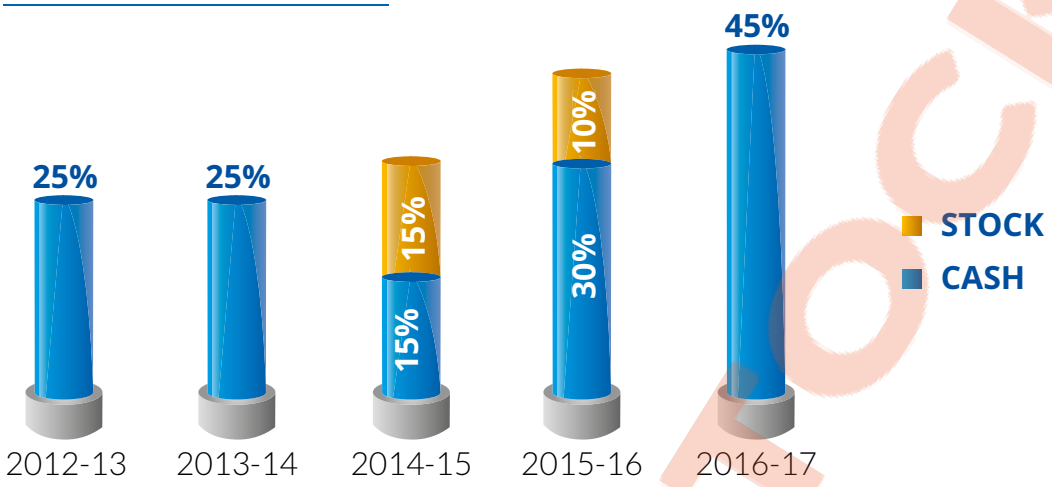
Sl. No.	Name of Shareholders	Number of Shares	% of total Shares
1	**SPONSORS/DIRECTORS:**		
	EC Securities Limited	157,054,113	52.0618
	Jamuna Oil Company Limited	58,687,524	19.4543
	Mr. Azam J Chowdhury	6,691	0.0022
	Tanjil Chowdhury	6,691	0.0022
	Dilruba Chowdhury	6,691	0.0022
	Marina Yasmin Chowdhury	6,691	0.0022
	Parkesine Products Limited	6,691	0.0022
	Sub-Total	**215,775,092**	**71.5271**
2	**GENERAL:**		
	Institutions:		
	Investment Corporation of Bangladesh	5,396,870	1.7890
	UCBL	1,573,624	0.5216
	Pubali Bank Securities Limited	1,500,000	0.4972
	Delta Life Insurance Company Limited	1,077,000	0.3570
	Pubali Bank Limited	1,075,572	0.3565
	EBL Securities	875,448	0.2902
	Bangladesh Fund	612,755	0.2031
	Other Institutions	25,675,088	8.5110
	Sub-Total	**37,786,357**	**12.5258**
	Individuals:		
	Public (Individuals)	43,466,598	14.4087
	Sub-Total	**43,466,598**	**14.4087**
3	**FOREIGN:**		
	Both Institutions & Individuals	4,640,551	1.5383
	Sub-Total	**4,640,551**	**1.5383**

SHAREHOLDING COMPOSITION

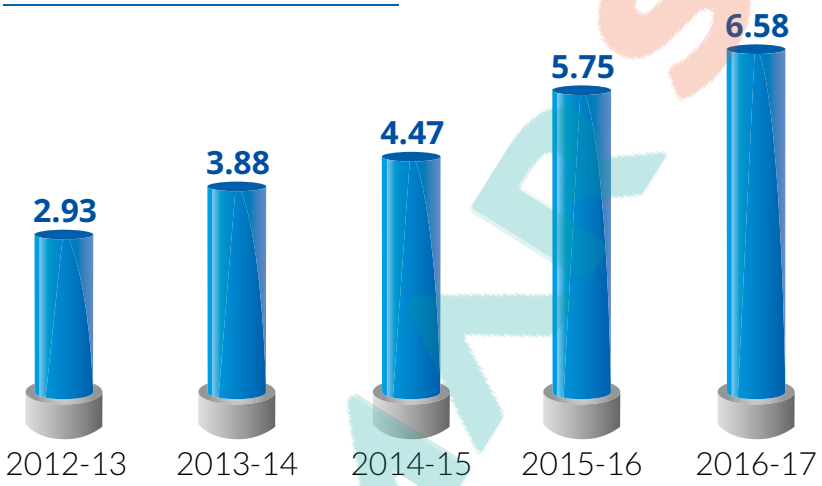


Sponsors/ Director	71.53%
Institute	12.53%
Foreign	1.54%
Public	14.41%

DIVIDEND OF LAST FIVE YEARS



EPS OF LAST FIVE YEARS (TAKA)



TREND OF SHARE PRICE

Date	Lowest Price	Highest Price	Closing Price	Average Price	Weighted Average Price	Turnover (BDT mn)
31 Jul 2016	103.40	105.30	103.80	104.21	104.18	135.370
31 Aug 2016	111.30	112.80	112.50	112.19	112.18	86.01
29 Sep 2016	113.90	115.80	115.40	115.00	114.90	196.67
31 Oct 2016	122.70	127.00	123.10	124.11	124.18	182.48
30 Nov 2016	119.30	120.90	120.10	119.82	119.77	58.90
29 Dec2016	118.20	121.60	119.60	119.84	119.54	168.90
31 Jan 2017	119.30	122.90	122.50	121.26	121.28	76.45
28 Feb 2017	120.50	122.50	120.90	121.22	121.23	75.11
30 Mar 2017	113.70	115.50	114.80	114.65	114.70	79.99
30 Apr 2017	108.00	110.10	108.40	109.14	109.09	19.88
31 May 2017	117.40	118.90	118.50	118.40	118.41	171.79
29 Jun 2017	121.00	122.00	121.50	121.46	121.48	78.02

REDRESSAL OF INVESTOR'S COMPLAINTS

Strong investor grievance redressal mechanisms and protection of retail investor interests go hand-in-hand. In ensuring the existence of a transparent, time-bound, easier and simpler grievance redressal mechanism for retail investors, their protection will be substantially ensured and they will be able to increasingly mobilize and place their investments – and trust – in the capital markets and thus contribute towards national economic development by channelizing their savings into investments and facilitating stronger capital formation. In this context, systems must offer adequate checks and balances in which corporate efforts towards value creation are backed by investor confidence in company operations and managements.

At MJLBL, we have a formal investor grievance management procedure to redress investor complaints with speed, sensitivity and surety. The Company receives complaints from investors in written format, over the phone or via email. A dedicated department headed by the Company Secretary has been set up to deal with all investor issues on a forthcoming basis and to provide prompt and efficient services to our shareholders.

MARSTOCK

Our Responsibility



Committed to all-round
stakeholder value creation

OUR RESPONSIBILITY

At MJLBL, our strategic aim is to generate value for all our stakeholders. We are committed to managing the business in a socially-responsible way, recognising that the proper management of such matters makes good business sense and can result in strategic, commercial and reputational gains and benefits.

We recognise that to be successful in achieving our strategy of sustainable, profitable and viable growth, it is essential we act responsibly in all our business units and towards all those who are their stakeholders. This includes our employees, customers, suppliers and communities in which we operate. We aim to consistently improve the social, environmental and economic issues within our control or influence throughout the business and our supply network.

The Company is committed to implementing the most prudent and forward-looking policies and procedures relating to the sustainability of the environment and to the successful delivery of an effective health, safety and security system, as well as ensuring that the people connected with the Company comply with all local legal and regulatory requirements in a fair, ethical and transparent way.

Through individual businesses and at the corporate level, we consider social and environmental factors, managing relationships with shareholders and other stakeholders and communicating with them through a variety of channels on an ongoing basis. These include the annual general meeting, annual and interim reporting and announcements submitted to regulatory and trading authorities as and when they happen.

Most importantly, as an essential part of the global ExxonMobil ecosystem, we operate under an enduring legacy that emphasises on bringing forth the goodness of our operations on the one hand while rigorously complying with local and national regulations, in both letter and spirit, on the other.

"At our Company, we are committed to treating our employees fairly and equitably, recognising individuals' basic human rights and embracing an ethical approach to employees, suppliers and customers. The Company respects the human rights of those working for / with us and of the people in the communities where we operate. In an industry where undercutting and other malpractices and unprofessional conduct is rampant, we choose to adhere to our culture of keeping the customers' interest first and foremost in everything we do. Besides, we do not have a discount policy, choosing to refrain from diluting our brand value while also simultaneously ensuring that our products represent strong value-for-money propositions."

Azam J Chowdhury, Managing Director

CORPORATE SOCIAL RESPONSIBILITY

In recognising the importance of various CSR issues that have now emerged as a critical constituent of everyday business, we seek to encourage and facilitate positive management behavior in alignment with the Company's operating framework. This includes the welfare of our employees, the satisfaction of our customers and suppliers and our impact on the environment.

MJL Bangladesh Limited, as part of its Corporate Social Responsibility (CSR) contributed a cheque worth BDT 50 Lakh to "Center for Woman and Child Health" to support their noble initiative in an event at Mobil House, Dhaka on 2nd November, 2016. Mr. M Mukul Hossain, Chief Executive Officer, MJL Bangladesh Limited handed over the cheque to Professor M Q K Talukder, Chairman, Center for Woman and Child Health for the development of the organization.



In August 2017, MJL Bangladesh Limited distributed relief to more than 1,000 flood victims in Kurigram, Lalmonirhat and Bogra. In December 2016 and January 2017, MJLBL also distributed more than 1,500 winter clothes among deprived people in Rangpur, Bogra and Thakurgaon.



HUMAN RESOURCES AND EMPHASIS ON MERITOCRACY

Our recruitment, training and development processes are designed to ensure that we have skilled and qualified employees to meet the operational needs of the business. We recognise that successful businesses need to deliver products backed by robust solutions, which can only be done by developing, supporting and maintaining the right staff to provide this. In this context, we are committed to developing the full potential of our people, offering opportunities for employees to develop and grow and periodically reviewing succession planning processes. Consideration is also given to applications for employment, having due regard to the particular aptitude and abilities of the applicants.

Operating in a space where technical knowledge is a fundamental requirement, we provide our employees with adequate exposure in terms of training and skills development. Towards this extent, during the year under appraisal, as many as 30 domestic training programs were organised for our staff while 9 foreign training outings were conducted to ensure that our staff remain abreast of cutting-edge practices. Broadly, training was imparted in the following domains:

- Quality and product
- Technical services
- Competence development
- Leadership
- Soft skills, including communication and collaboration
- Accounting and budgeting
- Workplace productivity

Importantly, 9 training programs were conducted by ExxonMobil and all LOBP members were exposed to some kind of training during the year. Moreover, our Company has a direct technical link with ExxonMobil, which helps us seek clarifications, etc, on a real-time basis.

Ensuring high workplace productivity is one of the top priorities of our organisation and hence, to this extent, several monetary as well as non-monetary benefits are provided to our employees that include performance bonus, subsidized and nutritious lunch, Provident Fund and Gratuity and hospitalisation reimbursement, among others. Additionally,

"At our Company, employee turnover remains relatively low, resulting in a stable employee base. It is our policy that all employees should have access to employment opportunities, irrespective of age, gender, ethnic origin or religious beliefs and practices. Operating in a country that is yet to reach a middle-income status, we consider it our responsibility to provide the right employment opportunities to the right people and, in doing so, generate livelihood that could have a positive cascading effect on the society at large. While we provide direct employment opportunities to a 182-strong staff base (as on 30 June 2017), hundreds of others depend upon us indirectly for their livelihood and some of these constituents comprise our suppliers, logistics agents and contractual workers, among others."

Khaiyam Khan, Manager – HR and Admin

we are a flat organisation with an open-door policy that encourages the healthy exchange of knowledge, ideas and insights between the various levels of the organisation. Besides, being flat also strengthens and quickens our decision-making abilities.

At our organisation, we continually strive for achieving the right work-life balance and our emphasis on this is amply evident in the fact that our employees need permission to stay in office beyond the permitted working hours. In a way, this also helps in ensuring high levels of productivity through the day. Bringing forth the 'fun' element to work, we organise an annual Family Day where our employees and their families get to know and spend time with each other.









Moreover, we also observe / celebrate International Women's Day, Safety Day and Environment Day, among others. Encouraging sports and outdoor activities is also on our agenda as we encourage our employees to participate in several corporate tournaments, while also organizing inhouse tournaments.

Our 2017 HR-centric plans are well-defined as we will continue to emphasise on training (both domestic and international), also drawing the support from ExxonMobil. With a view to enrich workplace diversity, we also intend to recruit a larger number of women into our workforce, thereby also showcasing meritocracy. We

also expect to more clearly define key performance indicators (KPIs) that will enable better expectations management out of our staff while also keeping them productive, motivated and committed to reach our corporate goals and aspirations.

Health, safety and security

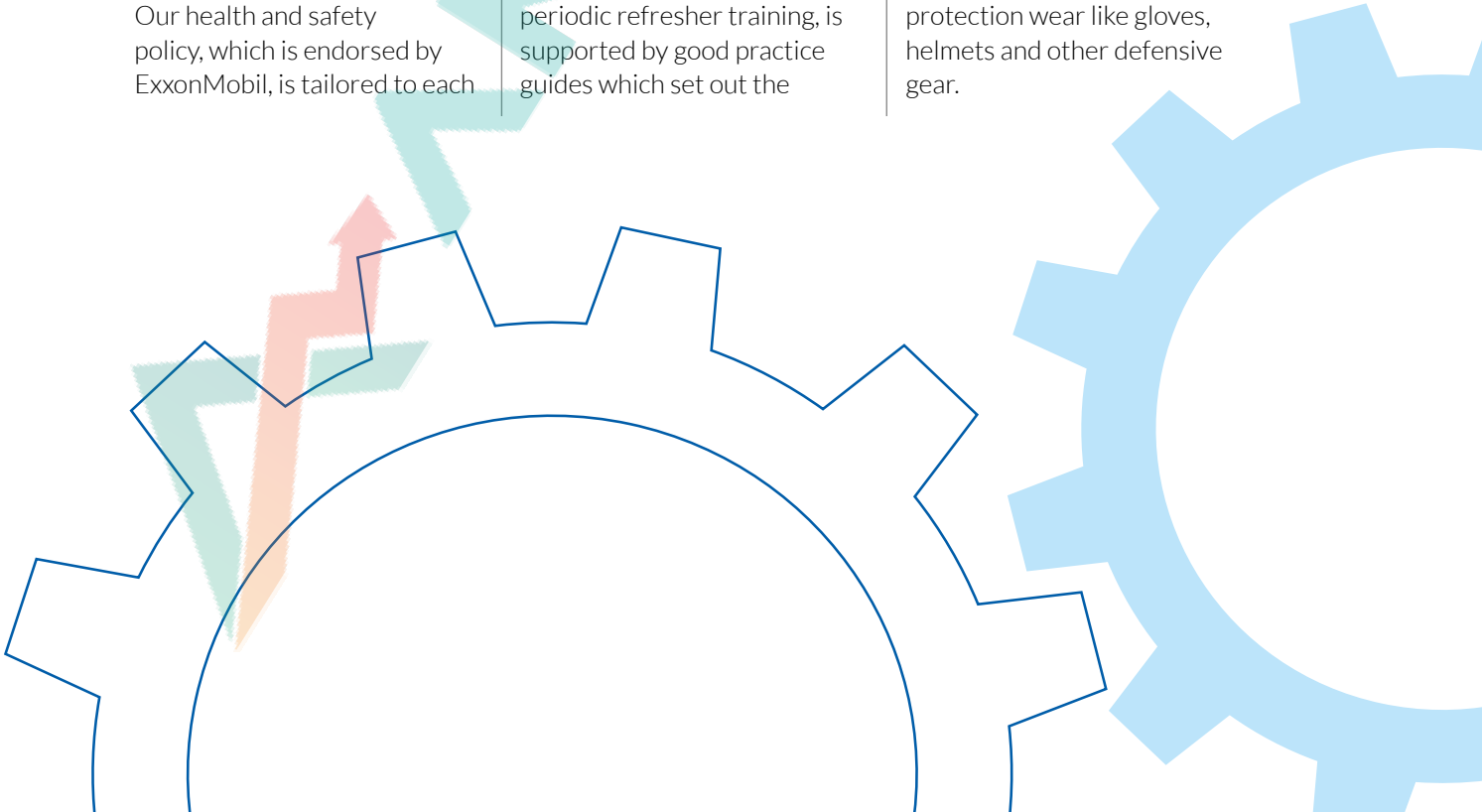
The health, safety and security of employees and individuals likely to be affected by our business, including contractors, customers, staff and members of the public (where appropriate), is treated with the utmost importance. We are committed to developing and maintaining a positive and effective health, safety and security culture. It is our policy to ensure that the Company's operations are carried out at all times in the highest compliance with the relevant health, safety and security guidance of our parent.

Our health and safety policy, which is endorsed by ExxonMobil, is tailored to each of our business operations and the circumstances in which they operate. It is amended to reflect changes in procedures and processes and any modifications to our control and inspection procedures. Our management teams are encouraged to create a supportive health, safety and security culture and recognise the value of employee participation. Moreover, additional inspections are undertaken where changes to operations have occurred or new premises occupied.

Health, safety and security represent an important part of employee induction, during which time we ensure that all employees are aware of our policies and of the commitment that is expected of them towards their safety. Managers are deputed to monitor and control safety and are guided and supported by our third-party advisers in risk assessment techniques.

Job-specific training, including periodic refresher training, is supported by good practice guides which set out the important features associated with many aspects of the roles and duties undertaken by employees. Our businesses maintain good relationships with health and safety and environmental health regulators with positive and prompt responses to any findings or observations following compliance inspections. We have an open and active reporting of any accidents and incidents. During the year under review, there were no serious injuries or fatalities, sustaining our respectable track record in this important facet of business.

Containment and inspection regimes in higher risk areas, such as fuel and lubrication stores, are kept under review. Fire risk protection continues to be improved even as we have state-of-the-art fire protection equipment and capabilities at all of our plants and manufacturing facilities. Besides, all our employees are mandated with equipping themselves with personal protection wear like gloves, helmets and other defensive gear.



ENVIRONMENT RELATED INITIATIVES

Base oil sourcing

As an importer of base oils and certain other resources from outside Bangladesh, we have a procedure in place to comply with the requirements of port and customs regulations. The procedure culminates in a documented trail confirming that the products are sourced from authorized ExxonMobil suppliers, which in itself represents the highest quality of due diligence on the supplier ecosystem.

Lube Oil Blending Plant

Our Lube Oil Blending Plant can blend up to 150 KB lubricants annually (single shift). Most interestingly, though thousands of barrels of oil are being blended at this plant, not a single drop is visible. It is a zero emission plant adhering to all statutory and legislative environmental requirements of the government.

Utilities consumption

We recognise that our business can have a direct and indirect impact upon the environment. In this context, we monitor our greenhouse gases (GHG) on a consistent basis with the aim of improving our use of energy, water and recyclable and non-recyclable resources, ensuring long-term environmental and business sustainability.

We seek to reduce water consumption through repair, renewal or installation of equipment to improve efficiency. We also deploy world-class processes and operate high-quality equipment that helps us minimise electricity consumption. Besides, we also continue to install energy-efficient LED units that help us save on additional electricity consumption and costs.

LEED-certified building

In a significant forward-looking move and aligned with our sustainability philosophy, we are in the process of constructing our LEED-certified, Platinum-rated Green Building, positioned as our new corporate center in Dhaka. The 15-storey building's construction and design will incorporate the highest levels of economic and environmental sustenance, while enabling us to save significantly on utility costs once the building is ready for occupancy, expected by mid-2019.



Something interesting!

LEED, or Leadership in Energy and Environmental Design, is the most widely used green building rating system in the world and LEED certification is a globally-recognized symbol of sustainability achievement. Available for virtually all buildings and community and home projects, LEED provides a framework to create healthy, highly-efficient and cost-saving green buildings. Projects pursuing LEED certification earn points across several categories, including energy use and air quality. Based on the number of points achieved, a project then earns one of four LEED rating levels:

- Certified (40-49 points earned)
- Silver (50-59 points earned)
- Gold (60-79 points earned)
- Platinum (80+ points earned)

The process is designed to inspire project teams to seek innovative solutions that support public health and the environment, while saving building owners money over a project's lifecycle. These are some of the most prominent advantages of LEED buildings.

- Highly visible: Over 2.2 million sq. ft is LEED-certified every day with more than 90,000 projects using LEED.
- Flexible: LEED works for all building types anywhere. LEED is in over 165 countries and territories.
- Sustainable: LEED buildings save energy, water and resources, generate less waste and support human health.
- Value: LEED buildings cost less to operate and boost employee productivity and retention.

Source: https://new.usgbc.org/leed

Environment-friendly oil

Environment-friendly oil products were designed by ExxonMobil's research scientists to complement the new generation of ozone-friendly refrigerants mandated by the Montreal Protocol and succeeding world-wide agreements. Development of these products symbolizes our continuing commitment to use advanced technology to provide outstanding lubricant products and solutions. As a result, Mobil EAL Arctic Series are high-performance Environmental Awareness Lubricants (EAL) that are fully synthetic products designed specifically for the lubrication of refrigeration compressors and systems using ozone-friendly HFC. These oils are formulated from proprietary synthesized Polyol Esters (POEs) and a unique additive system to provide outstanding lubricity, wear protection, chemical and thermal stability and hydrolytic stability. The Mobil EAL brand of lubricants are recognized and appreciated around the world for their compatibility with the environment and their excellent all-round performance.

Warehouse management

At our warehouse, we have been maintaining best house-keeping practices since inception. It is our standard practice to store drums, pails and all other containers in a shaded and well-defined area. Besides, we position drums in such a way that no air, water or moisture can permeate inside. Opening any container is strictly prohibited within the premises. If we find any container damaged, then it is retained in a confined area to avoid any hazards or prevent environmental contamination. Our transport policy is also strict, taking into cognizance environmental safety. We always deliver products to client premises in a covered van. This covered vehicle protects container constituents from coming into contact with the external environment and also protects the environment from oil hazards and leakages, among others.

Training seminar

During any given year, we conduct hundreds of training and awareness programs for our valued clients. We spend our time and energy in educating them on the selection of the right oil in the right place at the right time. This ensures lower and more efficacious use of lubricants. The lower the quantum of oil use, the lower will be the pollution. We also focus on the proper disposal of the can or the container. Evidently, in many ways, we are working relentlessly to preserve our environment.

Community

While the Company does not support a specific charity or community, it is committed to encouraging charitable organizations working adjacent to our operating businesses and to engaging with the local communities with our time, energy, ideas and resources. We value our relationships with local stakeholders, supporting them financially, wherever applicable, and through donations, as also in providing vocational opportunities.

OUR CONTRIBUTION TO THE NATIONAL ECONOMY

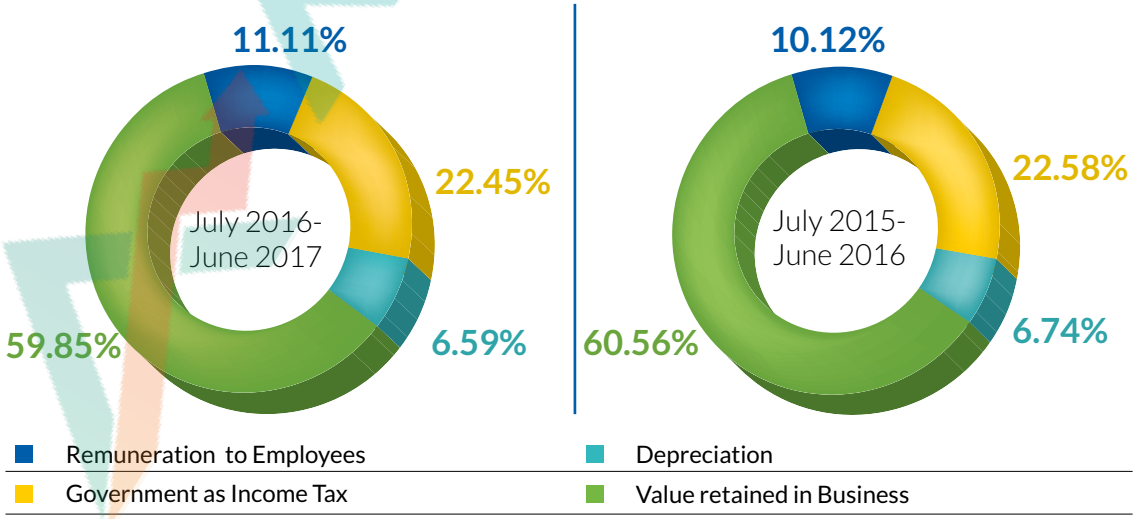
As an enterprise that is deeply-rooted in Bangladesh's soil, we are not only focused on lubricating the wheels of the national economy through our focus on the supply of world-class products and solutions, but also emphasise on the most fundamental humanitarian principal – raising the quality of living. Towards this extent, through our operations, we fulfill our national duty in terms of adhering to both local as well as national laws and regulations – in both letter and spirit, and also meet our obligations with respect to paying duties, taxes and other dues on time. Hence, in effect, we are among the unique businesses where our products and services help strengthen the fabric of the nation while running our operations successfully enable us to make increasing contributions to build the country in terms of discharging our statutory responsibilities. This enables us to fulfill our purpose of being a trustee to the nation's economic growth and progress in our own small way.



VALUE ADDED STATEMENT

The value added statement provides a detailed account of total value addition and the distribution of the value created by the organization. MJLBL contributes positively to socio-economic development by empowering employees through the payment of salaries and allowance by assisting the regulatory capacities through paying taxes and of course keeping in mind company's continuous expansion and growth.

	Jul 16 - Jun 17		Jul 15 - Jun 16		Growth
	(Taka)	%	(Taka)	%	%
Value Addition					
Revenue	8,079,138,509		7,839,927,017		3.05%
Cost of Revenue	4,615,238,100		4,801,192,533		-3.87%
Value Added	3,463,900,409		3,038,734,483		13.99%
Operation Expenses Less Employees Remuneration & Depreciation	412,333,733		371,638,966		10.95%
	3,051,566,676		2,667,095,518		14.42%
Add: Other Income	16,179,331		37,557,280		-56.92%
Gross Value Added	**3,067,746,006**	**100%**	**2,704,652,798**	**100%**	**13.42%**
Distribution of Value Addition					
Remuneration and other benefits to Employees	340,876,212	11.11%	273,711,127	10.12%	24.54%
Government as Income Tax	688,653,905	22.45%	610,800,552	22.58%	12.75%
Depreciation	202,093,727	6.59%	182,306,791	6.74%	10.85%
Value retained in Business	1,836,122,162	59.85%	1,637,834,328	60.56%	12.11%
	3,067,746,006	**100%**	**2,704,652,798**	**100%**	**13.42%**
Number of employees at the end of the year	**182**		**168**		
Value added per employee	**16,855,747**		**16,099,124**		**4.70%**



MARKET VALUE ADDED STATEMENT

Market value added statement reflects the company's performance evaluated by the market through the share price of the company. This amount is derived from the difference between market capitalization and book value of the shares outstanding. Market value added is one of the market indicators of value creation. The greater market value added indicates the company has created substantial wealth for the shareholders. A negative market value added means that the value of management's actions and investments are less than the value of the capital contributed to the company by the capital market.

Market value added statement as of June 30, 2016 and June 30, 2017

Figures are in BDT Million

	June 30, 2016	June 30, 2017
Market value of shares outstanding	26,602	36,653
Book value of shares outstanding	9,042	10,216
Market value added	17,560	26,437



ECONOMIC VALUE ADDED STATEMENT

Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. EVA can also be referred to as economic profit, and it attempts to capture the true economic profit of a company.

