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PREMIER CEMENT MILLS LIMITED

Annual Report 2016-2017

Annual Report 2016-2017

PREMIER CEMENT MILLS LIMITED

TAMAR STOCK

premiercement.com

কোটি বাঙ্গালীর স্বপ্নের

পদ্মা সেতু

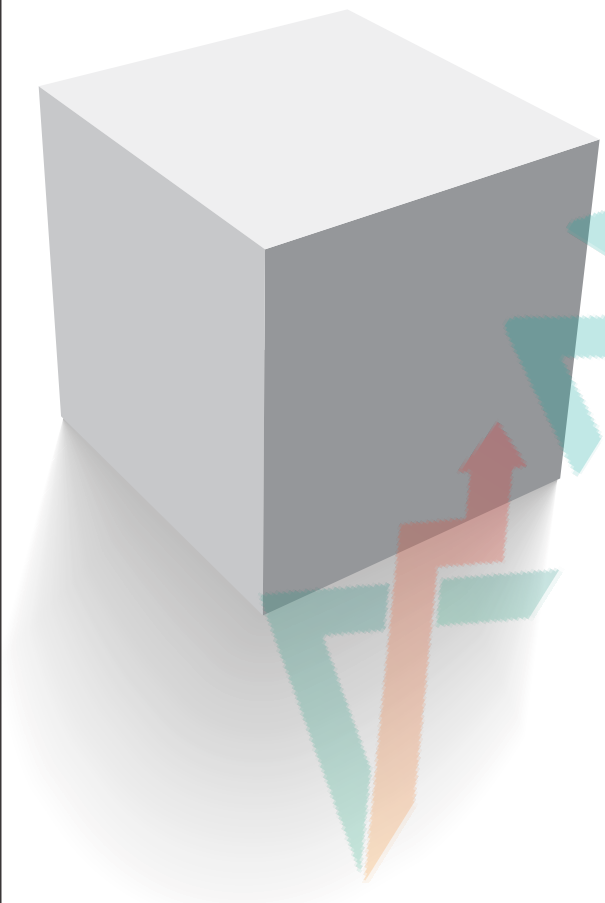
প্রকল্প বিনির্মাণে

গর্বিত অংশীদার



BSTI ISO BIS

আমরা প্রমাণে বিশ্বাসী



Safe harbor statements

This document contains certain far-seeing statements with respect to the financial condition, result of operation and business as well as the plans and objectives of Premier Cement Mills Limited and its subsidiary as well as associates.

Our discussion may include predictions, estimates, or other information that might be considered far-seeing while these statements represent our current judgment on what the future holds. We don't claim that the entire statement will come true. They are subject to risks and uncertainties by their nature that may lead to material differences in actual result. You are cautioned not to place undue reliance on these statements, which reflect our opinions only as of the date of this presentation. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these in light of new information or future events. Throughout in this discussion, we will attempt to present some important factors relating to our business that may affect our predictions.

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