Description	Jul 16 -Jun 17	Jul 15 -Jun 16
Operating profit	2,536,690,458	2,240,326,611
Provision for Income Tax	657,151,247	589,310,531
Net Operating profit after tax (NOPAT)	**1,879,539,212**	**1,651,016,080**
Charges for capital		
Capital Employed	10,571,874,107	9,422,495,143
WACC	10.92%	11.27%
Capital Charges	1,154,440,143	1,061,600,349
Economic Value added	**725,099,069**	**589,415,731**
Capital Employed		
Total Assets	15,348,152,446	14,486,966,407
Less: Current Liabilities	4,776,278,339	5,064,471,264
	10,571,874,107	**9,422,495,143**

AMAR STOCK

HUMAN RESOURCE ACCOUNTING

Overview

As per a journal of International Business and Cultural Studies, Human Resource Accounting (HRA) involves accounting for expenditures related to human resources as assets as opposed to traditional accounting that treats these costs as expenses that reduce profit. The strong growth of International Financial Reporting Standards (IFRS) is an indication that the environment for international financial accounting is one that potentially encourages the consideration of alternative measurement and reporting standards and lends credence to the possibility that future financial reports may include non-traditional measurements such as the value of human resources using HRA methods.

Advantages of Human Resource Accounting (HRA)

In addition to external financial reporting, HRA may be useful as a managerial tool to aid in making decisions that will benefit the long-run strategic goals and profitability of a company.

As opposed to external financial reporting, managerial reporting does not require adherence to a strict set of GAAP in specific financial statements in acceptable format reported to shareholders/ the public at large. However, even if human assets are not reported on the face of external financial statements, HRA can play a crucial role in internal managerial decision-making and HRA measures can be used to demonstrate that investments in a company's human resources may have a direct co-relation with long-term profitability. When companies go through the process of HRA measurement treating human resources as capital assets, they are more likely to make decisions that treat the company's employees as long-term investments (and assets) of the company.

Economists describe the HRA paradigm in terms of the 'psycho-technical systems' approach to organizational measurement. According to this approach, the two functions of measurement are:

- Process functions in the process of measurement
- Numerical information from the numbers themselves

Human Resource Accounting advantages in a nutshell

- Helps usher a cultural and mindset change in terms of discovery of human resources as an asset of value
- Helps create policies and practices that are anchored on being HR friendly
- Helps boost staff morale and confidence
- Helps managers take swift and accurate decisions
- Helps align organisational resources with corporate ambitions and profitability targets

While one role of HRA is to provide numerical measures, an even more important role is the measurement process itself. The HRA measurement process as a dual function attempts to increase recognition that human capital is paramount to the organization's short- and long-term productivity and growth aspirations.

When companies go through the process of measuring human resources, they are more likely to focus on the human and humane side of the organization and will be more inclined to consider human resources as valuable organizational resources. For example, with the additional use of HRA measures, as compared with only traditional accounting measures, the management is more likely to see the hidden costs to the company's human resources and the long-term implications to human assets. This is because HRA views human resources as assets or investments which must be maintained for long-run productivity.

A large number of company managers and human resource professionals have utilized the HRA measure of expected realizable value and found that employee participation in a management development program increased the value of the individuals to the firm. In addition, they have noted that the HRA measures provided upper level management with an alternative accounting system to measure the cost and the value of people to an organization.

Thus, HRA represents a paradigm way of viewing human resource decisions and the set of measures for quantifying the effects of human resource management strategies upon the cost and value of people as organizational resources indicate that many business leaders have no generally accepted definition or accounting procedure for tracking training investments and note that a lower training investment is not automatically better for an overall return on investment. They suggest that although many business leaders still view training as an overhead expense, with thorough ROI evaluations, training departments can convince businesses to view them as partners in creating the assets crucial to organizational success.

Other authors have expressed similar views suggesting the benefits of HRA measurements and the process of measuring human resources. For example some indicate that expressing human resource interventions in financial terms and /or cost benefit terms is more effective than using soft accounting information such as data on job satisfaction. Because the classical function of accounting is the determination of the value of the economic activity, performing analysis with hard numbers such as cost-benefit analyses helps one determine how resources should be used by human resources for various interventions. Economists and HR professionals conducted a survey study utilizing component analysis and found two reasons why measuring human resources is important:

- The first is that measurement reflects the strategic and competitive importance of human resources
- The second suggests that to earn credibility, human resources must be expressed in financial terms

They suggest that, if properly implemented, the human capital planning and budgeting process will become a key driver of strategy in that strategic human capital planning and budgeting ensures that the best resources are mobilized for each internal process. They also indicate that too often, organizations focus solely on meeting the financial budget first without consideration of the effect the cost slashing will have on strategy and note that the financial numbers are a lagging indicator of where a firm has been and should not be substituted for leading indicators of where the firm is going. Rather, the management should focus clearly on leading indicators that drive successful financial measures and that it is through skills-based budgeting that the fallacy of financial focus can be avoided.

Some HR professionals also suggests that the value of human capital should be more fully considered when making decisions about the acquisition and disposal of people—and note that the accounting practices currently employed by companies can have an

undue influence in driving the strategic decisions of these companies. They note that there are parallels between the process of acquiring an employee (a human capital asset) and that of acquiring a fixed capital asset. However, while most companies acknowledge the contributions of its employees, they do not think of the acquisition or disposal of human capital assets in the same way or with the same thoughtful planning or strategic thinking as they do for fixed capital assets. In this regard, Human Resource Accounting can play a significant role in redefining the long-term profit aspirations of a Company and enable it to derive the full potential of its human resources to achieve these goals and targets.

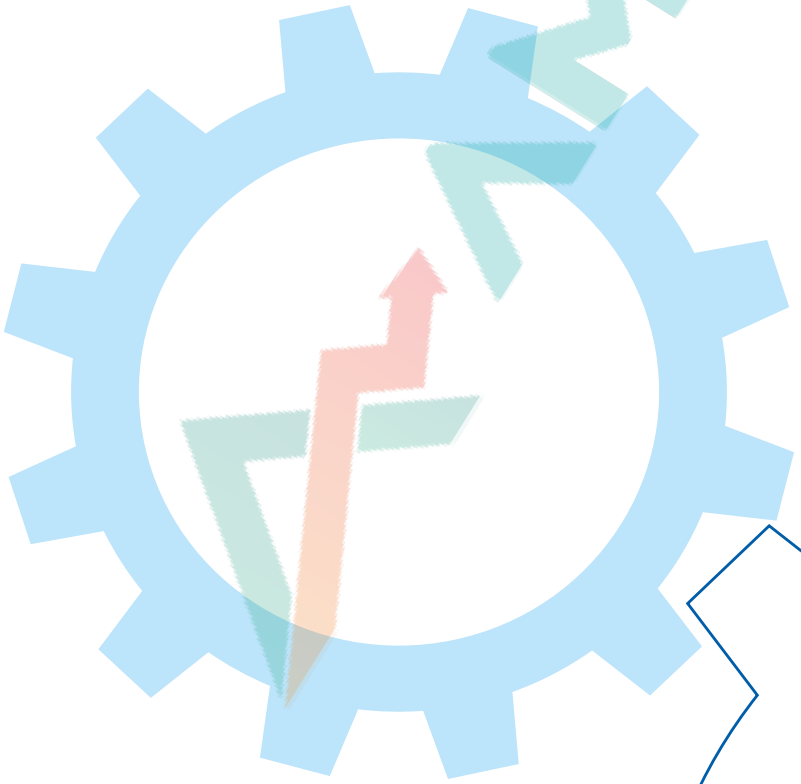
International developments in Human Resource Accounting Interest in HRA-related reporting has grown in a number of countries across continents. In discussing core HR metrics, professionals indicate that two-thirds of the 250 largest companies in the world now issue sustainability reports along with their financial reports in order to capture the full value of the organization. Global standards for sustainability reporting require the disclosure of workforce data that reflect the potential for future performance and profitability. Sustainability reporting has been formalized under guidelines by the Global Reporting Initiative (GRI), an international network of business, labor investors and accountants.

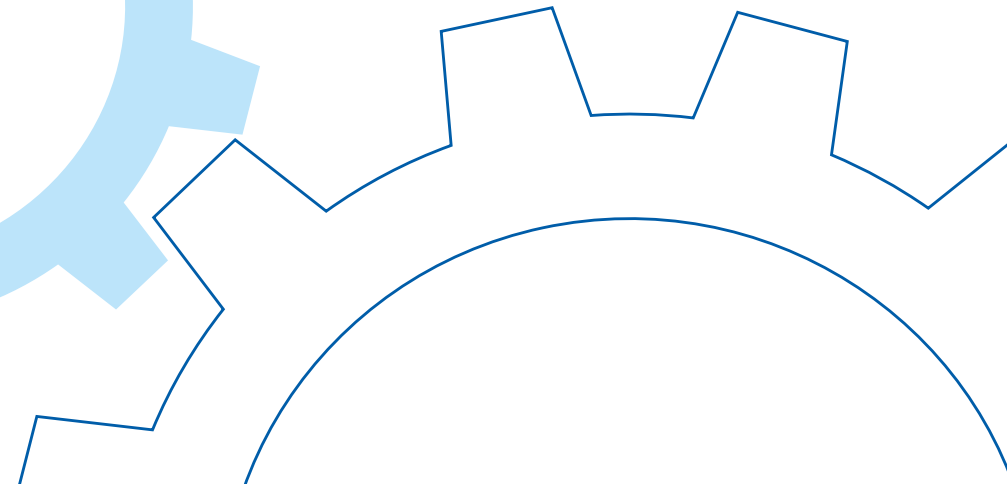
Human Resource Accounting at MJLBL

Aligned with the fact that we consider our human resources to be our most precious asset, we have embraced the core tenets of Human Resource Accounting and consider it to be a source of value.

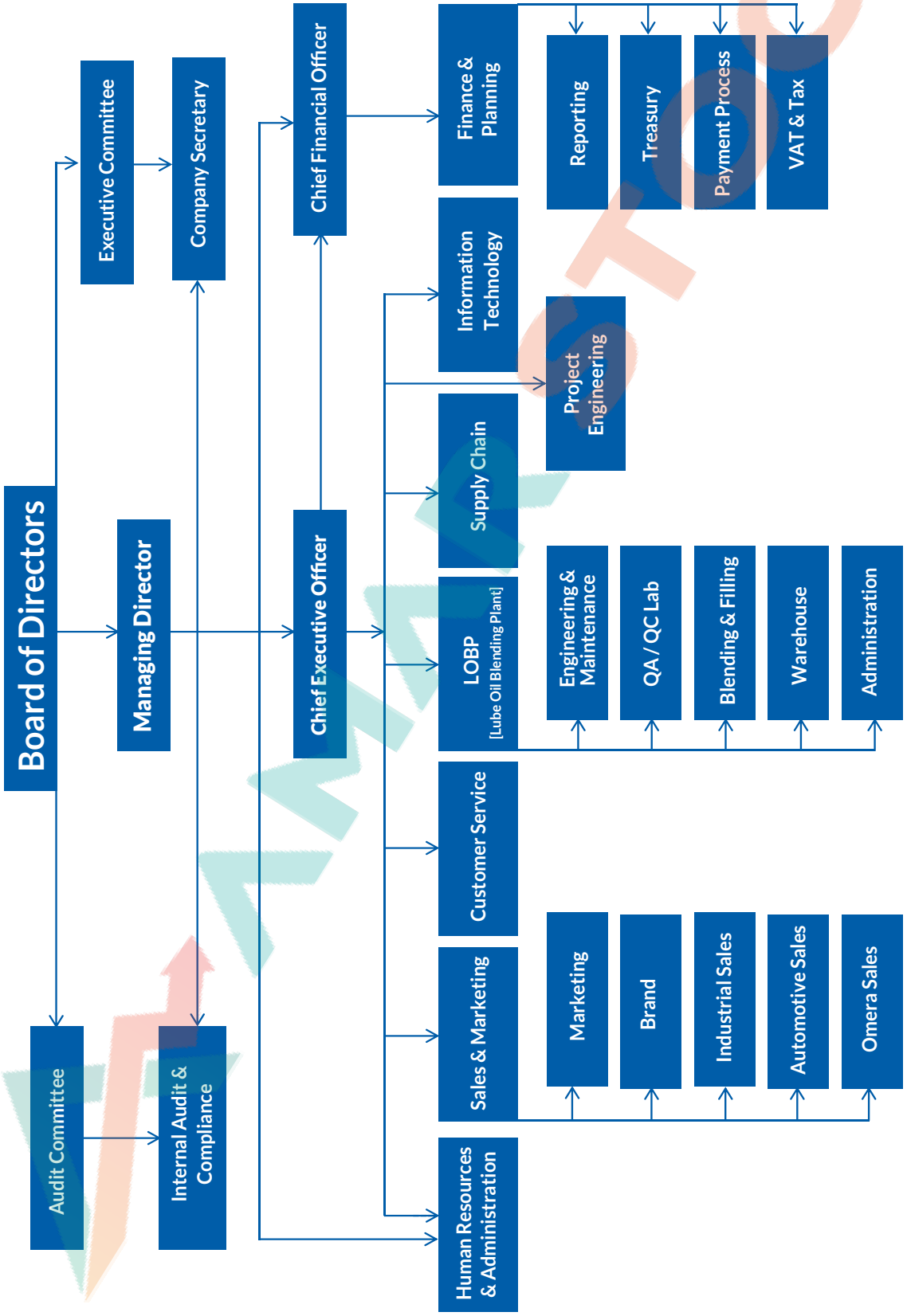
Metric	2015-16	2016-17
Revenue per employee (BDT mn) [A]	46.67	44.39
Salary and other benefits per employee (BDT mn) [B]	1.30	1.20
Net value-add [A-B=C]	45.37	43.19

The above table indicates our focus on not only enhancing revenues per employee through training and skill-building and also through productivity gains but also reflects our focus on providing industry-leading compensation standards that has enabled us to retain, motivate and keep our employees engaged.





ORGANIZATIONAL CHART



Mobil Delvac™

এলো নতুন
Mobil Delvac Super™ 1400



ইঞ্জিনের দীর্ঘ সুরক্ষা

হাই পারফরমেন্স মাল্টি-গ্রেড ইঞ্জিন অয়েল

ডিজেল/পেট্রোল/অকটেন ইঞ্জিনের জন্য

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MJL Bangladesh Limited

EVENT HIGHLIGHTS



Board of Directors at the 18th Annual General Meeting



Shareholders gathering at the 18th Annual General Meeting



Shareholders registering their name at the 18th Annual General Meeting



Special guest, Mr. Teoh Song Ping, Director Asia Pacific Lubricants Sales, ExxonMobil is speaking to the audience during new pack launch event of MJLBL



New Pack Launch of MJLBL at Radisson Blu Dhaka Water Garden



Inauguration of 11th Mobil Cup Golf Tournament at Kurmitola Golf Club



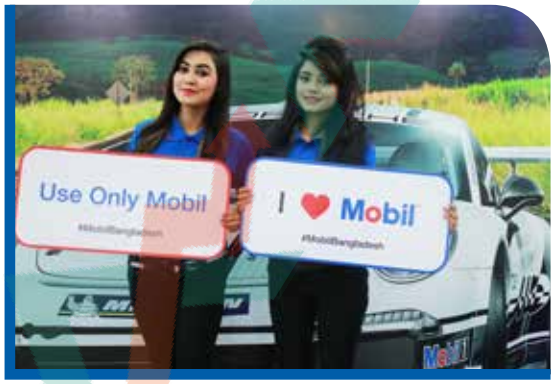
Mr. Azam J Chowdhury, Managing Director of MJL Bangladesh Limited participated in 11th Mobil Cup Golf Tournament arranged at Kurmitola Golf Club



Prize giving ceremony of 11th Mobil Cup Golf Tournament



Mobil Stall at Dhaka Motor Show 2017



Consumer engagement program with photo booth was arranged at Dhaka Motor Show 2017



Sales and Marketing personnel of MJL Bangladesh Limited are responding to a customer query at Dhaka Motor Show 2017



Mr. Md. Mahbub Alam, Executive-S&M is handing over gift items among the participants in an eventful road show program in Sylhet



Mr. Farhan Bin Razzaque, Senior Executive-S&M, is giving a presentation among the participants of a road show program in Dhaka South Territory organized by MJLBL



Mr. M Mukul Hossain, CEO of MJLBL and Mr. Wahiduzzaman, AGM-S&M, Mr. Md. Fazley Lohany, Asst. Manager-S&M, along with respected channel partners of MJLBL are attending a Wholesaler Meet program in Bogra



Piles of Mobil Super 4T cans are seen gathered to be destroyed by Field Marketing Team of MJLBL under an awareness campaign program to discourage people to use/ sell the counterfeit products



A large number of people came to the temporary stalls at Tejgaon Truck Stand, Dhaka to get them introduced with the campaign of newly launched Mobil Delvac Super 1400 marketed by MJLBL



Mr. Md. Anwar Hossain, Asst. Manager- S&M and Mr. Nirupam Musatafi, Manager-S&M are conducting a Customer Clinic program with NDE Ready-Mix Concrete at their workshop premises in Dhaka



Mr. Md. Ahsan Kabir, DGM-Head of Marketing, Mr. Masud Parvez, Head of Sales and Mr. A K M Monjurul Karim, Assistant Manager, S&M are launching the activation of Mobil Delvac Super 1400 through a road show program in Tejgaon area



Mr. Md. Ahsan Kabir, DGM-Head of Marketing, Mr. Masud Parvez, Head of Sales are launching the new packs of Mobil products with local channel partners in a road show program in Sylhet organized by MJLBL



Another activation targeted the newly launched product of Mobil Delvac Super 1400 took place around the country, where representatives of MJLBL reached out to end-users to introduce the product



An outlet under MJLBL channel has been decorated with POSM to celebrate the launch of the new packs of Mobil products in Bangladesh



As a part of BTL Campaign, a souvenir pack of sweets were offered as goodwill gesture with the channel partners of MJLBL throughout the country in order to celebrate the launch of the new packs of Mobil products in Bangladesh



Syed Ghulam Dastagir (Head of Brands and Market Communications) and Ahsan Kabir (Head of Marketing) is handing over Mobil branded umbrella to Assistant Commissioner of Dhaka Metropolitan Police (Traffic Division) and to the hardworking members of the traffic police in Mohakhali, Gulshan and Banani Zone

সর্বোচ্চ সুরক্ষার প্রতিশ্রুতি



গুণাবলী

- অতিরিক্ত চাপ ও কম্পনজনিত ক্ষয়রোধ করে।
- মরিচা প্রতিরোধ করে ও ক্ষয়রোধ ক্ষমতা বৃদ্ধি করে।
- Lead, Chlorine, Aromatic Extract এবং Nitrate মুক্ত।
- গঠণগতভাবে এর গুণাগুণ সর্বদা বজায় থাকে।
- উচ্চ তাপমাত্রায় কার্যক্ষম।
- পানির উপস্থিতিতেও সহজে গুণাগুণ নষ্ট হয় না।



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/OmeraLubricants

MJL Bangladesh Limited

Omera
Grease

MJL Bangladesh Limited

AUDITORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

ACNABIN
Chartered Accountants

BDBL Bhaban (Level-13 & 14)
12 Kawran Bazar Commercial Area
Dhaka-1215, Bangladesh.

Telephone: (88 02) 8144347 to 52
(88 02) 8189428 to 29
Facsimile: (88 02) 8144353
e-mail: <acnabin@bangla.net>
Web: www.acnabin.com

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MJL BANGLADESH LIMITED

We have audited the accompanying consolidated financial statements of MJL Bangladesh Limited and its subsidiaries ("the Group"), as well as the financial statements of MJL Bangladesh Limited ("the Company"), which comprise the consolidated and the separate statements of financial Position as at 30 June 2017, and consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements of subsidiaries disclosed in note # 45 to these consolidated financial statements were audited by other auditors and we have relied on those audited financial statements for the purpose of consolidation.

Management's Responsibilities for the Consolidated Financial Statements

Management is responsible for the preparation of consolidated financial statements of the Group and also the separate financial statements of the Company that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and separate financial statements of the Company that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Company. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of consolidated financial statements of the Group and separate financial statements of the Company, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the consolidated financial statements of the Group and separate financial statements of the Company that give a true and fair view 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 consolidated

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Chartered Accountants

financial statements of the group and also separate financial statements of the Company.

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

The Bangladesh Labour (Amendment) Act 2013 requires a company when fulfills certain conditions to set up a Workers Profit Participation Fund (WPPF) and to disburse an amount equivalent to 5% of net profit before tax to that fund in each year. As disclosed in note # 2.15(iii) to the financial statements, none of MJL Bangladesh Limited and its subsidiaries has made any provision for the said fund. Had the provision for WPPF been made in these financial statements the net profit after tax of the Group as well as of the Company would have been decreased by Tk. 144,491,902 and Tk. 132,442,551 respectively.

Qualified Opinion

In our opinion, except for the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements of the Group and the separate financial statements of the Company referred to above give a true and fair view of the financial position of the Group and the financial position of the Company as on 30 June 2017, and of financial performances and cash flows of the Group and the Company for the year then ended in accordance with Bangladesh Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

We also report that the consolidated financial statements comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations. We, as required by law, further report that:

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

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

iii) the consolidated statement of financial position and the consolidated statement of profit or loss and other comprehensive income of the Group and the Company dealt with by the report are in agreement with the books of account maintained by the Company and examined by us; and

iv) the expenditure incurred was for the purpose of the Group and the Company.

Dhaka,
12 September 2017

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Chartered Accountants

an independent member of
BAKER TILLY
INTERNATIONAL

MJL Bangladesh Limited and its Subsidiaries

Consolidated Statement of Financial Position

As at 30 June 2017

	Note	30.06.2017 Taka	30.06.2016 Taka
ASSETS			
Property, plant and equipment	3	15,105,398,399	12,174,531,868
Intangible assets	4	15,529,349	4,478,221
Capital work-in progress	5	1,051,877,448	273,019,954
Deferred tax asset	6	200,160,699	301,004,730
Investment in Subsidiary and Associate	7	167,450,000	8,250,000
Investment in bonds and shares	8	24,392,763	-
Total Non-Current Assets		**16,564,808,658**	**12,761,284,773**
Inventories	9	1,367,434,202	1,418,854,685
Trade and other receivables	10	1,315,027,930	1,185,240,650
Investment in bonds and shares	8.1	79,774,772	40,920,530
Inter Group/company receivables	11	1,815,954,367	903,795,721
Advances, deposits and prepayments	12	831,608,255	771,587,785
Advance income tax	13	2,093,163,457	1,695,170,946
Investments in fixed deposits	14	706,997,471	501,763,149
Cash and cash equivalents	15	513,587,912	953,901,134
Total Current Assets		**8,723,548,366**	**7,471,234,599**
TOTAL ASSETS		**25,288,357,024**	**20,232,519,373**
EQUITY AND LIABILITIES			
Share capital	16	3,016,685,980	2,742,441,800
Share premium		4,589,200,000	4,589,200,000
Retained earnings	17	2,931,920,590	1,952,790,070
		10,537,806,570	**9,284,431,870**
Non-controlling interest	18	612,362,953	576,038,591
Total Equity		**11,150,169,523**	**9,860,470,461**
Liabilities			
Deferred tax liabilities	19	355,657,536	380,603,492
Long term loan (Net off current portion)		1,048,233,375	1,597,282,007
Obligation under finance lease (Net off current portion)		354,076,602	41,891,397
Total Non-Current Liabilities		**1,757,967,513**	**2,019,776,896**
Long term loan (Current portion)		609,870,007	572,943,172
Obligation under finance lease (Current portion)		71,890,306	8,933,885
Short term loan	20	4,871,639,827	3,292,049,877
Bank overdraft	21	934,772	28,263,083
Trade creditors	22	593,183,828	473,564,490
Provision for income tax	23	2,781,882,183	2,080,693,353
Subscription money payable		15,023,185	14,973,723
Dividend payable		34,110,217	294,442,718
Other liabilities	24	3,401,685,662	1,586,407,715
Total Current Liabilities		**12,380,219,988**	**8,352,272,016**
Total Liabilities		**14,138,187,501**	**10,372,048,913**
TOTAL EQUITY AND LIABILITIES		**25,288,357,024**	**20,232,519,373**
Net Asset Value (NAV) - Consolidated	32	**34.93**	**33.85**
Restated Net Asset Value-Consolidated			**30.78**

The annexed notes form an integral part of these consolidated financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

This is the Consolidated Statement of Financial Position referred to in our separate report of even date.

Dhaka,
12 September 2017

ACNABIN
Chartered Accountants

MJL Bangladesh Limited
Statement of Financial Position
As at 30 June 2017

	Note	30.06.2017 Taka	30.06.2016 Taka
ASSETS			
Property, Plant and Equipment	3A	4,816,486,536	4,637,275,834
Intangible assets	4A	2,062,268	4,076,722
Capital work-in progress	5A	370,536,438	234,431,995
Investment in Subsidiaries and Associate	7A	2,278,447,163	2,266,532,772
Investment in Bonds and Shares	8A	24,392,763	-
Total Non-Current assets		**7,491,925,168**	**7,142,317,323**
Inventories	9A	1,072,978,479	1,169,255,739
Receivables	10A	1,122,810,150	871,721,845
Investment in Bonds and Shares	8A.1	79,774,772	40,920,530
Inter company receivables	11A	2,486,626,274	2,113,091,898
Advances, deposits and prepayments	12A	201,616,642	571,700,823
Advance income tax	13A	2,093,163,457	1,695,170,946
Investments in fixed deposits	14A	706,997,471	501,763,149
Cash and cash equivalents	15A	92,260,030	406,820,167
Total Current Assets		**7,856,227,275**	**7,370,445,097**
TOTAL ASSETS		**15,348,152,443**	**14,512,762,420**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	3,016,685,980	2,742,441,800
Share premium		4,074,000,000	4,074,000,000
Retained earnings	17A	3,125,530,590	2,225,449,850
Total equity		**10,216,216,570**	**9,041,891,650**
Liabilities			
Deferred tax liabilities	19	355,657,536	380,603,492
Total Non-Current liabilities		**355,657,536**	**380,603,492**
Short term loan	20A	1,338,868,967	2,129,215,941
Bank overdraft	21A	934,772	28,263,083
Trade creditors	22A	274,656,326	325,834,437
Provision for income tax	23A	2,761,021,835	2,072,367,930
Subscription money payable		15,023,185	14,973,723
Unpaid dividend		34,110,217	294,442,718
Other liabilities	24A	351,663,035	225,169,447
Total current liabilities		**4,776,278,337**	**5,090,267,279**
Total liabilities		**5,131,935,873**	**5,470,870,770**
TOTAL EQUITY AND LIABILITIES		**15,348,152,443**	**14,512,762,420**
Net asset value (NAV)	32A	**33.87**	**32.97**
Net asset value (NAV)-Restated			**29.97**

The annexed notes form an integral part of these financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

This is the Statement of Financial Position referred to in our separate report of even date.

Dhaka,
12 September 2017

ACNABIN
Chartered Accountants

MJL Bangladesh Limited and its Subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

	Notes	Jul'16-Jun'17 Taka	Jul'15-Jun'16 Taka
Revenue		15,051,557,730	11,074,791,287
Less: VAT		1,072,567,492	1,028,690,507
Net revenue	26	13,978,990,238	10,046,100,780
Less: Cost of revenue	27	9,421,283,769	6,706,302,466
Gross profit		4,557,706,469	3,339,798,314
Add: Other income	28	115,269,804	119,923,426
		4,672,976,273	3,459,721,740
Less: Administrative and selling expenses	29	1,342,670,641	1,064,549,626
Income from operation		3,330,305,632	2,395,172,114
Less: Financial charge	30	424,274,772	393,204,905
Profit before tax		2,906,030,860	2,001,967,209
Less: Provision for income tax			
Current tax	23	701,415,662	615,916,070
Deferred tax		75,898,074	(329,103,662)
		777,313,736	286,812,408
Net profit after tax		**2,128,717,124**	**1,715,154,801**
Other comprehensive income	2.10	(27,705,861)	(8,308,268)
Total comprehensive income		**2,101,011,263**	**1,706,846,533**
Non Controlling Interest (Share of operating profit/(loss)		24,904,023	(6,918,570)
Comprehensive income attributable to ordinary shareholders		2,076,107,240	1,713,765,102
		2,101,011,263	**1,706,846,532**
Consolidated Earnings Per Share (EPS) - Basic	31	**6.91**	**6.28**
Consolidated Earnings Per Share (EPS) - Restated			**5.71**

The annexed notes form an integral part of these consolidated financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

This is the Consolidated Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka,
12 September 2017

ACNABIN
Chartered Accountants

MJL Bangladesh Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

(Amount in Taka)

	Note	Jul'16-Jun'17				Jul'15-Jun'16
		Oil Tanker Unit	Manufacturing Unit	Trading Unit	Total	Total
Revenue		1,231,699,365	4,086,822,663	3,773,784,475	9,092,306,503	8,846,971,622
Less: VAT		-	526,202,281	486,965,715	1,013,167,996	1,007,044,606
Net revenue	26A	1,231,699,365	3,560,620,382	3,286,818,760	8,079,138,507	7,839,927,016
Less: Cost of revenue	27 A	498,725,457	2,035,498,348	2,360,937,747	4,895,161,552	5,073,622,902
Gross profit		732,973,908	1,525,122,034	925,881,013	3,183,976,955	2,766,304,114
Add: Other income	28A	-	72,931,244	67,323,036	140,254,280	105,895,549
		732,973,908	1,598,053,278	993,204,049	3,324,231,235	2,872,199,663
Less: Administrative and selling expenses	29A	68,080,334	307,378,546	283,742,007	659,200,887	517,669,236
Financial charges	30A	340,859	8,235,894	7,602,577	16,179,330	37,557,281
		68,421,193	315,614,440	291,344,584	675,380,217	555,226,517
Profit before tax		664,552,715	1,282,438,838	701,859,465	2,648,851,018	2,316,973,146
Less: Provision for income tax:						
Current tax	23A				688,653,905	610,800,552
Deferred tax	19				(24,945,956)	(28,098,930)
					663,707,949	582,701,622
Net Profit after tax					**1,985,143,069**	**1,734,271,524**
Other comprehensive income					11,914,391	(8,308,268)
Total Comprehensive Income					**1,997,057,460**	**1,725,963,256**
Earnings per share (EPS) - Basic	31A				**6.58**	**6.32**
Earnings Per Share (EPS) - Restated						**5.75**

The annexed notes form an integral part of these financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka,
12 September 2017

ACNABIN
Chartered Accountants

AMARSTOCK

MJL Bangladesh Limited and its Subsidiaries

Consolidated statement of changes in equity

For the year ended 30 June 2017

(Amount in Taka)

Particulars	Share Capital	Share Premium	Share Money Deposit	Retained Earnings	Non Controlling	Equity (Total)
Balance as of 01 July 2016	**2,742,441,800**	**4,589,200,000**	**-**	**1,952,790,070**	**576,038,591**	**9,860,470,461**
Stock Dividend for the year 2015- 2016	274,244,180	-	-	(274,244,180)	-	-
Cash dividend paid for the period Jan-Jun 2016				(822,732,540)	-	(822,732,540)
Exchange rate adjustment of Share Capital	-	-	-	-	11,420,339	11,420,339
Total comprehensive income for the year	-	-	-	2,076,107,240	24,904,023	2,101,011,263
Balance as of 30 June 2017	**3,016,685,980**	**4,589,200,000**	**-**	**2,931,920,590**	**612,362,953**	**11,150,169,523**
Balance as of 01 July 2015	**2,742,441,800**	**4,589,200,000**	**610,250,000**	**1,061,757,508**	**(25,060,999)**	**8,978,588,309**
Adjustment of opening share money deposit	-	-	63,937,872	-	(63,937,872)	-
Forex adjustment of share capital	-	-	-	-	13,249,320	13,249,320
Allocation opening retained earnings	-	-	-	-	(15,481,160)	(15,481,160)
Share Money Deposit	-	-	(674,187,872)	-	674,187,872	-
Cash dividend for the year 2014	-	-	-	(822,732,540)	-	(822,732,540)
Total Comprehensive Income for the year	-	-	-	1,713,765,102	(6,918,570)	1,706,846,532
Balance as of 30 June 2016	**2,742,441,800**	**4,589,200,000**	**-**	**1,952,790,070**	**576,038,591**	**9,860,470,461**

The annexed notes form an integral part of these consolidated financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

Dhaka,
12 September 2017

SHARESTOCK

MJL Bangladesh Limited
Statement of Changes in Equity
For the year ended 30 June 2017

(Amount in Taka)

Particulars	Share Capital	Share Premium	Retained Earnings	Equity (Total)
Balance as of 01 July 2016	2,742,441,800	4,074,000,000	2,225,449,850	9,041,891,650
Stock Dividend paid for the year 2015-2016	274,244,180		(274,244,180)	
Cash dividend paid for the period Jan-Jun 2016		-	(822,732,540)	(822,732,540)
Total Comprehensive Income for the year	-	-	1,997,057,460	1,997,057,460
Balance as of 30 June 2017	**3,016,685,980**	**4,074,000,000**	**3,125,530,590**	**10,216,216,570**
Balance as of 01 July 2015	**2,742,441,800**	**4,074,000,000**	**1,322,219,134**	**8,138,660,934**
Cash dividend paid for the year 2014	-	-	(822,732,540)	(822,732,540)
Total comprehensive income for the year	-	-	1,725,963,256	1,725,963,256
Balance as of 30 June 2016	**2,742,441,800**	**4,074,000,000**	**2,225,449,850**	**9,041,891,650**

The annexed notes form an integral part of these financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

Dhaka,
12 September 2017

AMARSTOCK

MJL Bangladesh Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2017

	Jul'16-Jun'17 Taka	Jul'15-Jun'16 Taka
A. Cash flows from operating activities		
Cash received from revenue	15,900,649,848	11,235,880,834
Payroll and other payments to employees	(4,466,021,403)	(452,408,433)
Payment to suppliers	(5,529,903,270)	(7,211,958,761)
Payment for admin & selling expenses	(384,638,670)	(587,183,578)
Finance expenses paid	(407,701,048)	(462,897,623)
Income tax paid	(397,992,511)	(179,995,138)
Other business income	15,074,178	57,932,149
Net cash flow from operating activities	**4,729,467,124**	**2,399,369,451**
B. Cash flow from investing activities		
Payment against Capital work-in progress	(832,814,864)	(611,637,940)
Proceeds from sale of fixed assets	3,482,584	1,039,999
Advance for land	(125,734,390)	-
Investment in FDR	(718,044,322)	-
Encashment of FDR	512,810,000	501,114,856
Investment in Subsidiary	(159,200,000)	(5,992,243)
Inter-Company payment	(376,861,824)	(166,935,367)
Investment in bond and shares	(41,527,713)	(52,505,263)
Investment income received	118,344,283	105,143,025
Acquisition of fixed assets	(3,343,673,635)	(1,675,422,774)
Net cash used in investing activities	**(4,963,219,881)**	**(1,905,195,707)**
C. Cash flows from financing activities		
Share capital issued	61,455,660	-
Long term debt	(512,121,797)	293,691,875
Share premium received	(61,455,660)	390,729,164
Subscription money paid	(91,326)	(390,816,879)
Dividend paid	(1,083,065,041)	(578,752,063)
Short term loan	1,416,046,011	450,649,403
Bank overdraft	(27,328,313)	(97,717,407)
Long term loan	-	(142,971,663)
Net cash used in financing activities	**(206,560,466)**	**(75,187,570)**
D. Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(440,313,223)	418,986,175
E. Cash and cash equivalent at beginning of the year	953,901,134	534,914,959
F. Cash and cash equivalent at end of the year	**513,587,912**	**953,901,134**
Consolidated Net Operating Cash Flow Per Share (NOCFPS)	**15.68**	**8.75**
Consolidated Net Operating Cash Flow Per Share -Restated		**7.95**

The annexed notes form an integral part of these Consolidated financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

Dhaka,
12 September 2017

MJL Bangladesh Limited

Statement of Cash Flows

For the year ended 30 June 2017

		Jul'16-Jun'17	Jul'15-Jun'16
		Taka	Taka
A.	**Cash flows from operating activities**		
	Cash received from revenue	7,866,743,467	7,431,767,079
	Payroll and other payments to employees	(322,035,438)	(340,587,472)
	Payment to Suppliers	(4,399,242,204)	(4,846,676,384)
	Payment for admin & selling expenses	(304,065,634)	(372,184,745)
	Finance expenses Paid	(33,954,812)	(50,627,457)
	Income tax paid	(397,992,511)	(179,995,139)
	Other Business Income	15,074,178	8,017,078
	Net cash flow from operating activities	**2,424,527,045**	**1,649,712,960**
B.	**Cash flows from investing activities**		
	Payment against capital work-in progress	(190,061,814)	(439,989,756)
	Proceeds from sale of fixed assets	2,912,584	951,999
	Advance for land	(125,734,390)	-
	Investment in FDR	(718,044,322)	-
	Encashment of FDR	512,810,000	1,414,985,947
	Investment in Subsidiary	-	(701,941,925)
	Inter-Company payment	(373,534,376)	(851,452,441)
	Investment in bond and shares	(41,527,713)	(52,505,263)
	Investment income received	118,344,281	105,143,025
	Acquisition of fixed assets	(23,419,778)	(20,980,563)
	Net cash used in investing activities	**(838,255,528)**	**(545,788,980)**
C.	**Cash flows from financing activities**		
	Subscription Money Paid	(91,326)	(87,714)
	Dividend paid	(1,083,065,041)	(578,752,063)
	Short term loan received	5,556,530,852	-
	Short term loan paid	(6,346,877,825)	(463,307,967)
	Bank Overdraft	(27,328,313)	(80,572,181)
	Net cash used in financing activities	**(1,900,831,653)**	**(1,122,719,926)**
D.	**Net cash decrease in cash and cash equivalents (A+B+C)**	(314,560,136)	(18,795,946)
E.	**Cash & Cash equivalents at beginning of the year**	406,820,167	425,616,113
F.	**Cash & Cash equivalents at end of the year**	**92,260,030**	**406,820,167**
	Net Operating Cash Flow Per Share (NOCFPS)	**8.04**	**6.02**
	Net Operating Cash Flow Per Share -Restated		**5.47**

The annexed notes form an integral part of these financial statements.

Chairman | Managing Director | Chief Financial Officer | Company Secretary

Dhaka,
12 September 2017

MJL Bangladesh Limited
Notes to the Financial Statements
For the year ended 30 June 2017

1. Background of the company

1.1 Company profile

Mobil Jamuna Lubricants Limited was incorporated on 03 December 1998 as a private limited company. The company went into commercial operations on 20 May 1999. The Company converted into Public Limited Company on 03 December 2009 and also the name of the Company was changed to MJL Bangladesh Limited. The shares of the company have been listed with Dhaka Stock Exchange and Chittagong Exchange Limited in June 2011.

1.1.1 Registered office

The registered office of the Company is situated at Mobil House, CWS (C) 9, Gulshan-1, Dhaka-1212, Bangladesh.

1.1.2 Nature of Business

The Company owns the State-of-the -art lube Oil blending plant and blends and sells lubricants in local market and exports some of its products in international market.

1.1.3 Vessel - MT Omera Queen

MT Omera Queen (MTOQ) is a Crude Oil Tanker previously named as Okeanis which was Greece flag, Port of Registry was Pireaus. She was built in 26th November 1997 by the TSU Works Universal Shipbuilding, Japan under Lloyds Register class. According to IPO declaration, MTOQ was purchased by MJL Bangladesh Limited under the Memorandum of Agreement dated 21st January 2011 and delivered to the owner on 21st March 2011. She changed her flag to Bangladesh on September 2011 and Port of Registry is Chittagong under the Technical Management of Timur Ship Management Pte Ltd, Singapore and Commercial Management of EC Bulk Carriers Limited, Dhaka, Bangladesh. She is the largest AFRAMAX Oil Tanker by a Bangladeshi Ship Owner and Bangladeshi Flagged vessel. Her present trading route is Persian Gulf and Arabian Sea.

1.1.4 Description of subsidiary

i. Omera Petroleum Limited (OPL):

Omera Petroleum Ltd. (OPL), a subsidiary of MJL Bangladesh Ltd (62.5%), is the largest operator in the LPG sector of Bangladesh with a combined capacity of 200,000MT p.a. In partnership with European energy giant BB Energy and Dutch development bank FMO, the company has installed state of the art LPG import and storage terminal with capacity of 3600MT at Mongla, Bagerhaat. Apart from the main installation in Mongla, OPL has established three other satellite filling and bottling stations located at Ghorashal (Central), Bogra (Northern Belt) and Chittagong (Southern Belt) respectively to ensure convenience and availability of LPG to its distributors and customers. Omera Petroleum Ltd. is dedicated to running a safe and environmentally responsible operation and making significant contribution to Bangladesh's sustainable economic prosperity as well as energy equilibrium.

ii.Omera Cylinders Limited (OCL):

Omera Cylinders Limited (OCL), a subsidiary of MJL Bangladesh Limited has established a LPG Cylinder manufacturing Plant to cater the ever increasing market demand for LPG as alternative fuel power requirement of the country .Having the technical expertise and good professional people, the company has the potential to deliver quality LPG Cylinder at an affordable rate to the intended segment of the market which will eventually play a significant role in the process of industrialization of the country.

Cylinder Sizes:

12.5 kg Cylinders- 80% of total Production
5.5 kg Cylinders- 10% of total Production
35 kg cylinders- 10% of total Production
MJL Bangladesh possesses 99.99% share of its Capital structure..

iii. MJL & AKT Petroleum Limited

MJL & AKT Petroleum Limited is a subsidiary Company of MJL Bangladesh Limited, incorporated in Myanmar to carry out business as the authorized importer, dealer and distributer of Exxon Mobil Engine Oil. MJL Bangladesh Limited owns 51% shares of this Company.

1.1.5 Basis of Consolidation

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-Group balances, transactions and any unrealized gains arising from intra-Group transactions are eliminated in preparing the consolidated financial statements.

1.1.6 Non-controlling interest

Non-controlling interest is that portion of the profit or loss and net assets of the subsidiaries (Omera Petroleum Limited, Omera Cylinder and MJL & AKT Petroleum) attributable to equity interests that are not owned, directly or indirectly through subsidiaries by the parent (MJL Bangladesh Ltd.).

2. Basis of preparation of Financial Statements

2.1 Statement of compliance

The consolidated financial statements and the separate financial statements have been prepared in accordance with the Bangladesh Financial Reporting Standards (BFRSs) and the Companies Act 1994 and Securities and Exchange Rules 1987. The title and format of these financial statements follow the requirements of BFRS which are to some extent different from those prescribed by the Companies Act 1994. However, such differences are not material and management's views are to give better presentation to the shareholders complying with BFRS titles and formats.

2.2 Basis of measurement

These consolidated financial statements have been prepared on a going concern basis under the historical cost convention except (Investment in shares) in accordance with Bangladesh Financial Reporting Standards (BFRS).

2.3 Components of financial statements

-Statement of Financial Position

-Statement of Profit or Loss and Other Comprehensive Income

-Statement of Changes in Equity

-Statement of Cash Flows

-Notes to the Financial Statements

2.4 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.5 Use of estimates and judgments

In the preparation of the consolidated financial statements management required to make judgments, estimates and assumptions as per BAS 8 : "Accounting Policies, Changes in Accounting Estimates and Errors" that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.6 Reporting period

These consolidated financial statements and separate financial statements of the company cover a period of twelve months from 01 July 2016 to 30 June 2017.

2.7 Property, plant and equipment

Recognition and measurement

Property, plant & equipment are recognized if it is probable that future economic benefits associated with the assets will flow to the company and the cost of the assets can be reliably measured. All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of property, plant and equipment are recognized in the profit and loss account during the financial year in which they incurred.

Depreciation is charged for the year at the following rates on straight line method on all property, plant and equipment and no depreciation is charged on land and Work in progress:

Category of fixed assets	Rate of depreciation
Land	Nil
Building	5-10%
IT equipment	33%
Motor Vehicle	20%
Office equipment	20%
Plant and machinery	4-10%
Furniture and fixture	20%
Oil tanker	8.33%
Software	20%

For additions during the year, depreciation is charged on monthly basis from the month of acquisition and no depreciation is charged during the month when disposed off. On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income, which is determined with reference to the net book value of the assets and net sale proceeds.

2.8 Intangible assets

i. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably.

ii. Software represents the value of computer application software licensed for the use of the company. Intangible assets are carried at its cost, less accumulated amortization and impairment loss (if any).

iii. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditures that are incurred in customizing the software for its intended use.

iv. Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such cost is recognized as capital improvement and added to the original cost of software.

v. ERP software named Lubes Enterprise Information Systems (LENISYS) purchased from Techno vista as local vendor is amortized using the straight line method over the estimated useful life of 15 (fifteen) years & other Software is amortized over the estimated useful life of 5 (five) years commencing from the date of the application software is available for use.

2.9 Capital work in progress

Capital work in progress is reported on the basis of the report prepared by the construction company.

2.10 Investment in bonds & shares

Investment in shares are designated at fair value, classified as Held for Trading, with fair value changes recognized immediately in statement of profit or loss and other comprehensive income. Bond has been designated as Held to Maturity as the entity has the positive intent to hold the bond up to maturity.

2.11 Inventories

Inventories are valued in accordance with BAS-2: Inventories i.e. at cost or estimated net realizable value whichever is lower. The cost of inventories includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion. When the inventories are used, the carrying amounts of those inventories are recognized in the period in which the related revenue is recognized.

2.12 Cash and cash equivalents

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

2.13 Revenue recognition

i. Sales revenue

In accordance with the provisions of the BAS-18 "Revenue"; revenue represents the invoice value of goods supplied and service provided to customers during the period. Revenue from the sale of goods is measured at fair value of the consideration received or receivable and is exclusive of VAT. Revenue from sale of goods is recognized in the statement of comprehensive income when the significant risks and

rewards of ownership are transferred to the buyer. Transfer of risks and rewards occurs for the sale of goods when delivery certificate is raised against confirmed orders. Revenue of freight from the Vessel (M.T. Omera Queen) is recognized at invoice date.

ii. Interest income

The interest income is recognized on accrual basis as agreed terms and conditions with the banks.

iii. Dividend income on shares

Dividend income on shares is recognized when the shareholders' right to receive payment is established which is usually when dividend is declared and ascertained.

iv. Other Comprehensive Income

Revenues, expenses, gains and losses appear in other comprehensive income when they have not yet been realized. It is particularly valuable for understanding ongoing changes in the fair value of a company's assets. MJL used to recognize the foreign currency translations loss and gain on investment in MJL & AKT Petroleum Co Ltd as other comprehensive income since acquisition. Now it has been adjusted with retained earnings through other comprehensive income to record the investment at cost price.

2.14 Allocation of common costs between trading and manufacturing units

Common costs for the year ended 30 June 2017 have been allocated between trading, manufacturing and oil tanker units on the basis of proportionate sales revenue.

2.15 Benefits to the employees

The retirement benefits accrued for the employees of the company as on reporting date have been accounted for in accordance with the provisions of Bangladesh Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the company are outlined below:

i. Provident fund

Provident fund benefits are given to the permanent employees of the company in accordance with company's service rules. Accordingly a trust deed and provident fund rules were prepared. The provident fund has been approved as a recognized provident fund within the meaning of section 2(52), read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. All confirmed employees of the company are contributing 10% of their basic salary as subscription to the Fund. The company also contributes equal amount of the employees' contribution. Interest or profit earned from the investments is credited to the members' account on yearly basis. The company introduced contributory Provident Fund Scheme in September 2009.

ii. Gratuity fund

The company operates a gratuity scheme, in respect of which provision is done annually covering all its permanent eligible employees. Actuarial valuation of gratuity scheme had been made to assess the adequacy of the liabilities provided for the scheme as per BAS-19 "Employee Benefits". The company introduced Gratuity Scheme in June 2010.

iii. Workers Profit Participation Fund

The Bangladesh Labour (Amendment)Act 2013, requires a company when fulfills certain conditions to set up "Worker's Profit Participation Fund (WPPF)" and transfer 5% of the net profits to this fund to be disbursed and/or utilized in accordance with the provision of the Act. The Bangladesh Energy Companies Association, on behalf of our Company and other member companies, has filed an appeal with the Government of Bangladesh for amendment/ waiver of the application of the "Worker Participation Fund" in respect of the energy companies in Bangladesh. The matter is at appeal stage now pending before the concerned government authority for decision. In absence of satisfactory response from the government authority and/or any claim from competent authorities such as the Directorate of Labour/National Board of Revenue, the company may proceed on with filing writ petition in this matter for appropriate relief from the High Court Division, Supreme Court of Bangladesh. The company expects that this matter will be finalized very soon. Accordingly no provision has been made in the financial statements for WPPF.

2.16 Taxation

Income tax expenses comprise current and deferred taxes. Income taxes are recognized in statement of profit or loss and other comprehensive income except to the extent that relates to items recognized directly in equity or in other comprehensive income.

Current taxation

Provision for current income tax has been made as per prescribed rate in the Finance Act, 2017 on the accounting profit made by the company after considering disallowances of expenditure as per income tax laws in compliance with BAS-12 "Income Taxes".

Deferred taxation

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

2.17 Provision for liabilities

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.18 Share premium

Share premium is the capital that the company raises upon issuing shares that is in excess of the nominal value of the shares. The share premium may be applied by the company in paying up unissued shares to be allotted to members as fully paid bonus shares or writing-off the preliminary expenses of the company or the expenses of or the commission paid or discount allowed on, any issue of shares or debentures of the company or in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company. Share premium was shown in accounts after deduction of income tax @3% on share premium as per Finance Act-2011.

2.19 Basic earnings per share

Basic earnings per share have been calculated in accordance with BAS 33 "Earnings per Share" which has been shown on the face of the statement of profit or loss and other comprehensive income. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the year. EPS of previous year was restated giving effect of issue of bonus shares for the period of 2015-2016.

Diluted earnings per share

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

2.20 Foreign currency transaction

i. Foreign currency

Items included in the financial statements of each entity are measured using the currency of the primary economic environment in which the entity operates, i e. the functional currency. The financial statements of the company are presented in Taka which is the company's functional and presentation currency.

ii. Foreign currencies translation gains and losses

Foreign currencies are translated into Taka at the rates ruling on the transaction dates. Monetary assets and liabilities are translated at the rates prevailing at the date of statement of financial position. Differences arising on conversion are charged or credited to the statement of profit or loss and other comprehensive income.

2.21 Determination and presentation of operating segment

Details of product-wise segment reporting as required by BFRS 8-"Operating segments" is followed.

2.22 Contingencies

Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

There are certain pending tax and VAT claims made against the Company, which will be settled through the legal process in due course. These are being vigorously defended by the Company. The management has not considered it necessary at the reporting date to make provisions in the financial statements in respect of any of these claims.

Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognized. Only when the realization of the related economic benefits is virtually certain recognition should take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

2.23 Statement of cash flows

Statement of cash flows is prepared principally in accordance with BAS-7: Statement of Cash Flows and the cash flows from operating activities have been presented under direct method as per part III of Securities & Exchange Rules 1987.

2.24 Events after reporting date

All material events occurring after the reporting date are considered and where necessary, adjusted for or disclosed. Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders. Dividend payable to the company's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

2.25 Approval of financial statements

The financial statements were approved by the Board of directors on 26 October 2017.

2.26 Status of compliance of Bangladesh Accounting Standards

BAS	Title	Remarks
1	Presentation of Financial Statements	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
18	Revenue	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
24	Related Party Disclosures	Complied
32	Financial Instruments: Presentation	Complied
33	Earnings per Share (EPS)	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied
39	Financial Instruments: Recognition and Measurement	Complied
BFRS	**Title**	**Remarks**
7	Financial Instruments: Disclosures	Complied
8	Operating Segments	Complied
12	Disclosure of Interest in Other Entities	Complied
13	Fair Value Measurement	Complied

2.27 General

i. Figures have been rounded off to the nearest Taka.

ii. Previous period's/year's figures have been rearranged wherever considered necessary to conform to the current period's presentation.

iii. The number of employees drawing Tk. 3,000 or more per month for the year ended 30 June 2017 was 182 (Jun 2016: 178).

		30.06.2017 Taka	30.06.2016 Taka
3	**Consolidated property, Plant and equipment**		
A	**Cost**		
	Opening Balance	13,688,156,101	11,570,017,337
	Add: Addition during the period	3,697,938,918	2,144,580,371
		17,386,095,019	13,714,597,708
	Less: Disposal/adjustment during the year	(9,438,115)	(24,128,952)
	Adjustment of exchange rate	(3,893,236)	(2,312,655)
	Total (A)	17,372,763,668	13,688,156,101
B	**Accumulated depreciation**		
	Opening Balance	1,513,624,233	990,462,179
	Add: Addition during the year	763,957,325	528,402,098
		2,277,581,558	1,518,864,277
	Less: Adjustment/disposal during the year	(8,827,777)	(3,203,500)
		2,268,753,781	1,515,660,777
	Adjustment of exchange rate	(1,388,512)	(2,036,544)
	Total (B)	2,267,365,269	1,513,624,233
C	**Written down value (A-B)**	**15,105,398,399**	**12,174,531,868**

A schedule of consolidated property, plant & equipment is given in Annexure-A.

3A	**Property, plant & equipment**		
	A. Cost		
	Opening balance	5,705,174,940	5,489,924,520
	Add: Addition during the year	397,142,324	216,402,948
		6,102,317,264	5,706,327,468
	Less: Adjustment/ Disposal during the year	(8,772,913)	(1,152,528)
	Total (A)	6,093,544,351	5,705,174,940
	B. Accumulated depreciation		
	Opening balance	1,067,899,106	869,481,848
	Add: Charged during the year	217,835,784	199,566,549
		1,285,734,890	1,069,048,397
	Less: Adjustment/ Disposal during the year	(8,677,075)	(1,149,291)
	Total (B)	1,277,057,815	1,067,899,106
	C. Written down value (A-B)	**4,816,486,536**	**4,637,275,834**

A schedule of property, plant & equipment is given in Annexure-A.

4	**Consolidated Intangible assets**		
	A. Cost		
	Opening balance	12,041,043	11,827,293
	Add: Addition during the year	18,792,062	213,750
	Total (A)	**30,833,105**	**12,041,043**
	B. Accumulated Amortization		
	Opening balance	7,562,821	5,117,476
	Add: Charged during the year	7,740,935	2,445,346
	Total (B)	**15,303,756**	**7,562,822**
	C. Written down value (A-B)	**15,529,349**	**4,478,221**

A schedule of consolidated intangible assets is given in annexure-B.

	30.06.2017 Taka	30.06.2016 Taka
4A Intangible assets		
A. Cost		
Opening balance	11,438,794	11,438,794
Add: Addition during the year	-	-
Total (A)	**11,438,794**	**11,438,794**
B. Accumulated Amortization		
Opening balance	7,362,072	5,074,314
Add: Charged during the year	2,014,454	2,287,759
Total (B)	**9,376,526**	**7,362,072**
C. Written down value (A-B)	**2,062,268**	**4,076,722**
A schedule of intangible assets is given in annexure-B.		
5 Consolidated capital work in progress		
Opening balance	273,019,954	296,971,272
Add: Addition during the year	4,039,722,807	948,748,251
	4,312,742,761	1,245,719,523
Less: Transferred during the year	3,260,865,313	972,699,569
	1,051,877,448	**273,019,954**
5A Capital work in Progress		
Opening balance	234,431,995	285,235,135
Add: Addition during the year	201,161,720	143,637,410
	435,593,715	428,872,545
Less: Transferred during the year	65,057,276	194,440,550
	370,536,438	**234,431,995**
6 Consolidated Deferred Tax Assets		
Deferred tax asset - OPL	185,486,754	271,387,178
Deferred tax asset - OCL	14,673,945	29,617,552
	200,160,699	**301,004,730**
7 Consolidated investment in subsidiaries		
Investment in Omera Petroleum Ltd	1,073,333,332	1,073,333,332
Investment in MJL & AKT Petroleum Co. Ltd	78,687,000	66,772,609
Investment in Omera Cylinders Ltd	1,118,176,831	1,118,176,831
Investment in Omera Gas One	159,200,000	-
Investment in Omera Logistics Ltd.	8,250,000	8,250,000
	2,437,647,163	**2,266,532,772**
Less: Inter-company transaction	2,270,197,163	2,258,282,772
	167,450,000	**8,250,000**
7A Investment in Subsidiaries		
Investment in Omera Petroleum Ltd	1,073,333,332	1,073,333,332
Investment in MJL & AKT Petroleum Co. Ltd	78,687,000	66,772,609
Investment in Omera Cylinders Ltd	1,118,176,831	1,118,176,831
Investment in Omera Logistics Ltd.	8,250,000	8,250,000
	2,278,447,163	**2,266,532,772**

		30.06.2017	30.06.2016
		Taka	Taka
8	**Consolidated investment in Zero Coupon Bond (Non Current Portion)**		
	MJL Bangladesh Limited	**24,392,763**	**-**
8.1	**Consolidated investment in Bonds and Shares (Current Portion)**		
	MJL Bangladesh Limited	**79,774,772**	**40,920,530**
8A	**Investment in Bonds and Shares**		
	Non Current Portion	24,392,763	-
	Current Portion (Note: 8A.1)	16,871,450	-
		41,264,213	**-**
8A.1	**Investment in Bonds and Shares**		
	Investments in Zero Coupon Bond (Current portion)	16,871,450	-
	Investment in Portfolio	21,899,010	16,415,718
	Investment in Prime Bank Securities Ltd	4,312	4,812
	Investments in Mutual Funds	41,000,000	24,500,000
		79,774,772	**40,920,530**
9	**Consolidated inventories**		
	MJL Bangladesh Limited	1,072,978,479	1,169,255,740
	Omera Petroleum Ltd	171,583,833	126,458,824
	Omera Cylinders Ltd	122,871,890	123,140,121
		1,367,434,202	**1,418,854,685**
9A	**Inventories**		
	Raw materials (Note : 9.A1)	408,469,345	239,176,377
	Goods in transit (Note : 9.A2)	139,540,851	253,803,110
	Work-in-progress (Note : 9.A3)	31,939,802	21,495,599
	Finished goods (Note : 9.A4)	463,344,737	625,412,205
	Vessel stocks (Note : 9.A5)	29,683,744	29,368,448
		1,072,978,479	**1,169,255,739**
9.A1	**Raw materials**		
	Opening balance	239,176,377	283,975,084
	Add: Purchase during the year	1,420,113,110	1,236,778,139
		1,659,289,487	1,520,753,223
	Less: Consumption during the year	1,250,820,142	1,281,576,846
		408,469,345	**239,176,377**
9.A2	**Goods in transit**		
	Opening balance	253,803,110	187,147,017
	Add: Addition during the year	2,164,341,624	4,418,515,192
		2,418,144,734	4,605,662,209
	Less: Transferred during the year	2,278,603,883	4,351,859,099
		139,540,851	**253,803,110**
9.A3	**Work-in-progress**		
	Opening balance	21,495,599	19,275,419
	Add: Addition during the year	149,763,547	273,145,837
		171,259,146	292,421,256
	Less: Transferred during the year	139,319,344	270,925,657
		31,939,802	**21,495,599**

			30.06.2017 Taka	30.06.2016 Taka
9.A4	**Finished goods**			
	Opening balance		625,412,205	595,864,459
	Add: Addition during the year		3,968,888,998	4,250,267,851
			4,594,301,203	4,846,132,310
	Less: Cost of revenue during the year		4,130,956,466	4,220,720,105
			463,344,737	**625,412,205**
9.A5	**Vessel stocks**			
	Opening balance		29,368,449	35,713,672
	Add: Addition during the year		169,506,052	125,528,334
			198,874,501	161,242,006
	Less: Consumption during the year		169,190,757	131,873,558
			29,683,744	**29,368,448**
10	**Consolidated trade and other receivables**			
	Accounts receivables		294,796,016	324,566,848
	Receivable from Vessel		226,300,409	167,657,839
	Accrued interest receivable		10,139,390	5,979,525
	Other receivables		782,866,901	680,568,685
	Bank guarantee margin		925,214	6,467,753
			1,315,027,930	**1,185,240,650**
10A	**Receivables**			
	Accounts receivables		198,236,601	175,229,032
	Receivable from vessel freight		226,300,409	167,657,839
	Accrued interest receivables		10,139,390	5,979,525
	Other receivables		688,133,750	517,955,603
	Bank guarantee margin		-	4,899,846
			1,122,810,150	**871,721,845**
11	**Consolidated inter company receivables**			
	Omera Fuels Limited	Group Company	1,192,156,451	817,884,206
	Omera Home Appliance	Group Company	82,833,670	29,277,835
	Omera Cylinders Limited	Subsidiary of MJLBL	58,790,900	161,336,232
	Omera Petroleum Limited	Subsidiary of MJLBL	613,653,638	1,047,959,945
	MJL (Singapore) PTE. LTD	Group Company	498,883,473	7,869,000
	Omera Logistics Ltd	Group Company	15,202,867	32,115,683
	Omera Steels Ltd	Group Company	19,406,669	15,412,354
	Omera Chemicals Ltd		5,707,316	1,236,643
	Omera Gas One		1,763,919	-
			2,488,398,903	**2,113,091,898**
	Less: Set-off of subsidiaries' balance		(672,444,536)	(1,209,296,177)
	Inter Company receivables-Group Company		**1,815,954,367**	**903,795,721**
11 A	**Inter Company Receivables**			
	Omera Fuels Limited	Group Company	1,192,156,451	817,884,206
	Omera Home Appliance	Group Company	82,833,670	29,277,835
	MJL (Singapore) PTE. LTD	Group Company	498,883,473	7,869,000
	Omera Petroleum Limited	Subsidiary of MJLBL	613,653,638	1,052,939,380
	Omera Cylinders Limited	Subsidiary of MJLBL	58,790,900	156,356,797
	Omera Logistics Ltd	Group Company	15,202,867	32,115,683
	Omera Steels Ltd	Group Company	19,406,669	15,412,354
	Omera Chemicals Ltd	Group Company	5,698,606	1,236,643
			2,486,626,274	**2,113,091,898**

AMARSTOCK

		30.06.2017	30.06.2016
		Taka	Taka
12	**Consolidated advances, deposits and prepayments**		
	Advance to employees	21,986,689	15,700,685
	Advance to suppliers	263,981,164	120,559,653
	Advance for Land	108,933,992	302,964,777
	Prepaid expenses	15,571,157	19,505,235
	Security deposits	22,036,784	16,774,500
	VAT receivables	-	61,386,224
	Deferred Expenses- MTOQ	25,317,500	75,952,500
	Advances for LC	-	328,258
	Prepaid insurance premium	3,499,771	41,957
	Prepaid rent	19,000	18,893,317
	Prepayment	10,141,244	1,924,100
	VAT current account	2,526,252	2,520,668
	Advance income tax deducted at source	339,360,580	135,035,911
	Prepaid rent-leasehold land-mongla port	18,234,122	-
		831,608,255	**771,587,785**
12A	**Advances, deposits and prepayments**		
	Advance to employees	18,658,497	11,799,317
	Advance to suppliers	32,058,746	99,092,270
	Advance for Land	108,933,992	302,964,777
	Prepaid expenses	15,571,157	19,505,235
	Security deposits	1,076,750	1,000,500
	VAT receivables	-	61,386,224
	Deferred expenses- MTOQ	25,317,500	75,952,500
		201,616,642	**571,700,823**
13	**Consolidated advance income tax**		
	MJL Bangladesh Limited	**2,093,163,457**	**1,695,170,946**
13A	**Advance income tax**		
	Opening balance	1,695,170,946	1,515,175,807
	Add: Paid during the year	397,992,511	179,995,139
		2,093,163,457	**1,695,170,946**
14	**Consolidated investment in fixed deposits**		
	Prime Bank Limited	108,543,024	103,320,837
	Union Capital Limited	13,654,328	325,359,119
	One Bank Limited	11,599,791	11,018,460
	AB Bank Limited	65,805,328	62,064,733
	LankaBangla Finance	207,395,000	-
	Delta Brac Housing Limited	300,000,000	-
		706,997,471	**501,763,149**
14A	**Investments in fixed deposits**		
	Name of the bank		
	Prime Bank Limited	108,543,024	103,320,837
	Union Capital Limited	13,654,328	325,359,119
	One Bank Limited	11,599,791	11,018,460
	AB Bank Limited	65,805,328	62,064,733
	LankaBangla Finance	207,395,000	-
	Delta Brac Housing Limited	300,000,000	-
		706,997,471	**501,763,149**
15	**Consolidated cash and cash equivalents**		
	Cash in hand	4,203,451	4,507,173
	Cash at bank	509,384,461	949,393,961
		513,587,912	**953,901,134**
15A	**Cash and cash equivalents**		
	Cash in hand	226,283	344,176
	Cash at bank (Note: 15A.1)	92,033,747	406,475,996
		92,260,030	**406,820,167**

		30.06.2017	30.06.2016
		Taka	Taka
15. A1	**Cash at bank**		
	Bank name and type of account		
	The Hongkong & Shanghai Banking Corporation Ltd- CD	5,273,916	40,090,400
	The Hongkong & Shanghai Banking Corporation Ltd- STD	3,147,825	21,933,341
	The Hongkong & Shanghai Banking Corporation Ltd- USD	2,827,508	1,186,955
	The Hongkong & Shanghai Banking Corporation Ltd- -DIV'12	5,590,979	5,637,405
	Standard Chartered Bank-CD	-	14,381,188
	Standard Chartered Bank-STD	202,302	203,491
	Standard Chartered Bank-USD	1,934,877	743,811
	Trust Bank Limited-CD	22,261	24,136
	Commercial Bank of Ceylon PLC-STD	3,080,823	11,857,325
	Dhaka Bank Limited-STD	219,021	216,655
	Prime Bank Limited-CD	4,316,505	2,964,455
	Premier Bank Limited-CD	958,930	960,005
	CITI Bank NA-CD	-	9,638,754
	CITI Bank N.A.-STD	2,122,377	2,048,618
	CITI Bank N.A.-USD	10,047,049	5,815,113
	AB Bank Limited-CD	2,778	18,678
	Brac Bank Limited (EII)	1,604,179	1,591,133
	Brac Bank Limited (IPO)	177,102	210,204
	Brac Bank Limited ($)	4,139,440	4,063,769
	Brac Bank Limited (€)	233,185	219,604
	Brac Bank Limited (£)	376,691	380,757
	BracB-1501201831146005 (Plus)	16,961,006	16,514,585
	BracB-1501201831146006-CD A/c	1,336	-
	BracB-1520201831146001(DIV-10)	758,278	982,678
	BracB-1520201831146003(DIV-11)	6,369,500	6,521,195
	BracB-1501201831146007-DIV-15	7,616,332	247,209,570
	BracB-1526201831146001-DIV-Final 15	2,836,659	-
	BracB-1520201831146002- Fractn	114,208	104,101
	EBL-1011360164857 (HPA Corp)	230,763	235,526
	AB Bank-4009-774675-430 SND	227,388	225,587
	BK-HSBC-MJLL-001-012087-070-DIV'13	5,368,522	5,556,510
	BK-HSBC-MJLL-001-0120807-932-DIV'14	3,874,077	4,019,987
	Bank Alfalah-0702-01701493-CD	1,411	325,642
	Jamuna Bank Limited - CD 00010210015507	1,396,530	594,818
		92,033,747	**406,475,996**
16	**Share capital**		
	Authorised Share Capital		
	1,000,000,000 ordinary shares of Tk.10 each	10,000,000,000	10,000,000,000
	Issued, called and paid-up:		
	26,330,000 ordinary shares of Tk.10 each fully paid-up in cash	263,300,000	263,300,000
	105,240,000 ordinary shares of Tk.10 each fully paid-up for Stock Dividend	1,052,400,000	1,052,400,000
	8,750,000 ordinary shares of Tk.10 each fully paid-up for consideration other than cash	87,500,000	87,500,000
	40,000,000 shares of Tk.10 each fully paid-up in cash	400,000,000	400,000,000
	27,048,000 shares of Tk.10 each fully paid-up -Stock Dividend for 2010	270,480,000	270,480,000
	31,105,200 shares of Tk.10 each fully paid-up -Stock Dividend for 2011	311,052,000	311,052,000
	35,770,980 shares of Tk.10 each fully paid-up -Stock Dividend for 2014	357,709,800	357,709,800
	27,424,418 shares of Tk.10 each fully paid-up -Stock Dividend for 2015-2016	274,244,180	-
		3,016,685,980	**2,742,441,800**

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Details of shareholdings are as under:

Name of the shareholder	No. of share	% of holding	30-Jun-17	30-Jun-16
EC Securities Limited	157,054,113	52.062	1,570,541,130	1,427,764,670
Jamuna Oil Company Limited	58,687,524	19.454	586,875,240	533,522,950
Parkesine Products Ltd.	6,691	0.002	66,910	60,830
Azam J. Chowdhury	6,691	0.002	66,910	60,830
Marina Yasmin Chowdhury	6,691	0.002	66,910	60,830
Tanjil Chowdhury	6,691	0.002	66,910	60,830
Dilruba Chowdhury	6,691	0.002	66,910	60,830
Others	85,893,506	28.474	858,935,060	780,850,030
	301,668,598	**100**	**3,016,685,980**	**2,742,441,800**

Slab wise number of shares	No. of shareholders	No. of shares	% of holding	% of holding
Less than 500	58,279	6,332,672	2.10	3.04
From 500 to 5,000	5,037	8,611,353	2.85	3.43
From 5,001 to 10,000	668	5,023,513	1.67	1.68
From 10,001 to 50,000	632	14,247,145	4.72	4.15
From 50,001 to 1,000,000	220	33,383,217	11.07	9.65
Above 1,000,000	11	234,070,698	77.59	78.05
	64,847	**301,668,598**	**100**	**100**

		30.06.2017 Taka	30.06.2016 Taka
17	**Consolidated retained earnings**		
	Opening Balance	1,952,790,070	1,061,757,508
	Allocation for new share for non controlling interest	-	-
	Add: Consolidated net profit after tax during the year	2,076,107,240	1,713,765,102
		4,028,897,310	2,775,522,610
	Less: Dividend paid for the year	1,096,976,720	822,732,540
		2,931,920,590	**1,952,790,070**

Opening retained earnings of OPL for 2016-17 has been adjusted to reflect the rental income recognised as per BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and this should be read in conjunction with Note: 27 of Notes to the Financial Statements. Accordingly necessary adjustment has been made in the taxation of the year 2015-2016.

17A	**Retained earnings**		
	Opening retained earnings	2,225,449,850	1,322,219,134
	Add: Net profit after tax during the year	1,997,057,460	1,725,963,256
		4,222,507,310	3,048,182,390
	Less: Dividend for the year 2015-2016/2014	1,096,976,720	822,732,540
		3,125,530,590	**2,225,449,850**
18	**Non-Controlling Interest**		
	Ordinary share capital	719,424,090	708,003,752
	Less: Share of net loss of the subsidiaries	107,061,137	131,965,161
		612,362,953	**576,038,591**

19 Deferred tax liabilities

	Carrying Amount	Tax Base	30.06.2017 Taka Taxable/ (Deductible) Temporary Difference
Manufacturing and trading unit			
Property, plant and equipment	645,019,637	366,281,283	278,738,354
Intangible assets	2,062,268	499,956	1,562,312
Investment in share	64,329,345	74,724,469	(10,395,124)
Gratuity	(578,575)	-	(578,575)
	710,832,675	**441,505,708**	**269,326,967**
Shipping unit			
M. T. Omera Queen	1,153,303,174	-	1,153,303,174
			1,422,630,141
Applicable rate			**25.00%**
Deferred Tax Liability/(Asset) as on 30 June 2017- Manufacturing and Tranding Unit			67,331,742
Deferred Tax Liability/(Asset) as on 30 June 2017 - Shipping Unit			288,325,794
			355,657,536
Manufacturing and trading unit:			
Deferred Tax Liability/(Asset) as on 30 June 2017			67,331,742
Deferred Tax Liability/(Asset) as on 30 June 2016			69,402,695
Deferred Tax Income for the year ended 30 June 2017			**(2,070,953)**
Shipping unit:			
Deferred Tax Liability/(Asset) as on 30 June 2017			288,325,794
Deferred Tax Liability/(Asset) as on 30 June 2016			311,200,797
Deferred Tax Income for the year ended 30 June 2017			**(22,875,003)**
Total deferred tax income during the year			**(24,945,956)**

	Carrying Amount	Tax Base	30.06.2016 Taka Taxable/ (Deductible) Temporary Difference
Manufacturing and Trading Unit:			
Property, plant and equipment	694,074,098	381,224,837	312,849,261
Intangible assets	4,076,722	999,913	3,076,809
Investment in share	40,254,347	74,652,846	(34,398,499)
Gratuity	(3,916,793)		(3,916,793)
	734,488,374	**456,877,596**	**277,610,778**
Shipping unit			
M.T. Omera Queen	1,244,803,186	-	1,244,803,186
			1,522,413,964
Applicable rate			25.00%
Deferred Tax Liability/(Asset) as on 30 June 2016- Manufacturing and Trading Unit			69,402,695
Deferred Tax Liability/(Asset) as on 30 June 2016 - Shipping Unit			311,200,797
			380,603,492
Manufacturing Unit:			
Deferred Tax Liability/(Asset) as on 30 June 2016			69,402,695
Deferred Tax Liability/(Asset) as on 30 June 2015			74,626,622
Deferred Tax Income for the year ended 30 June 2016			**(5,223,927)**
Shipping Unit:			
Deferred Tax Liability/(Asset) as on 30 June 2016			311,200,797
Deferred Tax Liability/(Asset) as on 30 June 2015			334,075,800
Deferred Tax Income for the year ended 30 June 2016			**(22,875,003)**
			(28,098,930)

		30.06.2017	30.06.2016
		Taka	Taka
20	**Consolidated short term loan**		
	Loan against trust receipt:		
	The Hong Kong and Shanghai Banking Corporation Limited (HSBC)	-	94,210,770
	Standard Chartered Bank	-	80,623,427
	Citibank NA	-	154,210,645
	Liability for import supply	50,316	14,582,978
		50,316	**343,627,820**
	Uses payment at sight loan (UPAS):		
	The Hong Kong and Shanghai Banking Corporation Limited	519,597,803	1,143,114,398
	Standard Chartered Bank	134,785,810	-
	Citibank NA	154,032,841	155,307,659
	Commercial Bank of Ceylon Limited	716,326,649	100,000,000
	BRAC Bank Limited	270,959,950	-
	Dhaka Bank Limited	688,323,815	-
	Jamuna Bank Ltd	300,771,870	-
	Trust Bank	79,032,624	-
	Eastern Bank Ltd	557,760,108	-
		3,421,591,470	**1,398,422,057**
	Other facilities (revolving loan and post import financing):		
	The Hong Kong and Shanghai Banking Corporation Limited	-	-
	Standard Chartered Bank	400,000,000	800,000,000
	Citibank NA	200,000,000	150,000,000
	Commercial Bank of Ceylon Limited	450,000,000	300,000,000
	Bank Alfalah Ltd	200,000,000	-
	Jamuna Bank Ltd	199,998,041	300,000,000
		1,449,998,041	**1,550,000,000**
		4,871,639,827	**3,292,049,877**
20A	**Short term loan**		
	Loan against trust receipt:		
	The Hong Kong and Shanghai Banking Corporation Limited	-	94,210,770
	Standard Chartered Bank	-	80,623,427
	Citibank N.A.	-	154,210,645
	Liability for import supply	50,316	14,582,978
		50,316	**343,627,820**
	Uses payment at sight loan (UPAS)		
	Standard Chartered Bank	134,785,810	-
	The Hong Kong and Shanghai Banking Corporation Limited	-	80,280,462
	Citibank NA	154,032,841	155,307,659
		288,818,651	**235,588,121**
	Other facilities (revolving loan and post import financing)		
	Standard Chartered Bank	400,000,000	800,000,000
	Citibank N.A.	200,000,000	150,000,000
	Commercial Bank of Ceylon Limited	450,000,000	300,000,000
	Short Term Loan- STL- Jamuna Bank Ltd	-	300,000,000
		1,050,000,000	**1,550,000,000**
		1,338,868,967	**2,129,215,941**

The interest and security details of these facilities are as follows:

Sl.	Type of facility	Interest rate (%)	Nature of security
a.	Loan against trust receipts	6 - 9.00 p.a.	* Promissory note and letter of continuation. * Registered first charge over stocks and book debts on pari-passu basis.
b.	Other facilities (revolving loan and post import financing)		
c.	UPAS loan (FC Loan)	3.60%+LIBOR	* Against Letter of Credit

		30.06.2017 Taka	30.06.2016 Taka
21	**Bank overdraft**		
	Trust Bank Limited-CD	798,068	-
	CITI Bank N.A.	136,704	-
	BracB-1501201831146006-CD A/c	-	28,263,083
		934,772	**28,263,083**
21 A	**Bank overdraft**		
	Standard Chartered Bank-CD	798,068	-
	CITI Bank N.A.	136,704	-
	BracB-1501201831146006-CD A/c	-	28,263,083
		934,772	**28,263,083**
22	**Consolidated trade creditors**		
	Accounts payable	415,603,954	311,285,640
	Exxon Mobil Asia Pacific Pte. Limited-blending fees Payable	151,578,244	139,798,438
	Accounts payable for Bunker Purchase	26,001,630	22,480,412
		593,183,828	**473,564,490**
	OPL received rentals against cylinders in advance from distributors for lease period which were shown under the head of Cylinder Security Deposit in previous year and now has been renamed the account as Advance Lease Rental Against Cylinder.		
22 A	**Trade creditors**		
	Accounts payable	97,076,452	163,555,587
	Exxon Mobil Asia Pacific Pte. Limited-blending fees payable	151,578,244	139,798,438
	Accounts payable for Bunker Purchase	26,001,630	22,480,412
		274,656,326	**325,834,437**
23	**Consolidated provision for income tax**		
	Opening Balance	2,080,693,353	1,464,777,283
	Add: Provision during the year	701,415,662	615,916,070
		2,782,109,015	2,080,693,353
	Less: Adjustment during the year	(226,832)	-
		2,781,882,183	**2,080,693,353**
23 A	**Provision for income tax**		
	Opening Balance	2,072,367,930	1,461,567,378
	Add: Provision for the year	688,653,905	610,800,552
		2,761,021,835	**2,072,367,930**
24	**Consolidated other liabilities**		
	Tax payable-deduction from suppliers	68,730,087	46,265,655
	VAT payable-deduction from suppliers	4,300,924	5,313,483
	Provision for project payments	171,768,418	80,162,921
	Advance Lease rental against cylinder	2,654,296,664	1,033,577,411
	Advance against sale	105,366,546	65,933,302
	Petty cash payable	9,860	9,860
	BB Energy (Asia) Pte Ltd	370,514	99,683,006
	Advance received from customers	100,338,172	114,806,673
	Gratuity payable	578,575	3,916,794
	Others Payable	93,441,086	566,610
	Accrued Interest on LATR & STL & OD	9,489,984	5,546,175
	Salary Payable	76,906,147	57,962,998
	Accruals of operating expenses	102,397,593	59,477,724
	Accrued Contract Labor	11,590,151	6,819,057
	Interest Payable	2,100,941	6,366,047
		3,401,685,662	**1,586,407,715**
24 A	**Other liabilities**		
	Tax payable-deduction from suppliers	25,378,228	24,614,840
	VAT payable-deduction from suppliers	162,109	898,556
	VAT payable	19,793,702	-
	Advance against sale	105,366,546	65,933,302
	Gratuity payable	578,575	3,916,793
	Accrued interest on LTR , STL & OD	9,489,984	5,546,176
	Salary Payable	76,906,147	57,962,998
	Accruals of operating expenses	102,397,593	59,477,725
	Accrued contract labour	11,590,151	6,819,057
		351,663,035	**225,169,447**

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25 Segment Reporting

Segment information is presented in accordance with BFRS 8, Operating Segments. This standard is based on a management approach, which requires segmentation based upon the Company's internal organization and disclosure of revenue and operating income based upon internal accounting methods. The Company's financial reporting systems present various data for management to run the business, including profit and loss statements (P&Ls).

Revenue attributable to MJL Bangladesh Limited operation includes running an Oil tanker and distribution of lubricants through blending and importing. In order to understand the entity's performance, assess the risks and make more informed judgements about the entity in decision-making, Management has decided to present the financial information in such structured like oil tanker, manufacturing unit and trading unit. Revenue from Oil tanker is BDT 1,232 M which accounted for 15% of total revenue. Revenue from locally blending lubricant is BDT 3,561 M and imported lubricant is BDT 3,287 M which accounted for 44% and 41% of total revenue respectively.

26 Consolidated revenue

	Jul'16-Jun'17					Jul'15-Jun'16
	MJL	OPL	OCL	MJL & AKT PT. LTD	Total	Total
Revenue	9,092,306,503	5,852,077,661	485,061,379	107,173,566	15,536,619,109	11,569,578,967
Less: VAT	1,013,167,996	59,399,496	-	-	1,072,567,492	1,028,690,507
	8,079,138,507	**5,792,678,165**	**485,061,379**	**107,173,566**	**14,464,051,617**	**10,540,888,460**
Adjustment of inter-company sales	-	-	(485,061,379)	-	(485,061,379)	(494,787,680)
	8,079,138,507	**5,792,678,165**	**-**	**107,173,566**	**13,978,990,238**	**10,046,100,780**
Lubricants (Excluding VAT)						
Locally blended lubricants	3,507,454,278	-	-	-	3,507,454,278	3,361,190,234
Imported Lubricants local Sales	3,246,433,110	-	-	-	3,246,433,110	3,356,756,797
Export Sales of Lubricants	93,551,754	-	-	-	93,551,754	68,299,535
Oil Tanker						
Voyage Freight Earning	1,120,291,626	-	-	-	1,120,291,626	981,220,425
Demurrage Earning	111,407,739	-	-	-	111,407,739	72,460,026
Sales Revenue - Cylinder	-	-	485,061,379	-	485,061,379	396,968,421
Sales Revenue - LPG	-	5,439,400,443	-	-	5,439,400,443	2,106,329,093
Service revenue	-	-	-	107,173,566	107,173,566	70,287,790
Rental income	-	353,277,722	-	-	353,277,722	127,376,139
Adjustment of inter-company sales	-	-	(485,061,379)	-	(485,061,379)	(494,787,680)
	8,079,138,507	**5,792,678,165**	**-**	**107,173,566**	**13,978,990,238**	**10,046,100,780**

OPL receives lease rental in advance from distributors which are adjusted on monthly basis. Accordingly the rental income has been reflected in the respective years to which it relates with necessary correction of the last year's figures giving effect through adjustment in the opening retained earnings of 2016-17 as per BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

26A Net Revenue

	Oil Tanker	Manufacturing Unit	Trading Unit	Total	Total
Revenue	1,231,699,365	4,086,822,663	3,773,784,475	9,092,306,503	8,846,971,622
Less: VAT	-	526,202,281	486,965,715	1,013,167,996	1,007,044,606
	1,231,699,365	**3,560,620,382**	**3,286,818,760**	**8,079,138,507**	**7,839,927,016**
Lubricants (Excluding VAT)					
Locally blended lubricants local sales	-	3,507,454,278	-	3,507,454,278	3,361,190,234
Imported lubricants local sales	-	-	3,246,433,110	3,246,433,110	3,356,756,797
Export sales of lubricants	-	53,166,104	40,385,650	93,551,754	68,299,535
Oil tanker					
Voyage freight earning	1,120,291,626	-	-	1,120,291,626	981,220,424
Demurrage earning	111,407,739	-	-	111,407,739	72,460,026
	1,231,699,365	**3,560,620,382**	**3,286,818,760**	**8,079,138,507**	**7,839,927,016**

27 Consolidated Cost of revenue

	MJL	OPL	OCL	AKT	Total	Total
Consolidated Cost of revenue	4,895,161,552	4,599,377,381	411,806,215	-	9,906,345,148	7,201,090,146
Adjustment of inter-company sales	-	(485,061,379)	-	-	(485,061,379)	(494,787,680)
Net Consolidated cost of revenue	**4,895,161,552**	**4,114,316,002**	**411,806,215**	**-**	**9,421,283,769**	**6,706,302,466**

27 A Cost of revenue

		Jul'16-Jun'17	Jul'15-Jun'16
		Taka	Taka
Oil Tanker unit:			
Opening stock of bunker & other oil		29,368,449	35,713,672
Add: Purchase		169,506,052	125,528,335
		198,874,501	161,242,007
Less: Closing stock		29,683,744	29,368,449
		169,190,757	131,873,558
Add: Other direct expenditure-			
Port expenditure		38,992,884	46,837,113
Ship running expenditure		106,859,784	84,691,162
Technical operational expenditure		28,399,500	23,334,000
Salary of crew		63,782,520	69,957,481
Depreciation		91,500,012	91,500,012
		329,534,700	316,319,768
		498,725,457	**448,193,326**
Manufacturing unit:			
Opening stock of raw material		239,176,377	283,975,084
Add: Purchase		1,420,113,110	1,266,733,840
		1,659,289,487	1,550,708,924
Less: Closing stock		408,469,345	239,176,378
Raw material used in production		1,250,820,142	1,311,532,546
Overhead and operating expenses	(Note : 27 A.1)	532,353,910	480,319,164
		1,783,174,052	1,791,851,710
Add: Opening stock of work-in-progress		21,495,599	19,275,419
		1,804,669,651	1,811,127,129
Less: Closing stock of work-in-progress		31,939,802	21,495,599
Cost of goods manufactured		1,772,729,849	1,789,631,530
Add: Opening stock of finished goods		143,956,427	186,151,894
Locally blended lubes available for sale		1,916,686,276	1,975,783,424
Less: Closing stock of finished goods		148,667,140	143,956,427
		1,768,019,136	1,831,826,997
Add: Other OH & expenses/(Duty Draw back and Other)		249,722,700	173,437,858
Depreciation		17,756,511	15,108,304
		2,035,498,347	**2,020,373,159**

		Jul'16-Jun'17	Jul'15-Jun'16
		Taka	Taka
Trading unit:			
Opening stock		481,455,777	409,712,565
Add: purchase		2,196,159,149	2,675,538,896
		2,677,614,926	3,085,251,461
Less: closing stock		314,677,598	481,455,777
Consumption		2,362,937,328	2,603,795,684
Add : Other OH & expenses/(Duty Draw back and Other)		(1,999,581)	1,260,735
		2,360,937,747	2,605,056,419
		4,895,161,552	**5,073,622,902**

27. A1 Overhead and operating expenses

The following figures are directly connected to production.			
Packaging materials		245,656,512	218,347,290
Blending fees		117,727,892	105,185,395
Depreciation		75,812,450	55,946,407
Factory expenses		22,842,970	24,282,938
Employee compensation		34,407,848	40,968,395
Gratuity Expenses		784,208	1,242,707
PF Employer's Contribution		1,200,660	1,069,768
Travelling expenses		349,449	1,195,886
Employee Welfare		1,745,104	1,361,293
Daily refreshments		774,419	702,933
Utilities		6,825,602	6,191,497
Postage		123,633	182,764
Printing and stationery		416,528	348,972
Maintenance and repairing expenses		5,888,804	6,319,773
Govt Fees & Charges		2,417,599	2,017,330
Jetty usage charges		1,155,134	720,000
Contract labour		12,435,754	11,745,600
Insurance expenses		1,789,344	2,490,216
		532,353,910	**480,319,164**

28 Consolidated other income

Financial income	(Note 28.1)	77,809,418	106,855,140
Other business income	(Note 28.2)	35,693,386	13,068,286
Rent Income	(Note 28.2)	1,767,000	-
		115,269,804	**119,923,426**

28.1 Consolidated financial income

Interest on deposit	134,096,349	88,990,803
Foreign exchange (loss)/ gain	(62,509,221)	13,861,997
Dividend income	5,260,335	4,002,340
Investment income- Zero Coupon Bond	961,955	-
	77,809,418	**106,855,140**

28.2 Consolidated other business income

Gain on sale of non-current assets	2,816,747	879,970
Technical Commercial Fees	9,674,584	-
Sale of drums	1,870,386	2,312,620
Delivery charges	-	31,240
Testing fee	915,958	1,224,826
Other income	18,263,033	-
Sale of Slop Oil	846,250	4,448,392
Other business income	1,306,428	4,171,238
	35,693,386	**13,068,286**

28.3 Non Operatioal Income:

Rent Income	1,767,000	-
	1,767,000	**-**

(Amount in Taka)

		Jul' 16-Jun'17			Jul'15-Jun'16
		Manufacturing Unit	Trading Unit	Total	Total
28 A Other income					
Financial income	(Note : 28.A1)	63,628,088	58,735,268	122,363,356	96,998,500
Other business income	(Note : 28.A2)	8,384,328	7,739,596	16,123,924	8,897,049
Non Operatioal Income:	(Note : 28.A3)	918,828	848,172	1,767,000	-
		72,931,244	**67,323,036**	**140,254,280**	**105,895,549**
28.A1 Financial income					
Interest on deposits		64,718,895	59,742,195	124,461,090	88,972,721
Foreign exchange (loss)/gain		(4,326,354)	(3,993,670)	(8,320,024)	4,023,438
Dividend income		2,735,337	2,524,998	5,260,335	4,002,341
Investment income- zero coupon bond		500,210	461,745	961,955	-
		63,628,088	**58,735,268**	**122,363,356**	**96,998,500**
28.A2 Other business income					
Gain/(loss) on sale of assets		1,464,689	1,352,058	2,816,747	879,971
Technical Commercial Fees		5,030,716	4,643,868	9,674,584	-
Sale of drums		972,588	897,798	1,870,386	2,312,620
Delivery charges		-	-	-	31,240
Testing fee		476,291	439,666	915,957	1,224,826
Sale of slop oil		440,044	406,206	846,250	4,448,392
		8,384,328	**7,739,596**	**16,123,924**	**8,897,049**
28.A3 Non Operatioal Income:					
Rent Income		**918,828**	**848,172**	**1,767,000**	**-**

(Amount in Taka)

	Jul' 16-Jun'17					Jul'15-Jun'16
	MJL	OPL	OCL	MJL & AKT PT. LTD.	Total	Total
29 Consolidated administrative and selling expenses						
Employee compensation	187,563,077	123,866,772	7,502,417	22,538,608	341,470,873	230,297,031
Gratuity expenses	4,170,138	-	-	-	4,170,138	6,465,823
Provident fund-Employer's contribution	6,219,211	-	-	-	6,219,211	5,828,900
Directors' fees	1,535,251	57,500	95,835	4,929,041	6,617,627	7,697,412
AGM related expenses	6,096,125	-	-	-	6,096,125	1,033,000
Oil Test and Other Services Charges	-	-	-	-	-	273,883
Travelling expenses	15,613,732	10,500,658	1,704,624	2,109,571	29,928,585	28,944,093
Entertainment	1,905,087	1,982,611	1,448,412	-	5,336,110	6,919,430
Employee training and welfare	9,546,154	8,324,698	-	-	17,870,852	25,543,629
Transportation, storage and handling	47,932,142	9,650,199	320,570	3,381,878	61,284,789	66,612,162
Utilities	3,801,582	1,396,036	-	-	5,197,618	5,363,820
Telephone, cable and postage expenses	9,472,991	3,564,565	664,353	-	13,701,909	10,597,641
Market Research		-			-	(5,352,393)
Membership/Subscription fees	3,621,603	6,969,390	-	-	10,590,993	4,429,146

(Amount in Taka)

	Jul' 16-Jun'17					Jul'15-Jun'16
	MJL	OPL	OCL	MJL & AKT PT. LTD.	Total	Total
Govt Fees & Charges	265,524	-	-	-	265,524	2,481,685
Office supplies	5,763,913			-	5,763,913	6,391,703
Office repairs and renovation	17,387,914	5,054,954	921,913	-	23,364,780	24,529,937
Office Rent	21,877,566	6,961,362	464,842	12,168,980	41,472,751	33,468,761
Legal and professional fees	(266,809)	7,435,907	2,349,645	-	9,518,743	19,150,481
Audit fees and charges	1,381,750	-	230,000	-	1,611,750	1,395,285
Other contract services	30,312,795	-	-	-	30,312,795	23,930,339
Indirect Ship running expenses	38,275,725	-	-	-	38,275,725	29,902,643
Insurance expenses	30,085,762	1,699,412	-	-	31,785,174	28,227,128
Advertisement and publications	1,976,711	75,740,003	1,077,607	-	78,794,321	(4,191,604)
Sales promotion	178,755,441	-	-	25,488,391	204,243,832	291,724,004
Fees and Renewals	-	-	-	-	-	-
Launching expenses	-	-	-	-	-	(89,613)
Land and city corporation tax	337,293	-	-	-	337,293	379,879
Depreciation	32,766,811	30,826,404	1,984,627	4,908,939	70,486,781	70,067,964
Amortization- Software	2,014,454	5,722,127	4,354	-	7,740,935	2,488,509
Miscellaneous expenses	-	-	-	8,201,447	8,201,447	487,695
Vehicle Running Expenses	-	-	694,675	4,640,018	5,334,693	1,598,488
Consulting fees	-	-	-	1,185,420	1,185,420	(1,087,486)
Social security board Contribution	-	-	-	-	-	12,194
Sales incentive expenses	788,944	-	-	1,735,237	2,524,181	13,664,520
Deferred incentive-cylinders	-	268,953,059	-	-	268,953,059	112,865,335
Miscellaneous expenses	-	2,008,080	-	-	2,008,080	-
Annual promotional incentive	-	-	-	-	-	380,000
Donation, Gift & Contribution	-	294,913	-	-	294,913	10,755,543
Trade VAT	-	1,709,701	-	-	1,709,701	1,362,659
	659,200,887	**572,718,351**	**19,463,873**	**91,287,530**	**1,342,670,641**	**1,064,549,626**

	Jul' 16-Jun'17				Jul'15-Jun'16
	Oil Tanker	Manufacturing Unit	Trading unit	Total	Total
29A Administrative and selling expenses					
Employee compensation	-	97,531,486	90,031,591	187,563,077	113,027,279
Gratuity expenses	-	2,168,443	2,001,695	4,170,138	6,465,823
Provident fund - employer's contribution	-	3,233,946	2,985,265	6,219,211	5,828,900
Directors' fees	234,056	676,612	624,583	1,535,251	1,253,787
AGM related expenses	929,380	2,686,671	2,480,074	6,096,125	1,033,000
Travelling expenses	-	8,119,031	7,494,701	15,613,732	14,929,360
Entertainment	290,439	839,606	775,042	1,905,087	2,217,210
Employee training and welfare	-	4,963,933	4,582,221	9,546,154	14,485,598
Transportation, storage and handling	-	24,924,378	23,007,764	47,932,142	49,255,899
Utilities	-	1,976,796	1,824,786	3,801,582	4,373,559
Telephone, cable and postage expenses	-	4,925,889	4,547,102	9,472,991	8,250,482
Membership/subscription fees	-	1,883,208	1,738,395	3,621,603	4,263,291
Govt fees & charges	-	138,071	127,453	265,524	515,513
Office supplies	878,733	2,540,259	2,344,921	5,763,913	6,301,740
Office repairs and renovation	-	9,041,594	8,346,321	17,387,914	13,570,281
Rent for Property	-	11,376,181	10,501,385	21,877,566	20,960,830
Sales incentive expenses	-	410,245	378,699	788,944	434,524

	Jul' 16-Jun'17				Jul'15-Jun'16
	Oil Tanker	Manufacturing Unit	Trading unit	Total	Total
Legal and professional fees	-	(138,739)	(128,070)	(266,809)	3,104,750
Audit fees and charges	210,654	608,962	562,134	1,381,750	900,750
Other contract services	-	15,762,441	14,550,354	30,312,795	23,405,176
Indirect ship running expenses	38,275,725	-	-	38,275,725	29,902,644
Insurance expenses	27,209,926	1,495,415	1,380,421	30,085,762	27,115,370
Advertisement and publications	-	1,027,876	948,835	1,976,711	776,285
Sales promotion	-	92,951,577	85,803,864	178,755,441	130,146,546
Land and city corporation tax	51,422	148,651	137,220	337,293	290,266
Depreciation	-	17,038,512	15,728,299	32,766,811	32,572,614
Amortization- software	-	1,047,502	966,952	2,014,454	2,287,759
	68,080,334	**307,378,546**	**283,742,007**	**659,200,887**	**517,669,236**

		Jul'16-Jun'17	Jul'15-Jun'16
		Taka	Taka
30	**Consolidated financial charges**		
	Interest on short term Loan	440,630,637	386,024,971
	Bank charges	5,363,426	5,970,639
	Loss/(Gain) on Investment	(21,719,291)	1,209,295
		424,274,772	**393,204,905**

30A	**Financial charges**	Oil Tanker	Manufacturing Unit	Trading Unit	Total	Total
	Interest on short term Loan	-	17,931,173	16,552,317	34,483,490	31,439,894
	Interest on foreign currency loan	-	-	-	-	-
	Bank charges	340,859	1,598,600	1,475,672	3,415,131	5,489,580
	Bank charges & Forex	-	-	-	-	-
	Loss/(gain) on investment	-	(11,293,879)	(10,425,412)	(21,719,291)	627,807
		340,859	**8,235,894**	**7,602,577**	**16,179,330**	**37,557,281**

		30.06.2017	30.06.2016
		Taka	Taka
31	**Consolidated basic Earnings per share (CEPS)**		
	Comprehensive income attributable to ordinary shareholders	2,076,107,240	1,713,765,102
	Other comprehensive income/(Loss)	(8,291,937)	(8,308,268)
	Net Profit after tax attributable to ordinary shareholders	2,084,399,177	1,722,073,370
	Number of ordinary shares outstanding (Denominator)	301,668,598	274,244,180
	Earnings per share (EPS)	**6.91**	**6.28**
	Restated for Bonus Issue:		
	Net profit after tax (Numerator)		1,722,073,370
	Number of ordinary shares outstanding (Denominator)		301,668,598
	Earnings per share (CEPS)		**5.71**
31A	**Earnings per share (EPS) - Basic**		
	Net profit after tax (numerator)	1,985,143,069	1,734,271,524
	Number of ordinary shares outstanding (denominator)	301,668,598	274,244,180
	Earnings per share (EPS)	**6.58**	**6.32**
	Restated for Bonus Issue:		
	Net profit after tax (Numerator)		1,734,271,524
	Number of ordinary shares outstanding (Denominator)		301,668,598
	Earnings per share (EPS)		**5.75**
32	**Consolidated Net Asset Value (NAV)**		
	Net assets (total assets-liabilities-Non controlling interest)	10,537,806,570	9,284,431,870
	Number of ordinary shares outstanding (Denominator)	301,668,598	274,244,180
	Net asset value (NAV) per share	**34.93**	**33.85**

	30.06.2017	30.06.2016
	Taka	Taka
Restated for Bonus Issue:		
Net assets (total assets-liabilities-Non controlling interest)		9,284,431,870
Number of ordinary shares outstanding (Denominator)		301,668,598
Net asset value (NAV) per share		30.78

32A Net asset value (NAV)

Net assets (Total assets- liabilities)	10,216,216,570	9,041,891,650
Number of ordinary shares outstanding (denominator)	301,668,598	274,244,180
Net asset value (NAV) per share	**33.87**	**32.97**
Restated for Bonus Issue:		
Net assets (Total assets- liabilities)		9,041,891,650
Number of ordinary shares outstanding (denominator)		301,668,598
Net asset value (NAV) per share		**29.97**

33 Consolidated Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flows	4,729,648,059	2,399,369,451
Number of ordinary shares outstanding (Denominator)	301,668,598	274,244,180
Net operating cash flow per share	**15.68**	**8.75**
Restated for Bonus Issue:		
Net operating cash flows		2,399,369,451
Number of ordinary shares outstanding (Denominator)		301,668,598
Net operating cash flow per share		**7.95**

33A Net operating cash flow per share (NOCFPS)

Net operating cash flow	2,424,527,047	1,649,712,960
Number of ordinary shares outstanding (denominator)	301,668,598	274,244,180
Net operating cash flow per share	**8.04**	**6.02**
Restated for Bonus Issue:		
Net operating cash flow		1,649,712,960
Number of ordinary shares outstanding (Denominator)		301,668,598
Net operating cash flow per share		**5.47**

34 Related party disclosures

i) Related party transactions

During the period, the company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of these related parties, nature of these transactions and their total value have been set out in accordance with the provisions of BAS 24: Related Party Disclosure.

Name of the party	Nature of Transactions	Nature of Relationship	(Outstanding)/ Receivable balance on 01.07.2016	Transaction value	(Receives) / Payments	(Outstanding)/ Receivable balance on 30.06.2017
EC Distribution Ltd.	Additive purchase	Group company	(15,326,592)	(232,583,060)	224,221,714	(23,687,938)
	Sale of finished products		(4,464)	33,912,411	(26,968,060)	6,939,887
East Coast Trading (Pvt) Ltd.	Additive purchase	Group company	(27,470,272)	(270,806,385)	280,795,818	(17,480,839)
Jamuna Oil Company Ltd.	Sale of finished products	Shareholder	(17,297,915)	1,078,957,955	(1,082,178,222)	(20,518,182)
	Diessel Purchase		-	(7,237,116)	7,237,116	-

Name of the party	Nature of Transactions	Nature of Relationship	(Outstanding)/ Receivable balance on 01.07.2016	Transaction value	(Receives) / Payments	(Outstanding)/ Receivable balance on 30.06.2017
Parkesine Products Ltd.	Supplying of Molds and Sub - Molds for Grease Plant	Group company	-	(83,386,414)	77,190,940	(6,195,474)
	Sale of finished products		(733)	669,968	(669,968)	(733)
Omera Petroleum Limited	Payments borne by MJL Bangladesh Limited	Subsidiary Company	1,052,939,380	169,596,512	(608,882,253)	613,653,638
Omera Cylinders Limited			156,356,797	2,434,104	(100,000,000)	58,790,900
Omera Logistics Ltd.		Group company	32,115,683	3,087,184	(20,000,000)	15,202,867
Omera Chemicals Ltd.			1,236,643	4,461,963	-	5,698,606
Omera Fuels Ltd.			817,884,206	374,272,245		1,192,156,451
Omera Steels Ltd.			15,412,354	3,994,315	-	19,406,669
Clean Fuel Filling Station Ltd.	Payments for fuel purchase	Group company	(162,974)	(2,129,337)	2,175,532	(116,779)
	Sale of finished products		(4,183)	16,494,756	(16,251,719)	238,854
Prime Bank Ltd.	Income by MJL Bangladesh Limited	Common Control	-	1,678,650	(9,268,650)	(7,590,000)
MJL & AKT Petroleum Limited		Subsidiary Company	-	6,365,905	(6,365,905)	-
East Coast Shipping Lines Ltd.	Payments for Chittagong office	Group company	254,196	(2,530,035)	2,177,106	(98,734)
EC Bulk Carrier Ltd.	Payments for MTOQ		5,842,500	(5,842,500)	-	-
Radiant Alliance Ltd.	Payments for Solar power system		-	(860,500)	940,500	80,000

ii) Particulars of directors of MJL Bangladesh Limited as at 30 June 2017:

Name	BOD of MJL Bangladesh Limited	Entities where they have interests	Directorship/Sponsorship/Ownership with other companies
Mr. Nazimuddin Chowdhury	Chairman	Jamuna Oil Company Limited	Titas Gas Transmission & Distribution Company Ltd.
			Karnaphuli Fertilizer Co. Ltd.
			Bangladesh Gas Fields Co. Ltd.
			Bangladesh Petroleum Exploration & Production Co. Ltd. (BAPEX)
			Bangladesh Infrustructure Finance Fund Ltd. (BIFF) .
			Gas Transmission Co. Ltd. Bangladesh Petroleum Institute (BPI)
			Karnaphuly Gas Distribution Co. Ltd. (KGDCL)
			Bakhrabad Gas Distribution Co. Ltd. (BGDCL)
			Sundarban Gas Distribution Co. Ltd. (SGDCL)
			Padma Oil Co. Ltd. (POCL)
			Omera Fuels Limited (Nominee Director)
			Omera Petroleum Limited (Nominee Director)
			Omera Cylinders Limited (Nominee Director)
			Omera Gas One Ltd. (Nominee Director)

Name	BOD of MJL Bangladesh Limited	Entities where they have interests	Directorship/Sponsorship/Ownership with other companies
Mr. Azam J Chowdhury	Managing Director	EC Securities Ltd.	Prime Bank Limited. East Coast Shipping Lines Ltd. East Coast Trading (Pvt.) Ltd. EC Distribution Ltd. EC Holdings Ltd. Bangladesh Trade Syndicate Ltd. The Consolidated Tea and Lands Company (Bangladesh Ltd.) Baraoora (Sylhet) Tea Company Ltd. Consolidated Tea and Plantation Ltd. Nordic Woods Limited . EC Bulk Carriers Ltd. Radiant Alliance Limited. Clean Fuel Filling Station Ltd. MJL & AKT Petroleum Company Limited (Nominee Director) MJL (S) Pte. Ltd. (Nominee Director) Omera Food and Beverage Ltd. (Nominee Director) Omera Petroleum Limited (Nominee Director) Omera Fuels Limited (Nominee Director) Omera Cylinders Limited (Nominee Director)
Mr. Abdul -Muyeed Chowdhury	Director	EC Securities Ltd.	Tiger Tours Limited ACI Ltd.(Independent Director) Summit Alliance Port Limited (Independent Director) Omera Fuels Limited (Nominee Director) Omera Petroleum Limited (Nominee Director) Omera Cylinders Limited (Nominee Director) Omera Chemicals Limited (Nominee Director)
Mr. Md. Quamrul Hasan	Director	Jamuna Oil Company Ltd.	Omera Fuels Limited (Nominee Director) Omera Petroleum Limited (Nominee Director) Omera Cylinders Limited (Nominee Director)
Mr. Md. Aminur Rahman	Director	EC Securities Ltd.	Omera Fuels Limited (Nominee Director) Omera Petroleum Limited (Nominee Director) Omera Cylinders Limited (Nominee Director)
Mr. Tanjil Chowdhury	Director	EC Securities Ltd.	Parkesine Products Limited East Coast Trading (Pvt.) Ltd. East Coast Shipping Lines Ltd. EC Securities Ltd. EC Distribution Limited EC Bulk Carriers Ltd. Bangladesh Trade Syndicate Ltd. Radiant Alliance Limited ASP Omera Crew Management Ltd. Omera Fuels Limited (Nominee Director) Omera Petroleum Limited (Nominee Director) Omera Cylinders Limited (Nominee Director) Omera Chemicals Limited (Nominee Director) Omera Gas One Ltd. (Nominee Director) Clean Fuel Filling Station Ltd.

Name	BOD of MJL Bangladesh Limited	Entities where they have interests	Directorship/Sponsorship/Ownership with other companies
Prof. Dr. Mohammad Tamim	Independent Director		Energypac Power Generation Limited Energypac Electronics Limited Omera Fuels limited Omera Petroleum Limited Omera Cyliders Limited
Mr. Q. M. Shariful Ala	Independent Director		Delta Brac Housing Finance Corporation Ltd Unicap Securities Limited Omera Fuels Limited (Nominee Director) Omera Petroleum Limited (Independent Director) Omera Cylinders Limited (Independent Director)

35 Capital Expenditure Commitment

As on 30 June 2017 MJL Bangladesh Limited has the following material commitments for capital expenditures:

Particulars	Amount in Taka
Corporate Office Head Office	300,000,000

36 Other Commitments and Contingencies

As on 30 June 2017 the company had commitments of BDT 373.94 million in respect of outstanding letter of credit and bill acceptance.

37 Capacity Utilization

	Capacity	Jul'16-Jun'17 Utilization	Jul'15-Jun'16 Utilization
Lube Oil (Mobil+Omera)	150 kB	56.70%	53.96%
Omera Grease	850 MT	3.25%	3.37%
Viscocity Improver (VI)	800 MT	58.96%	53.39%
Omera Transfer Oil	2000 MT	15.79%	12.48%

Note: 159 Ltr.= 1 Barrel and 1000 kg=1 MT

38 Disclosure on Managerial Remuneration:

Particulars	Jul'16-Jun'17			Jul'15-Jun'16		
	Managing Director	Other Managers	Total	Managing Director	Other Managers	Total
Basic Salary	7,200,000	75,868,671	83,068,671	7,200,000	69,622,852	76,822,852
House Rent	3,000,000	33,568,334	36,568,334	3,000,000	27,335,867	30,335,867
Conveyance	600,000	5,771,103	6,371,103	600,000	6,615,839	7,215,839
Medical	1,200,000	7,317,353	8,517,353	1,200,000	7,266,123	8,466,123
Bonus/Incentives	7,200,000	63,019,714	70,219,714	12,560,000	80,692,007	93,252,007
Other Allowances	1,200,000	5,097,403	6,297,403	1,200,000	5,203,586	6,403,586
Total salaries and allowances	**20,400,000**	**190,642,578**	**211,042,578**	**25,760,000**	**196,736,274**	**222,496,274**

The Directors of the company did not take any benefit from the company other than the board meeting fee and -

a.	Expense reimbursed to the managing agent –	Nil
b.	Commission or other remuneration payable separately to a managing agent or his associate –	Nil
c.	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company -	Nil

d.	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year -	Nil
e.	Any other perquisites or benefit in cash or in kind stating –	Nil
f.	Other allowances and commission including guarantee commission -	Nil
	1) Pensions	
	2) Gratuities	
	3) Payment from Provident Fund	
	4) Compensation for loss of office	
	5) Consideration in connection with retirement from office	

39 Blending Fees in Foreign Currency

Particulars	As on 30 June 2017			As on 30 June 2016		
	BDT	USD $	Beneficiary	BDT	USD $	Beneficiary
Blending Fee	151,578,244	$1,864,660	Exxon Mobil Asia Pacific Pte. Limited, Singapore	95,595,044	$1,216,944	Exxon Mobil Asia Pacific Pte. Limited, Singapore

	Jul'16-Jun'17	Jul'15-Jun'16
	Taka	Taka
40 Gross Profit Ratio		
Sales (Denominator)	8,079,138,507	7,839,927,016
Gross profit (Numerator)	3,183,976,956	2,766,304,114
Gross Profit Ratio	**39.41%**	**35.28%**
41 Net Profit Ratio		
Sales (Denominator)	8,079,138,507	7,839,927,016
Net profit after tax (Numerator)	1,985,143,069	1,734,271,524
Net Profit Ratio	**24.57%**	**22.12%**

42 Financial Risk Management

The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.

* Credit Risk
* Liquidity Risk
* Market Risk

42.1 Credit Risk

Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables.

The company has practice to give credit to customers on a very few occasions and the exposure to credit risk is monitored on an ongoing basis to ensure collection within stipulated time. Debtors are categorized according to their risk profile-i.e. frequency of payment, legal status, financial condition etc. Trade and other receivables consist of domestic receivable, export receivable, inland export receivables and interest receivable. As of 30 June 2017, substantial part of the receivables are those from Jamuna oil Company Limited and other clients and are subject to insignificant credit risk. Risk exposures from other financial assets, i.e. cash at bank and inter company receivables are also nominal.

(a) Exposure to credit risk

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

		30.06.2017 Taka	30.06.2016 Taka
As on 30 June 2017 MJL Bangladesh Limited has the following material commitments for capital expenditures:	(Note: 10A)	1,122,810,150	871,721,846
Inter Company Receivables		2,486,626,274	2,113,091,897
Investment in Bonds and Shares		79,774,772	40,920,530
Investment in Zero Coupon Bond		24,392,763	-
Cash and Cash Equivalents		92,260,029	406,820,167
		3,805,863,988	**3,432,554,440**

The maximum exposure to credit risk for trade and other receivables as at the statement of financial position date by geographic regions was:

Domestic	2,191,810,901	2,295,236,271
Foreign	1,417,625,523	689,577,472
	3,609,436,424	**2,984,813,743**

b) Ageing of trade receivables

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

Past due 0-90 days	197,075,786	175,012,504
Past due 91-180 days	222	3,600
Past due 181 -365 days	848,273	1,248
Past due more than 365 days	312,320	211,680
	198,236,601	**175,229,032**

42.2 Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

The following are the contractual maturities of financial liabilities of the company:

As of 30 June 2017	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Short Term Loan	1,338,868,967	1,338,868,967	-
Bank Overdraft	934,770	934,770	-
Sundry Creditors	274,656,326	274,656,326	-
Provision for Income Tax	2,761,021,834	2,761,021,834	-
Subscription Money Payable	15,023,186	15,023,186	-
Dividend Payable	34,110,217	34,110,217	-
Other Liabilities	351,663,037	351,663,037	-
	4,776,278,338	**4,776,278,338**	**-**

As of 30 June 2016	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Short Term Loan	2,129,215,941	2,129,215,941	-
Bank Overdraft	28,263,083	28,263,083	-
Sundry Creditors	325,834,437	325,834,437	-
Provision for Income Tax	2,072,367,930	2,072,367,930	-
Subscription Money Payable	14,973,723	14,973,723	-
Dividend Payable	294,442,718	294,442,718	-
Other Liabilities	225,169,445	225,169,445	-
	5,090,267,277	**5,090,267,277**	**-**

42.3 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

a. Currency risk

The company is exposed to currency risk on payment for the import of raw materials, finished goods and blending fee to Exxon Mobil and repayments relating to borrowings incurred in foreign currencies. All of the company's foreign currency transactions are denominated in USD.

i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts.

	30.06.2017 Taka	30.06.2016 Taka
Foreign currency denominated assets		
Trade Receivables-Export Sale	13,629,912	3,821,941
Other Receivables	905,112,138	677,886,531
MJL (Singapore) PTE. LTD	498,883,473	7,869,000
	1,417,625,523	**689,577,472**

	30.06.2017 Taka	30.06.2016 Taka
Foreign currency denominated liabilities		
Accounts payable	12,943,107	52,961,955
Exxon Mobil Asia Pacific Pte. Limited-blending fees Payable	151,578,244	139,798,438
Accounts payable for Bunker Purchase	26,001,630	22,480,411
Short term loan-UPAS Loan	288,818,651	235,588,122
	479,341,633	450,828,926
Net exposure	**938,283,890**	**238,748,546**

The following rate has been applied:	Taka	Taka
US Dollar ($)	80.10	77.60

b. Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The company is not significantly exposed to fluctuation in interest rates as it has neither floating interest rate bearing financial liabilities nor entered into any type of derivative instrument in order to hedge interest rate risk as of 30 June 2017.

Profile

As of 30 June 2017, the interest rate profile of the company's interest bearing financial instruments was:

Fixed rate instruments

Financial assets (short term investments-FDR)	706,997,471	501,763,149
Financial liabilities	1,339,803,737	2,157,479,025

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

	As at 30 June 2017		As at 30 June 2016	
	Carrying amount Taka	Fair value Taka	Carrying amount Taka	Fair value Taka
Financial assets				
Assets carried at fair value through profit or loss				
Investment in shares	21,899,010	21,899,010	16,415,719	16,415,719
Investment in Mutual Funds	41,000,000	41,000,000	24,500,000	24,500,000
Held to maturity assets				
Short term investment-FDR	706,997,471	706,997,471	501,763,149	898,648,214
Investment in Zero Coupon Bond	41,264,213	41,264,213	-	-
Loans and receivables				
Trade receivables & Others	1,122,810,150	1,122,810,150	871,721,846	871,721,846
Inter Company Receivables	2,486,626,274	2,486,626,274	2,113,091,897	2,113,091,897
Available for sale financial assets				
Investment in Subsidiaries & Associate	2,278,447,164	2,278,447,164	2,266,532,772	2,266,532,772
	4,420,597,117	**4,420,597,117**	**3,527,492,610**	**3,924,377,676**

	As at 30 June 2017		As at 30 June 2016	
	Carrying amount Taka	Fair value Taka	Carrying amount Taka	Fair value Taka
Financial liabilities				
Liabilities carried at fair value through profit or loss	-	-	-	-
Liabilities carried at amortised costs				
Short Term Loan	1,338,868,967	1,338,868,967	2,129,215,941	2,129,215,941
Bank Overdraft	934,770	934,770	28,263,083	28,263,083
Sundry Creditors	274,656,326	274,656,326	325,834,437	325,834,437
Provision for income tax less advance tax	667,858,377	667,858,377	377,196,984	377,196,984
Subscription Money Payable	15,023,186	15,023,186	14,973,723	14,973,723
Dividend Payable	34,110,217	34,110,217	294,442,718	294,442,718
Other Liabilities	351,663,037	351,663,037	225,169,445	225,169,445
	2,683,114,880	**2,683,114,880**	**3,395,096,331**	**3,395,096,331**

43 Capital Management

Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity of the company. The Board of Directors monitors the level of capital as well as the level of dividend to the ordinary shareholders. In order to maintain or adjust the capital structure, the company may adjust the amount of dividend, return on capital to shareholders, issue new shares or obtain long-term debt. The company is not subject to any externally imposed capital requirement.

44 Disclosure as per Schedule XI, Part II, Para 8 (e) of the Companies Act 1994:

	Jul'16-Jun'17	Jul'15-Jun'16
i. The quantity of the company's export of Lube/ grease products in litre/kg:	386,058	332,900
ii. Foreign currency earned against export on FOB Basis:		
In USD	1,024,246	878,195
In BDT	81,109,065	68,305,174

iii. The Company has earned foreign exchanges of USD 77,350 for technical know how fees form MJL & AKT Petroleum Company Limited.

iv. The value of export is for the year ended 30 June 2017.

45 Name of the auditors of the group companies

Name of the Company	Relationships	Name of the auditors
Omera Cylinder Limited	Subsidiary	S.F Ahmed & Co.
Omera Petroleum Limited	Subsidiary	Howladar Yunus & Co.
MJL & AKT Petroleum Company Limited	Subsidiary	WIN THANT AYE

Annexure-A

MJL Bangladesh Limited

Consolidated Schedule of Property, Plant and Equipments

As at 30 June 2017

Amount in Taka

Name of assets	Cost					Depreciation					Written Down Value as at 30 Jun 2017
	Balance as at 01 Jul 2016	Addition during the year	Adjustment/ Disposal during the period	Adjustment for Foreign Exchange Rate	Balance as at 30 Jun 2017	Balance as at 01 Jul 2016	Charged during the year	Adjustment/ (Disposal) during the year	Adjustment for Foreign Exchange Rate	Balance as at 30 Jun 2017	
Manufacturing and Trading unit											
Land	3,265,932,915	319,765,175	-	-	3,585,698,090	-	-	-	-	-	3,585,698,090
Land-Leasehold	-	-	-	-	-	-	-	-	-	-	-
Land Development	332,299,426	32,128,848	-	-	364,428,274	25,775,931	17,175,382	-	-	42,951,313	321,476,961
Building	812,618,555	7,869,203	-	(518,059)	819,969,699	175,794,867	41,363,186	-	(349,005)	216,809,048	603,160,651
Office Equipments	72,720,063	3,821,896	(752,466)	(200,369)	75,589,124	29,104,912	9,486,278	(706,424)	(74,269)	37,810,497	37,778,627
Computer and IT Equipment	50,561,242	10,150,929	(55,033)	(252,125)	60,405,013	31,246,443	13,063,645	(10,694)	(134,938)	44,164,454	16,240,559
Plant and Machinery	4,473,227,961	60,111,968	(800,366)	-	4,532,539,564	507,689,939	229,783,054	(280,414)	-	737,192,579	3,795,346,985
Motor Vehicle	215,754,812	88,135,700	(7,830,250)	(2,649,996)	293,410,266	78,238,759	32,756,454	(7,830,245)	(762,978)	102,401,990	191,008,276
Furniture and Fixtures	72,122,196	2,770,791	-	(272,686)	74,620,301	33,397,034	11,505,593	-	(67,320)	44,835,307	29,784,994
Barge	306,513,938	-	-	-	306,513,938	12,763,803	10,217,131	-	-	22,980,934	283,533,004
Cylinders	2,163,873,722	3,172,318,890	-	-	5,336,192,612	130,858,113	299,099,310	-	-	429,957,423	4,906,235,189
Jetty and Pontoon	175,508,372	-	-	-	175,508,372	3,615,982	3,510,168	-	-	7,126,150	168,382,222
Office Decoration	21,844,648	865,518	-	-	22,710,166	4,763,387	4,497,112	-	-	9,260,499	13,449,667
Shipping Unit											
M. T. Omera Queen	1,725,178,249	-	-		1,725,178,249	480,375,063	91,500,012	-		571,875,075	1,153,303,174
Total as of 30 June 2017	**13,688,156,101**	**3,697,938,918**	**(9,438,115)**	**(3,893,236)**	**17,372,763,668**	**1,513,624,233**	**763,957,325**	**(8,827,777)**	**(1,388,512)**	**2,267,365,269**	**15,105,398,399**
Total as of 30 June 2016	**11,570,017,337**	**2,144,580,371**	**(24,128,952)**	**(2,312,655)**	**13,688,156,101**	**990,462,179**	**528,402,098**	**(3,203,500)**	**(2,036,544)**	**1,513,624,233**	**12,174,531,868**

MJL Bangladesh Limited
Schedule of Property, Plant and Equipment
As at 30 June 2017

Amount in Taka

Name of assets	Cost					Depreciation					Written Down Value as at 30 Jun 2017
	Balance as at 01 Jul 2016	Addition during the year	Adjustment/ disposal during the year	Adjustment for Foreign Exchange Rate	Balance as at 30 Jun 2017	Balance as at 01 Jul 2016	Charged during the year	Adjustment/ disposal during the year	Adjustment for Foreign Exchange Rate	Balance as at 30 Jun 2017	
Manufacturing and Trading unit											
Land	2,698,398,550	319,765,175	-	-	3,018,163,725	-	-	-	-	-	3,018,163,725
Building	395,057,160	3,354,512	-	-	398,411,672	148,437,911	19,487,922	-	-	167,925,833	230,485,839
Office Equipment	27,583,358	1,667,953	(730,210)	-	28,521,101	19,476,603	3,529,944	(706,053)	-	22,300,494	6,220,607
IT Equipment	30,065,111	3,726,060	(33)	-	33,791,138	21,732,473	6,035,626	-	-	27,768,099	6,023,039
Machinery	678,664,318	53,875,278	(212,420)	-	732,327,176	311,236,137	72,159,493	(140,777)	-	383,254,853	349,072,323
Motor Vehicle	93,044,031	14,741,158	(7,830,250)	-	99,954,939	55,173,639	15,257,117	(7,830,245)	-	62,600,511	37,354,428
Furniture	57,184,163	12,188	-	-	57,196,351	31,467,280	9,865,670	-	-	41,332,950	15,863,401
Shipping Unit											
M. T. Omera Queen	1,725,178,249				1,725,178,249	480,375,063	91,500,012	-	-	571,875,075	1,153,303,174
Total as of 30 June 2017	**5,705,174,940**	**397,142,324**	**(8,772,913)**	**-**	**6,093,544,351**	**1,067,899,106**	**217,835,784**	**(8,677,075)**	**-**	**1,277,057,815**	**4,816,486,536**
Total as of 30 June 2016	**5,489,924,520**	**216,402,948**	**(1,152,528)**	**-**	**5,705,174,940**	**869,481,848**	**199,566,549**	**(1,149,291)**	**-**	**1,067,899,106**	**4,637,275,834**

MJL Bangladesh Limited
Consolidated Schedule of Intangible Assets

Annexure-B

As at 30 June 2017

(Amounts in Taka)

Name of assets	Cost				Amortization				Written down value as at 30 Jun 2017
	Balance as of 01 Jul 2016	Addition during the year	Adjustment/ (Disposal) during the year	Balance as of 30 Jun 2017	Balance as of 01 Jul 2016	Charged during the year	Adjustment/ (Disposal) during the year	Balance as of 30 Jun 2017	
Intangible Assets									
Software	12,041,043	18,792,062	-	30,833,105	7,562,821	7,740,935	-	15,303,756	15,529,349
Total as of 30 June 2017	**12,041,043**	**18,792,062**	**-**	**30,833,105**	**7,562,821**	**7,740,935**	**-**	**15,303,756**	**15,529,349**
Total as of 30 June 2016	**11,827,293**	**213,750**	**-**	**12,041,043**	**5,117,476**	**2,445,346**	**-**	**7,562,822**	**4,478,221**

MJL Bangladesh Limited
Schedule of Intangible Assets

Annexure-B

As at 30 June 2017

(Amounts in Taka)

Name of assets	Cost				Amortization				Written down value as of 30 Jun 2017
	Balance as of 01 Jul 2016	Addition during the year	Adjustment/ (Disposal) during the year	Balance as of 30 Jun 2017	Balance as of 01 Jul 2016	Charged during the year	Adjustment/ (Disposal) during the year	Balance as of 30 Jun 2017	
Intangible Assets									
Software	11,438,794	-	-	11,438,794	7,362,072	2,014,454	-	9,376,526	2,062,268
Total as of 30 June 2017	**11,438,794**	**-**	**-**	**11,438,794**	**7,362,072**	**2,014,454**	**-**	**9,376,526**	**2,062,268**
Total as of 30 June 2016	**11,438,794**	**-**	**-**	**11,438,794**	**5,074,314**	**2,287,759**	**-**	**7,362,072**	**4,076,722**

OMERA PETROLEUM LIMITED





AMARSTOCK

OMERA PETROLEUM LIMITED

Omera Petroleum Limited (OPL), a 62.5% subsidiary of MJL Bangladesh Limited, is a business pivoted on convenience, availability, functionality and safety. The Company is engaged in the storage and bottling of liquefied petroleum gas (LPG), a resource gaining increasing prominence in Bangladesh. The demand for LPG shot up in the country from 275,000 MT in 2015-16 to 500,000 MT in 2016-17, almost doubling over a period of one year. The market size is projected at 680,000 MT in 2017-18 even as the central government issued 38 licenses for LPG storage and distribution in 2016 in its bid to promote the fuel as an attractive alternative to natural gas (NG) whose reserves are fast-depleting even as no new discoveries have been reported over the past five years. OPL possesses four storage and bottling plants that are strategically well-placed to connect the length and breadth of Bangladesh.

OPL also owns and operates 'Omera Princess', an LPG carrier (barge) that navigates through the numerous channels in the country, strengthening the supply and distribution links of Omera LPG.

The year 2016-17

- Achieved sales of 87,074 MT of Omera LPG (corresponding to revenues of BDT 5,793 million), a significant achievement which also enabled the capture of 17% of the country's LPG market share.
- OPL received the prestigious Prime Minister's Award, 2016, for being the best private sector company in the energy sector.
- Bangladesh Economic Zone Authority and Omera Petroleum Limited signed a Memorandum of Understanding to develop Mirsarai Economic Zone near Chittagong. According to the MoU, Omera Petroleum Limited will invest Tk 13,000 crore to implement the project and employ 5,000 people.
- Within the zone, Omera will also lease 200 acres of land to set up a LPG Import Terminal and Reforming Process Unit.



- Considering the immense structural opportunities, Omera joined hands with Japanese LPG giant, Saisan Co. Ltd., to set up Omera Gas One Limited (OGL), the first Bangladesh-Japan joint venture in the national energy sector

- Enhanced visibility through celebrating the popular Alpona event during Pahela Baishakh. As many as 15,000 haatpakhas (hand-fans) and 2,500 free pop-corn packs with inspiring CSR messages written on them were delivered, setting a benchmark of sorts in the industry.

- Omera organized a nationwide trade loyalty program during Ramadan across 82 locations (constituting all of the country's districts) that was attended by over 20,000 participants.

Did you know?

LPG has higher energy content than natural gas (93.2 MJ/m^3 vs 38.7 MJ/m^3). With this higher calorific value, less LPG is required to produce the same amount of heat.

Source: elgas.com.au



Core advantages

- Strategically-located plants across four locations in Bangladesh that ensure proximate access to a majority of the country's consumption centers.

- Only company in the country's LPG sector to possess multiple storage and bottling capacities (that make it the largest such complex in the country), enhancing response time and ensuring quicker supplies to the market.

- Global plant safety ratings with a large number of compliance certifications.

- Availability of a dedicated dolphin jetty (at the Mongla plant) that ensures easy loading and unloading of a variety of LPG cargo.

- Robust distribution infrastructure with coverage across 90% of the country's retail outlets.

- Strong recall of the Omera brand that has come to stand for safety, reliability, quality and international compliance.

- Fully PLC-controlled equipment that can easily detect leakages and shut-off systems as a safety protocol.

- Availability of a captive self-propelled barge (Omera Princess) ensuring the cost-effective movement of cargo.

- Raw material security through a diversified global LPG supplier base with long-term contracts, assuring price and supply-side benefits.

Advantage of LPG!

- LPG is an economical fuel source used worldwide.

- It burns readily and gives off instant heat. The flame is visible and its size is easily controllable to meet varying consumer heating needs.

- LPG burns very efficiently with low combustion emissions and does not create black smoke/ soot.

- LPG is easy to store in cylinders. It is clean and takes up very little space.

- Requesting for a replacement cylinder is easy and hassle-free.

Source: www.exxonmobil.com

Blueprint for 2017-18

- Increasingly looking to tap more into the B2B and B2G segments of the market.

- Ramp-up volumes with a target of sales growth of 65% during the year.

- Achieved breakeven for the year 2016-17, now will focus more on business expansion (domestic and international) by the end of 2017-18.

AMAR STOCK

MARKETING ACTIVITIES OF OMERA PETROLEUM LIMITED

Omera participated in the Power & Energy Fair, 2016, and was awarded as the 'Best Company in the Energy Sector of Bangladesh'



With the inspirational theme of 'Indomitable Bangladesh', the Power and Energy Week, 2016, commenced on 7th December, 2016 at the International Convention City, Bashundhara, Dhaka. A large number of private and government organizations participated in the exhibition with Omera Petroleum being one of the key participants.





Omera's pavilion was the biggest and most visited pavilions in the fair as visitors from all strata of society, comprising ministry members, corporate personnel and trade partners visited the pavilion. All the functional department members of OPL thoughtfully attended to the visitors and projected and nurtured a solid product and brand image during the event.

Importantly, the Government of Bangladesh identified OPL as one of the major private sector players focused on achieving the Government's Vision 2021 and in recognition of its efforts was declared as the 'Best Private Company in the Energy Sector of Bangladesh'. Her Excellency, Sheikh Hasina, Hon'ble Prime Minister of the People's Republic of Bangladesh, handed over the award to Mr. Azam J. Chowdhury, Chairman of East Coast Group and Director of Omera Petroleum Limited, at the National Power and Energy Week, 2016.



Omera LPG Dhaka Women's Marathon, 2017

Women from all walks of life participated in the Omera LPG Dhaka Women's Marathon, 2017, marking International Women's Day!



Omera LPG honours women from all walks of life. With this as the objective, Everest Academy and Imago Sports Management organized a marathon in which Omera LPG was the proud title sponsor.

Omera LPG Dhaka Women's Marathon, 2017, the only all-women marathon in the country, was held on 10 March 2017. It was undertaken to celebrate International Women's Day and for a safer Dhaka for women. More than 500 women participated in the 10 km marathon in Hatirjheel, Dhaka and as many as 110 participants finished the race within the 90 minute mark. Ms. Mirona Khatun of Bangladesh Navy was declared the winner. Close second was Ms. Moushumi Akther and Ms. Kristine Locke, a foreigner, secured the third position. The rest of the participants who successfully covered the distance also received honorary certificates from the organisers.

Celebrities, actresses, athletes, women cricketers and footballers, foreigners, professionals and female students from universities, colleges and schools participated in the event. Mr. AAMS Arefin Siddique inaugurated the event while Hon'ble Information Minister, Mr. Hasanul Haq Inu, along with hon'ble Mrs. Dilruba Chowdhury, Director of East Coast Group, Mr. Tanjil Chowdhury, Managing Director of East Coast Group, Mrs. Munia Chowdhury, Director of East Coast Group and Mr. Tanzeem Chowdhury, AGM, Omera Petroleum Limited, handed over prizes to the winners in a grand ceremony.

Omera LPG Dhaka Women's Marathon, 2017 was widely covered and publicized in national media. Twenty television channels alongside popular newspapers like 'Prothom-Alo', 'Bangladesh Protidin', 'Kaler Kantho' and 'The Daily Star' extensively covered the event in their main circulation.

Bangladesh Athletic Federation, Bangladesh Police, Bangladesh Fire Service and Civil Defense, Dhaka South City Corporation and Dhaka North City Corporation provided the necessary support to ensure that the event went off smoothly.









4th ASIA LPG SUMMIT, 2017

Delegates visited Omera Petroleum Limited's state-of-the-art plant in Ghorashal after attending the 4th Asia LPG Summit, 2017, held in Dhaka, Bangladesh



The 4th Asia LPG Summit was held from the 26th-28th February, 2017, at the Bashundhara Convention City. The principal theme and objective of the event, as per the Ministry of Power, Energy & Mineral Resources, was to spread awareness about the chronic shortages of natural gas and the need for a balanced energy mix for the country's sustainable progress and development. Bangladesh is one of those rare instances where the demand for LPG is reversing. Hence, the summit facilitated different companies and ancillary firms engaged in the LPG industry to showcase the prevailing technology and practices and the new and upcoming technologies along with new safety standards and procedures.

Omera LPG was the event's platinum sponsor, enabling the Company to widely display its sustainable production processes and practices to a large audience. Hon'ble MP, Mr. Nasrul Hamid, State Minister, Ministry of Power, Energy and Mineral Resources, Mr. Nazimuddin Chowdhury, Secretary, Energy & Mineral Resources Division and the Prime Minister's Private Sector Development Affairs Adviser, Mr. Salman F. Rahman inaugurated the event. Overall, the 4th Asia LPG Summit was widely covered by the national media.

Distinguished speakers from both home and abroad, including the minister and secretary, Mr. Tanzeem Chowdhury, AGM-Corporate Planning, Omera Petroleum Ltd., among other esteemed speakers, shared their valuable insights regarding the benefits of LPG as an attractive fuel alternative. Furthermore, a new organization, 'LPG Operators Association of Bangladesh' (LOAB) was inaugurated by Hon'ble State Minister, Mr. Nasrul Hamid, MP, together with Director of OPL, Mr. Azam J. Chowdhury, Advisor of Prime Minister's Private Sector Development Affairs and President of LOAB, Mr. Salman F. Rahman, Secretary of Energy & Mineral Resources Division, Mr. Md. Nazimuddin Chowdhury, Director of World LPG Association, Mr. David Tyler and other representatives of LPG operators.

Overall, the event received an overwhelming response and









was a grand success for Omera LPG, for which it ended by a site tour on 28 February 2017 to the Company's state-of-the-art satellite terminal and bottling station at Ghorashal. The tour comprised both local as well as foreign delegates.





FOODLAND 2.0, fuelled by Omera LPG

City-dwellers experienced the biggest and most vibrant food festival during winter of 2017, Foodland 2.0, fuelled by Omera LPG, held in the capital city!

Foodbank was back with their flagship event this year again- even bigger and more fun. The event was primarily sponsored by Omera LPG and was held from the 20th-21st January, 2017, at Rajuk Field, Banani, Dhaka.

The event was a grand success and received an overwhelming response from visitors. Being the lead sponsor of the event, Omera LPG was hugely successful in conveying the message to different restaurants for considering LPG as a fuel source instead of conventional domestic methane gas.

Omera LPG also got the opportunity to strengthen brand awareness among restaurant owners and city-dwellers through direct engagement, which ensured direct brand visibility. Furthermore, during this two-day long festival, Omera LPG also got the opportunity to tap urban dwellers, a segment with whom Omera LPG did not get an opportunity to engage with earlier, resulting in satisfying impact with the new target group. During the event, Omera distributed Omera LPG cylinders to 30+ topnotch restaurants of Dhaka for cooking. Some of these prominent restaurants comprised Madchef, Krispy Kreme, Nandos, Heart World, Lake Terrace and Tree House, among others. Several popular bands such as Tahsan, Shunno, Nemesis, Rafa and Indalo performed at the event, receiving strong audience applause and cheer. The crowds also enjoyed the fun and engaging contests organised by the Omera pavilion.











Omera LPG Partners Meet, 2017

The biggest partners meet in the LPG industry was organized in the scenic Cox's Bazar

Omera Petroleum Limited organized the biggest 'Partners Meet' outside Dhaka, which has become the new benchmark in the LPG industry, for its distributors, on 27 and 28 April, 2017, at the Royal Tulip Sea Pearl Beach Resort, Cox's Bazar. The event took place with the vision of conveying team expectations and consequent engagement and to draw a road map to achieve the targets. Business sessions were organised in which the distributor's role and the business mission were discussed in interactive sessions lead by all Head of S&M and senior leadership team members. Throughout the event, distributors got the opportunity to share their opinions and insights. Besides, distributors were also recognized for their contributions to the growth of the business. The event was concluded with a cultural program and gala night where top celebrities performed to a cheery audience.





Pohela Boishakh, 1424

Omera-branded haatpakhas were distributed all over the country on the day of Pohela Boishakh, 1424!

Pohela Boishakh is a traditional festival in Bangladesh and represents a great platform to capture public attention. Hence, Omera distributed 266,200 haatpakhas among festival participants all over the country. Omera picked spots such as Boishakhi fairs, schools, and the like to distribute the hand fans. The recipients took the pakhas as a matter of joy in the hot weather to get some relief. Moreover, haatpakha is a symbol of Bengali tradition and hence this distribution brought huge attention and popularity on that day.



Ramadan Trade Meet, 2017

Omera organized Iftar Mahfil during Ramadan 2017, across 96 venues around Bangladesh as a Trade Meet program



Each year, Omera Petroleum Limited organizes a retailers' engagement program during Ramadan, in which all retailers (with distributors) are invited to their respective regional Iftar meet venues. During Ramadan 2017, OPL continued with this tradition of organising a mega trade loyalty program by hosting 96 Iftar Mahfil meets around Bangladesh in which as many as 15,541 trade partners attended; which is undoubtedly the biggest such trade meets in the industry.

The first Iftar meet was held in South Karanigonj on 12 June 2017 and, thereafter, a nine-day long program took place all over the country along with the central Iftar Mahfils organized at Police Convention Centre, Dhaka, on 21 June 2017. The Head of Sales and Marketing, along with the Head of Regional Sales and the rest of sales team lead the program. Through these Mahfils, retailers could share their experiences and opinions about Omera and key consumer trends shaping the industry. Moreover, the sales teams also gave their valuable perspectives on increasing sales. Such initiatives created an emotional as well as rational bonding with all the valued business partners and helped OPL earn credibility, essential for sustainable and resourceful relationships.





Mother's Day Facebook campaign

The first ever Facebook campaign in Bangladesh which has been shared more than 220,000 times!

The Facebook page of Omera LPG received enormous appreciation and millions of good remarks for the heartfelt Mother's Day campaign. The page experienced a record-breaking reach to more than 15.29 million people with about 10.7 million views. The video is about to emerge as the most shared video of the nation with an unprecedented 220,000 shares.



Catering to our every single need with sleepless nights and uncountable sacrifices, the only superwoman who never gets off duty is Ma. So on Mother's Day, we shared a video from our official page under Omera's core goal of maintaining a strong connect with its target audience. Moreover, the total engagement was about 972,655 persons. Through this video, Omera LPG connected with its target audience emotionally and was well received.



Omera Gas One Inauguration Ceremony

Launching of Omera Gas One, which introduces industrial LPG and auto gas solutions, under the first-ever Bangladesh-Japan Joint Venture in the petroleum sector

Omera Gas One Limited was established in 2016 as a joint venture company between Omera Petroleum Limited of Bangladesh and Saisan Co., Limited of Japan to cater to the growing demand for Bangladesh's need for Liquefied Petroleum Gas (LPG) across residential, industrial and commercial sectors.

Omera Gas One Limited was officially inaugurated by Mr. Nazimuddin Chowdhury, Hon'ble Secretary, Energy and Mineral Resources Division, as the Chief Guest, at Radisson Blu Dhaka Water Garden on 12 November 2016. His Excellency, Mr. Masato Watanabe, Ambassador of Japan to Bangladesh and Mr. Takehiko Kawamoto, President & CEO, Saisan Co., Ltd, graced the ceremony as the Special Guest and Guest of Honour, respectively. The Chairman of East Coast Group, Mr. Azam J. Chowdhury, CEO of Omera Gas One Limited, Mr. Toshiyuki Shimbori and Mr. Tanjil Chowdhury, Director of Omera Gas One Limited, were also present during the glittering ceremony.

The venture is the first such in Bangladesh that has been specifically tailored to meet the nascent LPG demand emanating from residential complexes and industrial and automotive sectors. Omera Gas One will provide large-scale LPG engineering solutions through which it will supply bulk LPG to the above-mentioned sectors. It will also focus on the construction, operations and management of LPG auto gas stations for the sale of LPG.

Haat branding, Eid-ul-Adha, 2016

During Eid-ul-Adha, cattle haats become a popular place for people to secure their cattle and for exploiting the opportunity to reach out to mass target audiences in high potential business zones, Omera branded the haat during Eid-ul-Adha, 2016, to ensure greater brand visibility. Omera picked some popular haats in Barisal, Chittagong and Khulna. The two most visible items of any haats - gate and hasil ghar were branded by Omera LPG to ensure maximum visibility.





OMERA PETROLEUM LIMITED
REPORT FROM THE CEO

For the year ended on 30 June 2017

Dear Shareholders,

I am privileged to have the opportunity to present overall operation and financial performance of Omera Petroleum Limited along with the Statement of Financial Position, Profit or Loss and Other Comprehensive income, Changes in Equity and Cash Flows and a summary of significant accounting policies and other explanatory information for the year ended on 30 June 2017 at the Annual General Meeting.

1. Operation:

LPG industry with more than a decade of operation was lacking any vision and direction. Omera Petroleum Limited (OPL) has launched Omera LP Gas in Bangladesh with a vision of building an iconic business in the LPG industry that would be widely respected for its impeccable quality and safety standards along with international level services to the consumers and customers. In partnership with European energy giant BB Energy, OPL has started LPG venture in Bangladesh with utmost commitment of convenience of availability, functionality and safety. To ensure uninterrupted distribution throughout the country, OPL has made robust investment for European standard bottling and storage facilities in Mongla, Ghorashal, Bogra and Miresharai. OPL has a competitive edge of addressing the growing demand as it has the largest bottling & storage complex in Bangladesh. Bangladesh is abundant with rivers posing ample opportunities & challenges for distribution service in river-route through traditional transport. Keeping this in mind, OPL has significantly invested in building a LPG carrying Barge named "Omera Princess" built on European & Japanese technologies. Omera Princess is a revolution in the industry considering cost benefit analysis and shorter lead time for carrying LPG. OPL is dedicated to running a safe and environmentally responsible operation and making significant contribution to Bangladesh's sustainable economic prosperity as well as energy equilibrium.

2. Financial Position:

The Financial Status during the year ended on 30 June 2017 and 2016:

Particulars	2017	2016
Property, plant and equipment	9,346,660,448	6,542,857,051
Intangible assets	13,419,185	401,500
Deferred Tax Asset	185,486,754	271,387,177
Capital Work-in-progress	665,933,008	38,587,959
Investment in subsidiaries and joint venture	159,200,010	10
Current Assets	1,076,130,939	864,847,521
Total Assets	11,446,830,344	7,718,081,218

The above investments have been financed as follows:

Particulars	2017	2016
Shareholders' Equity	1,974,848,615	1,872,541,447
Long term debt	4,147,768,522	3,532,197,935
Short Term Loan	3,412,262,781	1,065,395,178
Current Liabilities	1,911,950,426	1,247,946,658
Total equity and liabilities	11,446,830,344	7,718,081,218

3. Shareholdings

The present shareholding pattern of the company is as follows:

Name of the Shareholders	No of Share	% of Holding
MJL Bangladesh Limited	5,625,000	62.50
B.B. Energy (Asia) Pte. Limited	2,250,000	25.00
NederlandseFinancierings-MaatschappijvoorOntwikkelingslanden N.V. (FMO)	1,125,000	12.50

4. Board of Directors:

The following persons are the members of the Board of Directors of the Company:

Name	Designation
Mr. Nazimuddin Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Mr. Azam J. Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Mr. Abdul-Muyeed Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Mr. Qazi Mohammad Shariful Ala	Independent Director
Mr. Md. Aminur Rahman (Nominated by MJL Bangladesh Limited)	Director
Mr. Tanjil Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Mr. Bahaeddine Mohamed Aboul Nasr Bassatne (Nominated by BB Energy (Asia) Pte. Ltd.)	Director
Mr. Raed Aboul Nasr Bassatne (Nominated by BB Energy (Asia) Pte. Ltd.)	Director
Prof. Dr. Mohammad Tamim	Independent Director
Mr. Md. Quamrul Hasan (Nominated by MJL Bangladesh Limited)	Director
Mr. Richard Varbove (Nominated by Nederlandse Financierings-Maatschappijvoor Ontwikkelingslanden N.V. (FMO))	Director

5. Appointment of the Auditors:

Howlader Yunus & Co. Chartered Accountants (Member Firm of Grant Thorton International Ltd), Auditor of the Company, will retire at this Annual General Meeting and being eligible have offered them for reappointment as Auditor for the year ended 30 June 2018.

6. Acknowledgement

The CEO record with deep appreciation the contribution made and support & co-operation given by the staff, officer, workers, suppliers, customers, bank, insurance companies, utility providers, and the government in particulars and look forward to the global role of the Company.



Chief Executive Officer

Grant Thornton
An instinct for growth™

Corporate Office
Howladar Yunus & Co.
House-14 (Level 4 & 5)
Road-16A, Gulshan-1
Dhaka-1212
Bangladesh
T +880 2 9883863

Independent Auditor's Report

To the Shareholders of Omera Petroleum Limited

We have audited the accompanying Financial Statements of Omera Petroleum Limited, which comprise of the Statement of Financial Position as at June 30, 2017, and the Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 (BFRS) and the Companies Act, 1994 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.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Omera Petroleum Limited as at June 30, 2017, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards, the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

(a) we have obtained all the material information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(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; and

(c) the Company's Statement of Financial Position and Statement of Profit or Loss & Other Comprehensive income dealt with by the report are in agreement with the books of account.

Chartered Accountants

Dated: Dhaka
September 14, 2017

Chartered Accountants
Member firm of Grant Thornton International Ltd
Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered independently by the member firms. GTIL does not provide services to clients. GTIL and its member firms ore not agents of. and do not obligate, one another and are not liable for one anothers acts ar emissions,

Omera Petroleum Limited
Statement of Financial Position
As at 30 June 2017

	Notes	Amount in Taka	
		30 June 2017	30 June 2016
ASSETS			
Non-current assets			
Property, plant and equipment	4	9,346,660,448	6,542,857,051
Intangible assets	5	13,419,185	401,500
Capital work-in-progress	6	665,933,008	38,587,959
Deferred tax asset	7	185,486,754	271,387,177
Investment in Subsidiaries and joint venture	8	159,200,010	10
Total non-current assets		**10,370,699,405**	**6,853,233,697**
Current assets			
Advances, deposits and prepayments	9	538,553,680	145,333,251
Intercompany receivable	10	2,232,629	5,037,060
Inventory	11	171,583,833	126,458,825
Other receivable	12	1,082,434	55,279,671
Cash and cash equivalents	13	362,678,363	532,738,714
Total current assets		**1,076,130,939**	**864,847,521**
Total assets		**11,446,830,344**	**7,718,081,218**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the company			
Share capital	14	90,000,000	90,000,000
Share premium	15	515,200,000	515,200,000
Share money deposits	16	1,627,333,333	1,627,333,333
Retained earnings	17	(257,684,718)	(359,991,886)
Total equity attributable to the equity holders of the company		**1,974,848,615**	**1,872,541,447**
Liabilities			
Non-current liability			
Long term debt-Net off current maturity	18	1,661,887,010	2,650,221,385
Obligation under finance lease-Net off current maturity		354,076,602	41,891,397
Advance lease rental against cylinder -Net off current maturity	19	2,131,804,910	840,085,153
Total non-current liability		**4,147,768,522**	**3,532,197,935**
Current liabilities			
Advance lease rental against cylinder-Current maturity	19	522,491,754	193,492,258
Trade and other payable	20	418,875,534	361,467,496
Inter company payable	21	830,514	819,719
Short term loan	22	3,412,262,781	1,065,395,178
Current portion-long term debt	23	609,870,008	572,943,171
Current portion-obligation under finance lease		71,890,306	8,933,885
Accrued Interest	24	58,461,271	4,595,387
Other liabilities	25	217,587,163	101,983,221
Provision for corporate tax	26	11,943,876	3,711,521
Total current liabilities		**5,324,213,207**	**2,313,341,836**
Total liabilities		**9,471,981,729**	**5,845,539,771**
Total equity and liabilities		**11,446,830,344**	**7,718,081,218**

The accompanying notes form an integral part of these financial statements.

Chief Executive Officer | Director | Director | Company Secretary

Signed in terms of our report of even date annexed

Chartered Accountants

Dated: Dhaka
September 14, 2017

AMARSTOCK

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

	Notes	Amount in Taka	
		01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016
Revenue	27	5,792,678,165	2,216,503,587
Less: Cost of sales	28	4,599,377,381	1,731,761,021
Gross Profit		**1,193,300,784**	**484,742,566**
Add: Other income	29	(21,932,140)	11,569,151
		1,171,368,644	**496,311,717**
Less: Administrative and selling expenses	30	572,718,351	411,166,352
Financial charges	31	402,210,347	352,893,427
		974,928,698	764,059,779
Profit/(loss) before tax		196,439,946	(267,748,062)
Less: Taxation			
Current tax expense	26	(8,232,355)	(2,671,475)
Deferred tax income/(expense)	7	(85,900,423)	271,387,178
		(94,132,778)	268,715,703
Net profit/(loss) after tax		**102,307,168**	**967,641**
Other comprehensive income		-	-
Total comprehensive income/(loss)		**102,307,168**	**967,641**
Earning per share (EPS) - Basic	32	**11.37**	**(13.56)**
Earning per share (EPS) - Restated	32	**11.37**	**0.11**

The accompanying notes form an integral part of these financial statements.

Chief Executive Officer | Director | Director | Company Secretary

Signed in terms of our report of even date annexed

Chartered Accountants

Dated: Dhaka
September 14, 2017

Omera Petroleum Limited
Statement of Changes in Equity
For the year ended 30 June 2017

(Figures in Taka)

Particulars	Share Capital	Share Premium	Retained Earnings	Share Money Deposit	Total Equity
Balance at 01 July 2015	**90,000,000**	**515,200,000**	**(360,959,527)**	**1,627,333,333**	**1,871,573,806**
Total comprehensive income (Restated)	-	-	967,641	-	967,641
Balance at 30 June 2016	**90,000,000**	**515,200,000**	**(359,991,886)**	**1,627,333,333**	**1,872,541,447**

Balance at 01 July 2016	**90,000,000**	**515,200,000**	**(359,991,886)**	**1,627,333,333**	**1,872,541,447**
Total comprehensive income	-	-	102,307,168	-	102,307,168
Balance at 30 June 2017	**90,000,000**	**515,200,000**	**(257,684,718)**	**1,627,333,333**	**1,974,848,615**

Chief Executive Officer | Director | Director | Company Secretary

Signed in terms of our report of even date annexed

Chartered Accountants

Dated: Dhaka
September 14, 2017

AMAR STOCK

Omera Petroleum Limited
Statement of Cash Flows
For the year ended 30 June 2017

		Amount in Taka	
		01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016
A.	**Cash flows from operating activities**		
	Cash receipts from customers	5,778,209,664	2,216,577,250
	Advance lease receipt against Cylinders	1,620,719,253	1,160,953,550
	Payment for raw material	(4,074,205,170)	(1,691,596,051)
	Payment for other expenses	(811,958,881)	(259,093,619)
	Finance expenses paid	(348,344,463)	(362,506,888)
	Cash receipts from other sources	(22,042,641)	13,346,316
	Net cash generated from operating activities	**2,142,377,762**	**1,077,680,558**
B.	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment	(3,299,879,981)	(2,118,292,192)
	Payment against capital work-in progress	(627,345,049)	(6,863,736)
	Investment in FDR	-	20,209,250
	Investment in Subsidiaries	(159,200,000)	-
	Proceeds from sale of property, plant and equipment	570,000	88,000
	Net cash used in investing activities	**(4,085,855,030)**	**(2,104,858,678)**
C.	**Cash flows from financing activities**		
	Proceed/(payment) from long term loan	(512,121,796)	450,302,922
	Proceed from finance lease	375,141,626	50,825,281
	Proceed from short term loan	2,346,867,603	462,138,629
	Bank overdraft	-	(17,145,226)
	Intercompany borrowings	(436,470,516)	560,665,002
	Net cash from financing activities	**1,773,416,917**	**1,506,786,608**
	Net increase/(decrease) in cash and cash equivalent	**(170,060,351)**	**479,608,488**
	Cash & cash equivalent at beginning of the year	**532,738,714**	**53,130,226**
	Cash & cash equivalent at end of the year	**362,678,363**	**532,738,714**

Chief Executive Officer | Director | Director | Company Secretary

Signed in terms of our report of even date annexed

Chartered Accountants

Dated: Dhaka
September 14, 2017

OMERA CYLINDERS LIMITED





MARSTOCK

OMERA CYLINDERS LIMITED

Omera Cylinders Limited (OCL), a 100% subsidiary of MJL Bangladesh Limited, is a backward integration for Omera Petroleum Limited, being engaged in the business of manufacturing and marketing world-class LPG cylinders. Equipped with European technology with fully-automated machines, the cylinders are certified by the highest international quality control standards comprising DOT4BA 240 and DOTBW 240, approved by the Department of Explosives, Government of Bangladesh. OCL commenced commercial production of cylinders in April 2015 at its state-of-the-art plant located in Hobiganj.

The year 2016-17

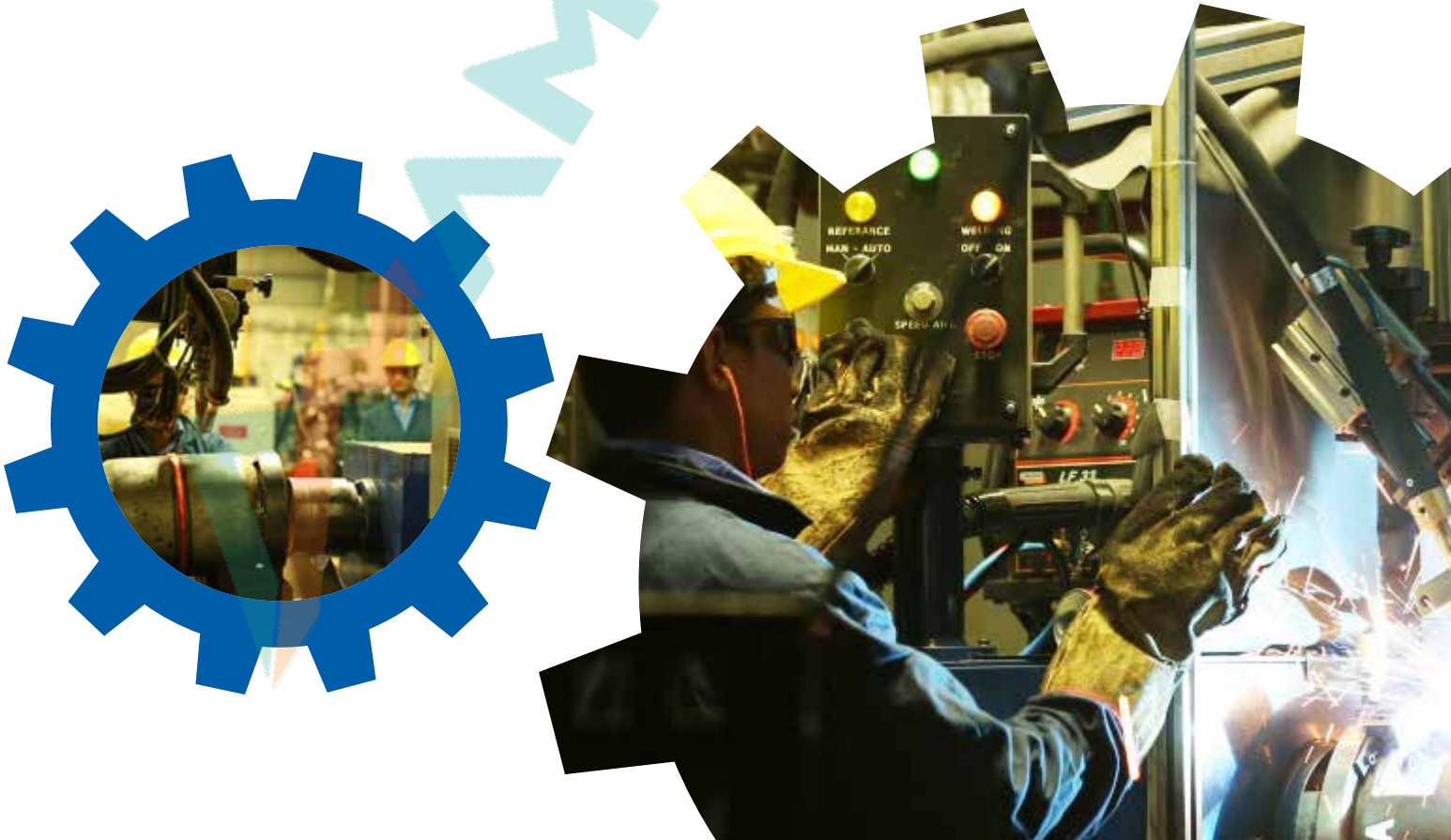
- Achieved sales of 2,18,281 cylinder units (corresponding to revenue of Taka 485 million), which is a respectable achievement with a growth of 22% over the year 2015-16.
- Successfully switched HR coil (basic raw material) suppliers from Europe to China to take advantage of lower costs, comparable quality and quicker delivery benefits.

Core advantages

- Strategically-located plant that enables easy and cost-effective access to natural gas.
- European technology that certifies plant operations and production processes.
- Three highly functional cylinder SKUs - 5.5 kg, 12 kg and 35 kg, available in two different color variants, glossy lemon yellow and glossy window grey.
- Scalable capacity to ramp-up production to 600,000 cylinders per annum.
- Assured product offtake by OPL, ensuring strong and visible revenue booking.

Blueprint for the year 2017-18

- The company has completed BMRE by adding critical machinery that will ensure production sustainability and cost effectiveness.
- Focus on doubling cylinder sales to capture a larger share of a market that has an annual demand of about 1,200,000 cylinders per annum and the presence of only one other player,
- With enhanced capacity, we look to enter into third-party cylinder sales and augment revenues.
- Launch some more SKUs to broaden the customer base,
- Focus on attaining break-even (net level) by the end of June 2018.



OMERA CYLINDERS LIMITED
REPORT FROM THE CEO
For the year ended on 30 June 2017

Dear shareholders,

I am privileged to have the opportunity to present overall operation and financial performance of Omera Cylenders Limited along with the Statement of Financial Position, Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows and a summary of significant accounting policies and other explanatory information for the year ended on 30 June 2017 at the Annual General Meeting.

1. Operation:

To ensure product quality, Omera has its own Cylinder manufacturing factory named "Omera Cylinders Limited" (OCL) in Habiganj. OCL maintains the highest international quality control standard DOT4BA 240 and DOT4BW 240 for its cylinders that is approved by the Department of Explosive of the Government of Bangladesh. The LPG cylinders are manufactured in absolute compliance with international standards through using European technology with fully automated machines. The cylinders come in three different types with the capacity of 5.5 kg, 12 kg and 35 kg and available in two different color sets of Glossy Lemon Yellow plus red and Glossy Window Grey plus red.

2. Financial Position:

The financial position as at 30 June of 2017 and 2016:

Particulars	2017	2016
Property, plant & equipment	918,984,692	975,873,873
Intangible Assets	47,896	-
Capital Work-in-progress	15,408,000	-
Deferred Tax Assets	14,673,945	29,617,552
Total Current Assets	349,276,860	330,507,589
Total Assets	1,298,391,393	1,335,999,014

The above investments have been financed as follows:

Particulars	2017	2016
Shareholders' Equity	1,096,474,852	1,067,356,455
Short Term Loan	120,508,080	97,438,758
Other Current Liabilities	81,408,462	171,203,801
Total Equity & Liabilities	1,298,391,393	1,335,999,014

3. Shareholdings:

The present shareholding pattern of the company is as follows:

Name of the Shareholders	No of Share	% of Holding
MJL Bangladesh Limited	1,999,999	99.99995
Omera Petroleum Limited	1	0.00005

4. Board of Directors:

The following persons are the members of the Board of Directors of the Company:

Name	Designation
Mr. Nazimuddin Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Mr. Azam J Chowdhury (Nominated by M JL Bangladesh Limited)	Director
Mr. Abdul-Muyeed Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Mr. Md. Aminur Rahman (Nominated by MJL Bangladesh Limited)	Director
Mr. Md. Quamrul Hasan (Nominated by MJL Bangladesh Limited)	Director
Mr. Tanjil Chowdhury (Nominated by MJL Bangladesh Limited)	Director
Prof. Dr. Mohammad Tamim	Independent Director
Mr. Quazi Mohammad Shariful Ala	Independent Director

5. Appointment of the Auditors:

S.F. Ahmed & Co. Chartered Accountants, Auditor of the Company, will retire at this Annual General Meeting. Hussain Farhad & Co. Chartered Accountants have expressed their willingness to become the statutory auditors of the company for the year ended 30 June 2018.

6. Acknowledgement

The CEO record with deep appreciation the contribution made and support & co-operation given by the staff, officer, workers, suppliers, customers, bank, insurance companies , utility providers, and the government in particulars and look forward to the global role of the company.

Chief Executive Officer

S F AHMED & CO.
CHARTERED ACCOUNTANTS
...Since 1958
Member Firm of HLB International

House 51 (2nd Floor), Road 9, Block F, Banani, Dhaka 1213, Bangladesh

Telephone: (88-02)9894346, 9870957, 9894026, 09610998048
Fax: (88-02) 55042314
E-mail: sfaco@dhaka.net
sfali@connectbd.com
ahmeds@bol-online.com

Independent Auditor's Report
To the Shareholders of Omera Cylinders Limited

We have audited the accompanying financial statements of "Omera Cylinders Limited", which comprise the Statement of Financial Position as at 30 June 2017, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Omera Cylinders Limited's management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as at 30 June 2017, and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

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

(b) in our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books; and

(c) the company's Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by the report are in agreement with the books of accounts.

Dated: Dhaka
14 September 2017

S. F. Ahmed & Co.
Chartered Accountants

Omera Cylinders Limited
Statement of Financial Position
As at 30 June 2017

	Notes	Amount in Taka	
		30 June 2017	30 June 2016
ASSETS			
Non-current assets			
Property, plant & equipments	4	918,984,692	975,873,873
Intangible Assets	5	47,896	-
Capital work-in-progress	6	15,408,000	-
Deferred tax asset	7	14,673,945	29,617,552
Total non-current assets		**949,114,533**	**1,005,491,425**
Current asset			
Inventories	8	122,871,890	123,140,122
Trade and other receivable	9	95,406,913	139,371,006
Advances, deposits and prepayments	10	86,736,814	55,196,403
Intercompany receivable		-	57,625
Cash and cash equivalents	11	44,261,243	12,742,433
Total current assets		**349,276,860**	**330,507,589**
Total assets		**1,298,391,393**	**1,335,999,014**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the company			
Share capital	12	20,000,000	20,000,000
Share money deposits		1,098,176,841	1,098,176,841
Retained earnings	13	(21,701,989)	(50,820,387)
Total equity attributable to equity holders of the company		**1,096,474,852**	**1,067,356,455**
Current liabilities			
Trade and other payable	14	69,948,617	165,771,299
Short term loan	15	120,508,080	97,438,758
Accrued interest payable	16	2,100,941	1,770,660
Other liabilities	17	5,212,000	-
Income tax provision	18	4,146,903	3,661,842
Total current liabilities		**201,916,541**	**268,642,559**
Total liabilities		**201,916,541**	**268,642,559**
Total equity and liabilities		**1,298,391,393**	**1,335,999,014**

The annexed notes 1-25 form an integral part of these financial statements.

Chief Executive Officer | Company Secretary | Director | Director

Signed in terms of our report of even date annexed

Dated: Dhaka
14 September 2017

S. F. Ahmed & Co.
Chartered Accountants

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

	Notes	Amount in Taka	
		01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016
Sales	19	485,061,379	396,968,421
Less: Cost of sales	20	411,806,215	399,688,547
Gross profit/(loss)		**73,255,164**	**(2,720,126)**
Add: Other income/ (loss)	21	(3,359,131)	825,937
		69,896,033	**(1,894,190)**
Less: Administrative expenses	22	19,463,873	24,644,067
Financial charges	23	5,885,094	2,505,965
		25,348,967	27,150,031
Profit/(loss) before tax		**44,547,066**	**(29,044,221)**
Less: Current Tax expenses	18	485,061	397,794
Less: Deferred tax income/(expense)	7	(14,943,607)	29,617,552
Net Profit/(loss) after tax		**29,118,397**	**175,537**
Other comprehensive income		-	-
		-	-
Total comprehensive income/(loss)		**29,118,397**	**175,537**

The annexed notes 1-25 form an integral part of these financial statements.

Chief Executive Officer | Company Secretary | Director | Director

Signed in terms of our report of even date annexed

Dated: Dhaka
14 September 2017

S. F. Ahmed & Co.
Chartered Accountants

Omera Cylinders Limited
Statement of Changes in Equity
For the year ended 30 June 2017

(Figures in Taka)

Particulars	Share Capital	Share Premium	Share Money Deposit	Retained Earnings	Total Equity
Balance at 01 July 2016	20,000,000	-	1,098,176,841	(50,820,387)	1,067,356,455
Total Comprehensive Income for the year	-	-	-	29,118,397	29,118,397
Balance at 30 June 2017	**20,000,000**	**-**	**1,098,176,841**	**(21,701,989)**	**1,096,474,852**

(Figures in Taka)

Particulars	Share Capital	Share Premium	Share Money Deposit	Retained Earnings	Total Equity
Balance at 01 July 2015	20,000,000	-	1,098,176,841	(50,995,924)	1,067,180,918
Total Comprehensive Income for the year	-	-	-	175,537	175,537
Balance at 30 June 2016	**20,000,000**	**-**	**1,098,176,841**	**(50,820,387)**	**1,067,356,455**

Chief Executive Officer | Company Secretary | Director | Director

Signed in terms of our report of even date annexed

Omera Cylinders Limited
Statement of Cash Flows
For the year ended 30 June 2017

		Amount in Taka	
		01 July 2016 to 30 June 2017	01 July 2015 to 30 June 2016
A.	**Cash flows from operating activities:**		
	Cash received from customers	529,025,472	355,416,674
	Payments to employees	(48,166,391)	(43,384,976)
	Payment for expenses	(40,371,853)	(34,669,230)
	Payment to other suppliers	(40,201,183)	(22,350,684)
	Payment for material purchase	(262,635,777)	(75,214,024)
	Cash receipts from other income	(3,359,131)	825,937
	Net cash flows from operating activities	**134,291,136**	**180,623,698**
B.	**Cash flows from investing activities:**		
	Acquisition of property, plant and equipment	(8,166,347)	(164,890,093)
	Acquisition of Intangible assets	(52,250)	-
	Payment against capital work-in progress	(15,408,000)	-
	Net cash used in investing activities	**(23,626,597)**	**(164,890,093)**
C.	**Cash flows from financing activities:**		
	Short term loan	23,399,603	78,592,009
	Inter company loan	(102,545,332)	(89,646,617)
	Net cash flows from financing activities	**(79,145,729)**	**(11,054,608)**
D.	**Net increase/(decrease) in cash and cash equivalents**	**31,518,810**	**4,678,997**
E.	**Cash & cash equivalent at beginning of the year**	**12,742,433**	**8,063,437**
F.	**Cash & cash equivalent at end of the year**	**44,261,243**	**12,742,433**

Chief Executive Officer | Company Secretary | Director | Director

Signed in terms of our report of even date annexed

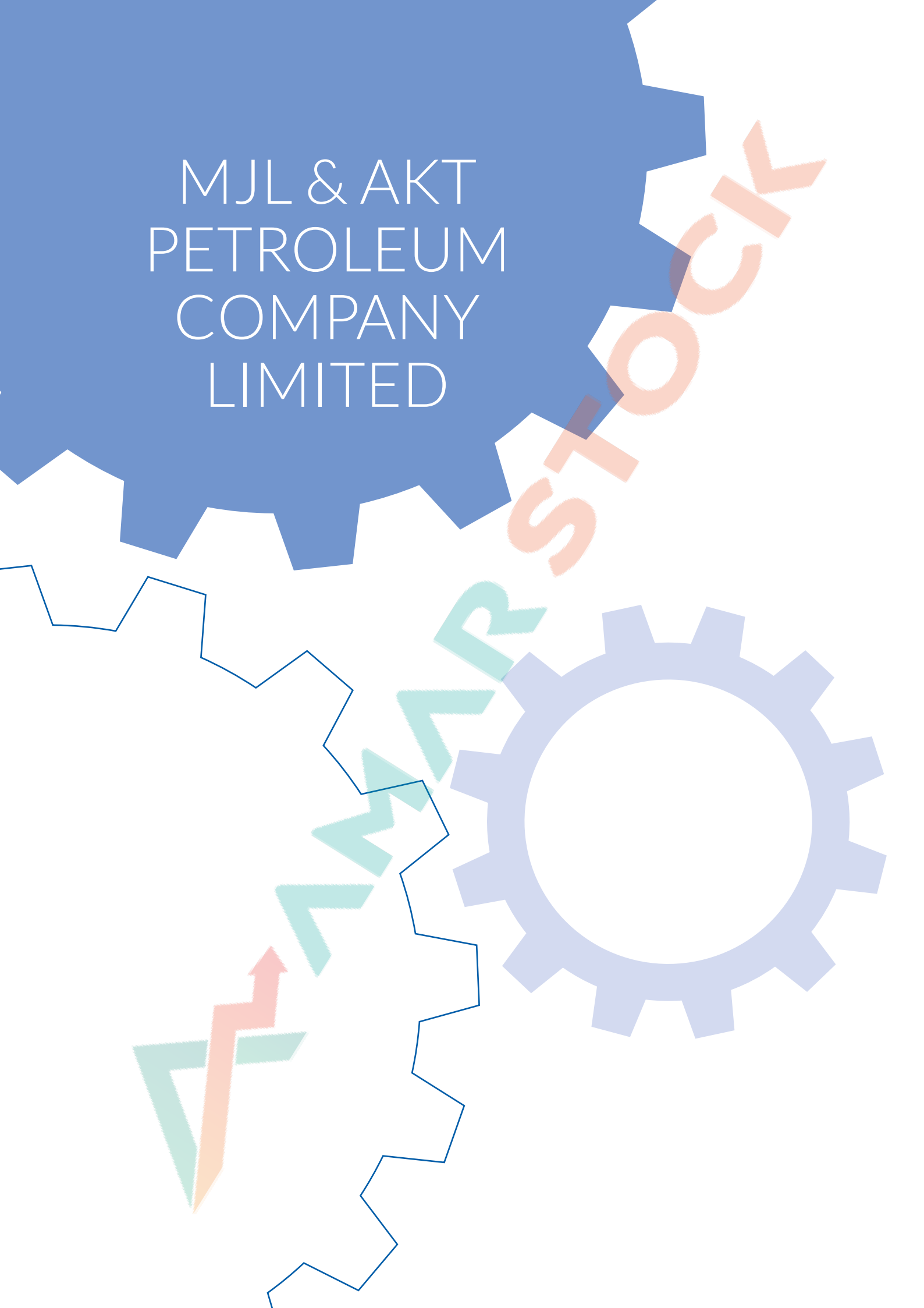
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Exploring New Frontiers



Going beyond the boundary

MJL & AKT PETROLEUM COMPANY LIMITED



MJL & AKT PETROLEUM COMPANY LIMITED
REPORT FROM THE CEO TO SHAREHOLDERS

For the period ended 30 June 2017

Dear Shareholders,

In terms of the provisions of section 184 of the Companies Act 1994 and International Accounting Standards codes, as adopted by the Institute of Chartered Accountants of Bangladesh, I am pleased to submit to you on behalf of the Board of Directors their report along with audited accounts containing only Statement of Financial Position at 30 June 2017, Comprehensive Income, Changes in Equity and Cash Flows for the period ended 30 June 2017 at the Annual General Meeting.

MJL & AKT Petroleum Company Limited is a limited liability company, incorporated under the Myanmar Companies Act and domiciled in the Union of Myanmar.

The registered office of the company is located at No. 4(A), Maykha Street, Mayangone Township, Yangon.

1. Operation:

The principle activities of the company consist of business consultancy services for Mobil Brand Lubricants.

2. Financial Position:

The Financial position as on 30 June 2017 and 30 June 2016 as follows:

Particulars	30 June 2017		30 June 2016	
	MMK	BDT	MMK	BDT
Property, plant and equipment	390,252,769	23,266,724	275,582,487	18,525,109
Current Assets	1,925,839,486	114,817,826	1,782,539,693	119,825,257
Total Assets	**2,316,092,255**	**138,084,550**	**2,058,122,180**	**138,350,366**

The above investments have been financed as follows

Particulars	30 June 2017		30 June 2016	
	MMK	BDT	MMK	BDT
Shareholders' Equity	2,227,901,585	132,826,655	2,035,656,853	136,963,695
Current Liabilities	88,190,670	5,257,895	22,465,327	1,386,671
Total Equity and Liabilities	**2,316,092,255**	**138,084,550**	**2,058,122,180**	**138,350,366**

3. Shareholdings:

The present shareholding pattern of the company is as follows:

Name of the shareholders	Share capital (MMK)	% of holding
MJL Bangladesh Limited	427,998,976	51%
Aung Kyun Thar Company Limited	411,214,703	49%

4. Board of Directors:

The following persons are the members of the Board of Directors of the Company:

1	Mr. Azam J Chowdhury
2	Mr. M. Mukul Hossain
3	Mr. S M Rahmatul Mujeeb, FCA
4	Mr. U Soe Kyin
5	Mr. U Pye Sone
6	Mrs. Daw Yi Mon Aye
7	Mr. Md. Shahin Alom

5. Appointment of the Auditors:

WIN THANT AYE, Certified Public Accountant, Auditor of the Company, will retire at this Annual General Meeting and being eligible have offered them for reappointment as Auditor for the year 2017-18.

6. Acknowledgement

The Board of Directors record with deep appreciation the contribution made and support & co-operation given by the staffs, officers, workers, suppliers, customers, banks, insurance companies, utility providers, and the government in particulars and look forward to the global role of the company.

Sd/-
Chief Executive Officer

WIN THANT AYE
ACTIVE MYANMAR GROUP
CERTIFIED PUBLIC ACCOUNTS
No. #008 Bayintnaung Tower (1), 4 Lane, 4 quarter, Kamayut Township, Yangon

Date:18 August 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MJL & AKT PETROLEUM CO., LTD.

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of MJL & AKT Petroleum Co., Ltd. ("the Company") which comprise the statement of financial position as at 30 June 2017, the statement of comprehensive income, changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 22.

In our opinion, the statements of financial position, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the Myanmar Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 30 June 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basic for Opinion

We conducted our audit in accordance with the Myanmar Standards on Auditing. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Myanmar Accountancy Council Law, Duties, Ethics and Rights of Practicing Accountants and we are fulfilled our ethical responsibilities in accordance with these requirements. We believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Myanmar Companies Act and Myanmar Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Myanmar Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the audit in accordance with Myanmar Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Company.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charge with governance regarding among other matters including timing of the audit and significant audit findings that we identify during our audit.

Report on other legal and regulatory requirements

We also report that the accounting and other records required by the Myanmar Companies Act to be kept by the Company have been properly kept in accordance with Section 130 of the Act.

WIN THANT AYE
PA - 1069
Certified Public Accountant

MJL & AKT PETROLEUM CO., LTD.

(Company Reg. No. 405 FC / 2012-2013)

(Incorporated in the Republic of the Union of Myanmar)

Statement of Financial Position

As at 30 June 2017

	June 30, 2017		June 30, 2016	
	MMK	BDT	MMK	BDT
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	390,252,769	23,266,724	275,582,487	18,525,109
Total Non-Current Assets	**390,252,769**	**23,266,724**	**275,582,487**	**18,525,109**
Current Assets				
Receivables	98,182,756	5,853,618	225,073,809	15,129,833
Other receivables	-	-	-	-
Amount due from related parties	1,586,322,106	94,575,930	1,533,666,661	103,095,603
Cash and cash equivalents	241,334,624	14,388,278	23,799,223	1,599,821
Total Current Assets	**1,925,839,486**	**114,817,826**	**1,782,539,693**	**119,825,257**
Total Assets	**2,316,092,255**	**138,084,550**	**2,058,122,180**	**138,350,366**
EQUITY				
Equity				
Share capital	839,213,679	66,555,706	2,000,000	134,443
Shares money deposit	1,106,236,321	87,555,381	1,943,450,000	130,641,915
Retained earnings	282,451,585	(21,284,431)	90,206,853	6,187,337
Total Shareholders Equity	**2,227,901,585**	**132,826,656**	**2,035,656,853**	**136,963,695**
Current Liabilities				
Other Liabilities	88,190,670	5,257,895	22,465,327	1,386,671
Total Current Liabilities	**88,190,670**	**5,257,895**	**22,465,327**	**1,386,671**
Total Equity and Liabilities	**2,316,092,255**	**138,084,550**	**2,058,122,180**	**138,350,366**

S M Rahmatul Mujeeb, FCA
Director

Yi Mon Aye
Director

MJL & AKT PETROLEUM CO., LTD.

(Company Reg. No. 405 FC / 2012-2013)

(Incorporated in the Republic of the Union of Myanmar)

Statement of Comprehensive Income

For the year ended 30 June 2017

	Jul 2016 to Jun 2017		Jul 2015 to Jun 2016	
	MMK	BDT	MMK	BDT
Revenue	1,695,976,657	107,173,566	1,150,023,512	70,287,790
Add: Other income	4,854,885	306,793	6,285,062	1,428,454
	1,700,831,542	**107,480,359**	**1,156,308,574**	**71,716,244**
Less: Administrative and selling expenses	1,444,586,810	91,287,534	1,104,111,180	67,747,321
Financial charges	-	-	442,083	600,604
	1,444,586,810	**91,287,534**	**1,104,553,263**	**68,347,925**
Profit /(Loss) before income Tax	**256,244,732**	**16,192,825**	**51,755,311**	**3,368,320**
Income Tax	64,000,000	4,044,341	16,000,000	952,061
Net Profit after Tax	**192,244,732**	**12,148,484**	**35,755,311**	**2,416,259**
Other Comprehensive Income	-	(39,620,252)	-	-
Total Comprehensive Income	**192,244,732**	**(27,471,768)**	**35,755,311**	**2,416,259**

S M Rahmatul Mujeeb, FCA
Director

Yi Mon Aye
Director

MJL & AKT PETROLEUM CO., LTD.

(Company Reg. No. 405 FC / 2012-2013)

(Incorporated in the Republic of the Union of Myanmar)

Statement of Cash Flows

For the year ended 30 June 2017

	Jul 2016 to Jun 2017		Jul 2015 to Jun 2016	
	MMK	BDT	MMK	BDT
Cash flows from operating activities:				
Cash received from revenue	1,676,645,750	105,951,991	1,000,013,090	61,539,654
Payroll and other payments to employees	(342,038,900)	(21,614,406)	(181,189,979)	(8,554,682)
Payment to suppliers	(872,063,824)	(56,066,403)	(548,308,149)	(43,107,416)
Net cash flow from operating activities (A)	**462,543,026**	**28,271,182**	**270,514,962**	**9,877,556**
Cash flows from investing activities:				
Acquisition of fixed assets	(192,352,180)	(12,155,279)	(86,209,632)	(5,130,302)
Proceeds from sale of fixed assets	-	-	-	-
Net cash (used in)/flow from investing activities (B)	**(192,352,180)**	**(12,155,279)**	**(86,209,632)**	**(5,130,302)**
Cash flows from financing activities:				
Share Capital Issued	-	-	-	-
Inter Company Loan	(52,655,445)	(3,327,447)	(857,114,371)	(51,607,474)
Short term loan	-	-	-	-
Net cash flow from/(used in) financing activities (C)	**(52,655,445)**	**(3,327,447)**	**(857,114,371)**	**(51,607,474)**
Net cash (deficit)/surplus for the year (A+B+C)	**217,535,401**	**12,788,456**	**(672,809,041)**	**(46,860,220)**
Cash & cash equivalent at beginning of the period	23,799,223	1,599,821	696,608,264	48,460,040
Cash & cash equivalent at end of the period	**241,334,624**	**14,388,278**	**23,799,223**	**1,599,820**

MJL & AKT PETROLEUM CO., LTD.
(Company Reg. No. 405 FC / 2012-2013)
(Incorporated in the Republic of the Union of Myanmar)

Statement of Changes in Equity

For the year ended 30 June 2017

Particulars	Share Capital		Share Money Deposit		Retained Earnings		Total	
	MMK	BDT	MMK	BDT	MMK	BDT	MMK	BDT
Balance as at 01 July 2015	**2,000,000**	**139,131**	**1,943,450,000**	**135,197,462**	**54,451,542**	**3,771,079**	**1,999,901,542**	**139,107,672**
Translation adjustment	-	(4,688)	-	(4,555,547.47)	-	-	-	(4,560,236)
Total Comprehensive Income for the period	-	-	-	-	35,755,311	2,416,259	35,755,311	2,416,259
Balance as at 30 June 2016	**2,000,000**	**134,443**	**1,943,450,000**	**130,641,915**	**90,206,853**	**6,187,337**	**2,035,656,853**	**136,963,695**
Balance as at 01 July 2016	**2,000,000**	**134,443**	**1,943,450,000**	**130,641,915**	**90,206,853**	**6,187,337**	**2,035,656,853**	**136,963,695**
Issuance of new shares	837,213,679	66,397,273	(837,213,679)	(66,397,273)	-	-	-	-
Translation adjustment	-	23,989	-	23,310,739	-	-	-	23,334,728
Total Comprehensive Income for the period	-	-	-		192,244,732	(27,471,768)	192,244,732	(27,471,768)
Balance as at 30 June 2017	**839,213,679**	**66,555,706**	**1,106,236,321**	**87,555,381**	**282,451,585**	**(21,284,431)**	**2,227,901,585**	**132,826,655**

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Omera ULTRA V

MJL Bangladesh Limited

ইঞ্জিনের বাড়তি সুরক্ষার জন্য এলো নতুন Omera Ultra V



ধামাকা অফার

৳১৫০ ছাড়

সীমিত সময়ের জন্য

~~৳১৫০০~~

৳১৩৫০

TBN এবং Viscosity'র মান পরিমিত থাকার কারণে Omera Ultra V নতুন ৩ পুরাতন যেকোনো গাড়ির জন্যই কার্যকরী ইঞ্জিন অয়েল যা ইঞ্জিনকে রাখে সচল মাইলের পর মাইল

API: CF/SF মাল্টিগ্রেড ইঞ্জিন অয়েল

ডিজেল এবং পেট্রোল/অকটেন চালিত সকল ইঞ্জিনে ব্যবহার উপযোগী

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SAFA Corporate Governance Disclosure Checklist

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	• Position within the value chain	51
	• Key quantitative information	
	e.g., the number of employees, revenue and number of countries in which the organization operates highlighting, in particular, significant changes from prior periods	15, 18, 27, 114-115, 141
	• Significant factors affecting the external environment and the organization's response (include aspects of the legal, commercial, social, environmental and political context that affect the organization's ability to create value in the short, medium or long term) Eg:	
	• The legitimate needs and interests of key stakeholders • Macro and micro economic conditions stability, globalization, and industry trends • Market forces, such as the relative competitors and customer demand • The speed and effect of technological change • Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems • Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached • The legislative and regulatory environment in which the organization operates • The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy	107-114

FINANCIALS STOCK

Items		Page No.
1.2	**Governance** An integrated report should how does the organization's governance structure support its ability to create value in the short, medium and long term. An integrated report needs to provide an insight about how such matters as the following are linked to its ability to create value: • The organization's leadership structure, including the skills and diversity (e.g., range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure • Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues • Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management • How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders • Whether the organization is implementing governance practices that exceed legal requirements/ Key Policies • The responsibility those charged with governance take for promoting and enabling innovation • How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals.	29-38, 84-93, 128-129
1.3	**Stakeholder Identification/ relationships** An integrated report should identify its key stakeholders and provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests. **Capitals** An integrated report needs to provide insight about the resources and the relationships used and affected by the organization, which are referred to collectively as the capitals and how the organization interacts with the capitals to create value over the short, medium and long term An integrated report need to identify the various forms of capitals which are essential for the success of its business operations. Eg: financial, manufactured, intellectual , human, social and relationship,and natural, However an entity can do its own classification of capitals based on its business activities. An entity needs to ensure that it does not overlook a capital that it uses or affects.	46, 107, 135, 141

Items		Page No.
1.4	**Business model** **An integrated report should describe the organization's business model** An integrated report need to describe the business model, including key: • Inputs • Business activities • Outputs • Outcomes Features that can enhance the effectiveness and readability of the description of the business model include: • Explicit identification of the key elements of the business model • A simple diagram highlighting key elements, supported by a clear explanation of the relevance of those elements to the organization • Narrative flow that is logical given the particular circumstances of the organization • Identification of critical stakeholder and other (e.g., raw material) dependencies and important factors affecting the external environment • Connection to information covered by other Content Elements, such as strategy, risks and opportunities, and performance (including KPIs and financial considerations, like cost containment and revenues). **Inputs** An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the business model. **Business activities** An integrated report describes key business activities. This can include: • How the organization differentiates itself in the market place (e.g., through product differentiation, market segmentation, delivery channels and marketing) • The extent to which the business model relies on revenue generation after the initial point of sale (e.g., extended warranty arrangements or network usage charges) • How the organization approaches the need to innovate • How the business model has been designed to adapt to change. When material, an integrated report discusses the contribution made to the organization's long term success by initiatives such as process improvement, employee training and relationships management.	46-54

Items		Page No.
	Outputs An integrated report identifies an organization's key products and services. There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the business model disclosure depending on their materiality. **Outcomes** An integrated report describes key outcomes, including: • Both internal outcomes (e.g., employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g., customer satisfaction, tax payments, brand loyalty, and social and environmental effects) • Both positive outcomes (i.e., those that result in a net increase in the capitals and thereby create value) and negative outcomes (i.e., those that result in a net decrease in the capitals and thereby diminish value). **Organizations with multiple business models** Some organizations employ more than one business model (e.g., when operating in different market segments). This requires a distinct consideration of each material business model as well as commentary on the extent of connectivity between the business models (such as the existence of synergistic benefits)	46-54
1.5	**Performance** An integrated report needs to explain the extent to which the organization has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals	56, 62
	An integrated report should contain qualitative and quantitative information about performance that may include matters such as: • Quantitative indicators with respect to targets and risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them • The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain • The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests • The linkages between past and current performance, and between current performance and the organization's outlook. KPIs that combine financial measures with other components (e.g., the ratio of greenhouse gas emissions to sales) or narrative that explains the financial implications of significant effects on other capitals and other causal relationships (e.g., expected revenue growth resulting from efforts to enhance human capital) may be used to demonstrate the connectivity of financial performance with performance regarding other capitals. In some cases, this may also include monetizing certain effects on the capitals (e.g., carbon emissions and water use). Include instances where regulations have a significant effect on performance (e.g., a constraint on revenues as a result of regulatory rate setting) or the organization's non-compliance with laws or regulations may significantly affect its operations.	107-117

Items		Page No.
1.6	**Risks and opportunities** An integrated report should explain what are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them? This can include identifying: • The specific source of risks and opportunities, which can be internal, external or, commonly, a mix of the two. • The organization's assessment of the likelihood that the risk or opportunity will come to fruition and the magnitude of its effect if it does. • The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and KPIs.	128-129
1.7	**Strategy and resource allocation** **An integrated report should describe it strategic direction (Where does the organization want to go and how does it intend to get there)** An integrated report need to identify: • The organization's short, medium and long term strategic objectives • The strategies it has in place, or intends to implement, to achieve those strategic objectives	7
	• The resource allocation plans it has to implement its strategy • How it will measure achievements and target outcomes for the short, medium and long term.	62
	This can include describing: • The linkage between the organization's strategy and resource allocation plans, and the information covered by other Content Elements, including how its strategy and resource allocation plans:	62
	• relate to the organization's business model, and what changes to that business model might be necessary to implement chosen strategies to provide an understanding of the organization's ability to adapt to change	46-49
	• are influenced by/respond to the external environment and the identified risks and opportunities affect the capitals, and the risk management arrangements related to those capitals • What differentiates the organization to give it competitive advantage and enable it to create value, such as: • the role of innovation • how the organization develops and exploits intellectual capital • the extent to which environmental and social considerations have been embedded into th organization's strategy to give it a competitive advantage • Key features and findings of stakeholder engagement that were used in formulating its strategy and resource allocation plans.	2-3, 6, 8

Items		Page No.
1.8	**Outlook** **An integrated report should explain what challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance?** An integrated report should highlight anticipated changes over time and provides information on • The organization's expectations about the external environment the organization is likely to face in the short, medium and long term • How that will affect the organization • How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise. The discussion of the potential implications, including implications for future financial performance may include: • The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives • The availability, quality and affordability of capitals the organization uses or affects (e.g., the continued availability of skilled labour or natural resources), including how key relationships are managed and why they are important to the organization's ability to create value over time. An integrated report may also provide lead indicators, KPIs or objectives, relevantinformation from recognized external sources, and sensitivity analyses. If forecasts or projections are included in reporting the organization's outlook, a summary of related assumptions is useful. Comparisons of actual performance to previously identified targets further enables evaluation of the current outlook. Disclosures about an organization's outlook in an integrated report should consider the legal or regulatory requirements to which the organization is subject.	46, 56, 62, 77
1.9	**Basis of preparation and presentation** **An integrated report should answer the question: How does the organization determine what matters to include in the integrated report and how are such matters quantified or evaluated?** An integrated report describes its basis of preparation and presentation, including: • A summary of the organization's materiality determination process • Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters • Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters. • A description of the reporting boundary and how it has been determined Eg: Include process used for identifying the reporting boundary, geographic scope, the entities represented in the report and the nature of the information provided for each entity • A summary of the significant frameworks and methods used to quantify or evaluate material matters (e.g., the applicable financial reporting standards used for compiling financial information, a company-defined formula for measuring customer satisfaction, or an industry based framework for evaluating risks).	82

Items		Page No.
2. Responsibility for an integrated report		
	An integrated report should include a statement from those charged with governance that includes: • An acknowledgement of their responsibility to ensure the integrity of the integrated report • An acknowledgement that they have applied their collective mind to the preparation and presentation of the integrated report • Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework or, if it does not include such a statement , it should explain: • What role those charged with governance played in its preparation and presentation • What steps are being taken to include such a statement in future reports • The time frame for doing so, which should be no later than the organization's third integrated report that references this Framework.	82
3. Other Qualitative Characteristics of an Integrated Report		
3.1	Conciseness	
	An integrated report should be concise. An integrated report need to include sufficient context to understand the organization's strategy, governance, performance and prospects without being burdened with less relevant information	4
3.2	**Reliability and completeness** An integrated report should include all material matters, both positive and negative, in a balanced way and without material error	94-95
3.3	**Consistency and comparability** The information in an integrated report should be presented: • On a basis that is consistent over time • In a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time. Eg: • Using benchmark data, such as industry or regional benchmarks • Presenting information in the form of ratios (e.g., research expenditure as a percentage of sales, or carbon intensity measures such as emissions per unit of output) • Reporting quantitative indicators commonly used by other organizations with similar activities, particularly when standardized definitions are stipulated by an independent organization (e.g., an industry body).	81, 82
3.4	**Connectivity of information** An integrated report should show a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time. Eg: Connectivity between – Capitals - Content elements - Past , Present & Future - Finance and other information	2, 3, 6, 8
3.5	**Materiality** An integrated report should disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term	107
3.6	**Assurance on the Report** • The policy and practice relating to seeking assurance on the report, • The nature and scope of assurance provided for this particular report • Any qualifications arising from the assurance, and the nature of the relationship between the organization and the assurance providers	82

SAFA Standard Disclosure Index

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	Quality of the Report/ Layout of Contents	Qualitative
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	Effectiveness of Charts and Graphs	Qualitative
	Clarity, simplicity and lucidity in presentation of Financial Statements	Qualitative
TIMELINESS IN ISSUING FINANCIAL STATEMENTS AND HOLDING AGMS		
	• 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	
	• Delay after the initial period of 3 months -deduction of 2 marks is to be made for each month	AGM on December 24, 2017
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Notes

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MJL Bangladesh Limited

Mobil House, CWS (C) 9, Gulshan-1,Dhaka-1212
Tel:+88(02) 9899636, 58813661, Fax:+88(02) 9885269
Share Department: House 73, Block-K, Suhrawardy Avenue, Baridhara, Dhaka-1212.

ATTENDANCE SLIP

I/We do hereby record my/our attendance at the **19th Annual General Meeting** of the Company to be held on December 24, 2017 at the Auditorium of Krishibid Institution Complex Bangladesh, Krishi Khamar Sarak, (Khamarbari) Farmgate, Dhaka-1215 at 11:00 AM.

Name of the Member(s) .....

BO ID No. | | | | | | | | | | | | | | | | No. of shares being held .....

.....
Signature of the Shareholder(s)/Proxy

Date. .....

Note: Shareholders attending the meeting in person or by proxy are requested to complete Attendance Slip and deposit the same at the entrance of the meeting hall.

MJL Bangladesh Limited

Mobil House, CWS (C) 9, Gulshan-1,Dhaka-1212
Tel:+88(02) 9899636, 58813661, Fax:+88(02) 9885269
Share Department: House 73, Block-K, Suhrawardy Avenue, Baridhara, Dhaka-1212.

PROXY FORM

I/We, ...
of .....
being a member of MJL Bangladesh Ltd., do hereby appoint Mr./Mrs./Ms. .....
.....
of.....
as my/our proxy to attend and vote in my/our behalf at the **19th Annual General Meeting** of the company to be held on December 24, 2017 at the Auditorium of Krishibid Institution Complex Bangladesh, Krishi Khamar Sarak, (Khamarbari) Farmgate, Dhaka-1215 at 11:00 AM at any adjournment thereof.

As witness my/our hand this ..... day of ..... 2017.

.....
(Signature of Proxy)

Revenue Stamp of Tk.20.00

.....
(Signature of Shareholder)

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

No. of Shares held: .....

Notes:

I) A member entitled to attend and vote in the AGM may appoint a Proxy to attend and vote in his/her behalf.
II) This Proxy Form, duly filed and stamped must be deposited at the Registered Office of the Company, no later than 48 hours before the time fixed for the meeting.
II) Signature of the Member(s) must be in accordance with Specimen Signature recorded with the Company.

.....
(Authorized Signature)
MJL Bangladesh Limited

.....
(Signature Verified)

- Shareholders bearing BO ID are requested to update their respective BO ID with 12 Digit Taxpayer's Identification Number (e-Tin) and address through their Depository Participant (DP); failing which, Income Tax at source will be deducted from cash dividend @15% instead of 10%
- As per directive of Bangladesh Securities and Exchange Commission (BSEC) no gift or benefit in cash or in kind shall be offered to the shareholders in the Annual General Meeting.

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Mobil House, CWS (C) 9, Gulshan-1, Dhaka-1212, Bangladesh
Tel: +880-2-8815895, 9899636, 58813661
/MobilBangladesh I mobilbd.com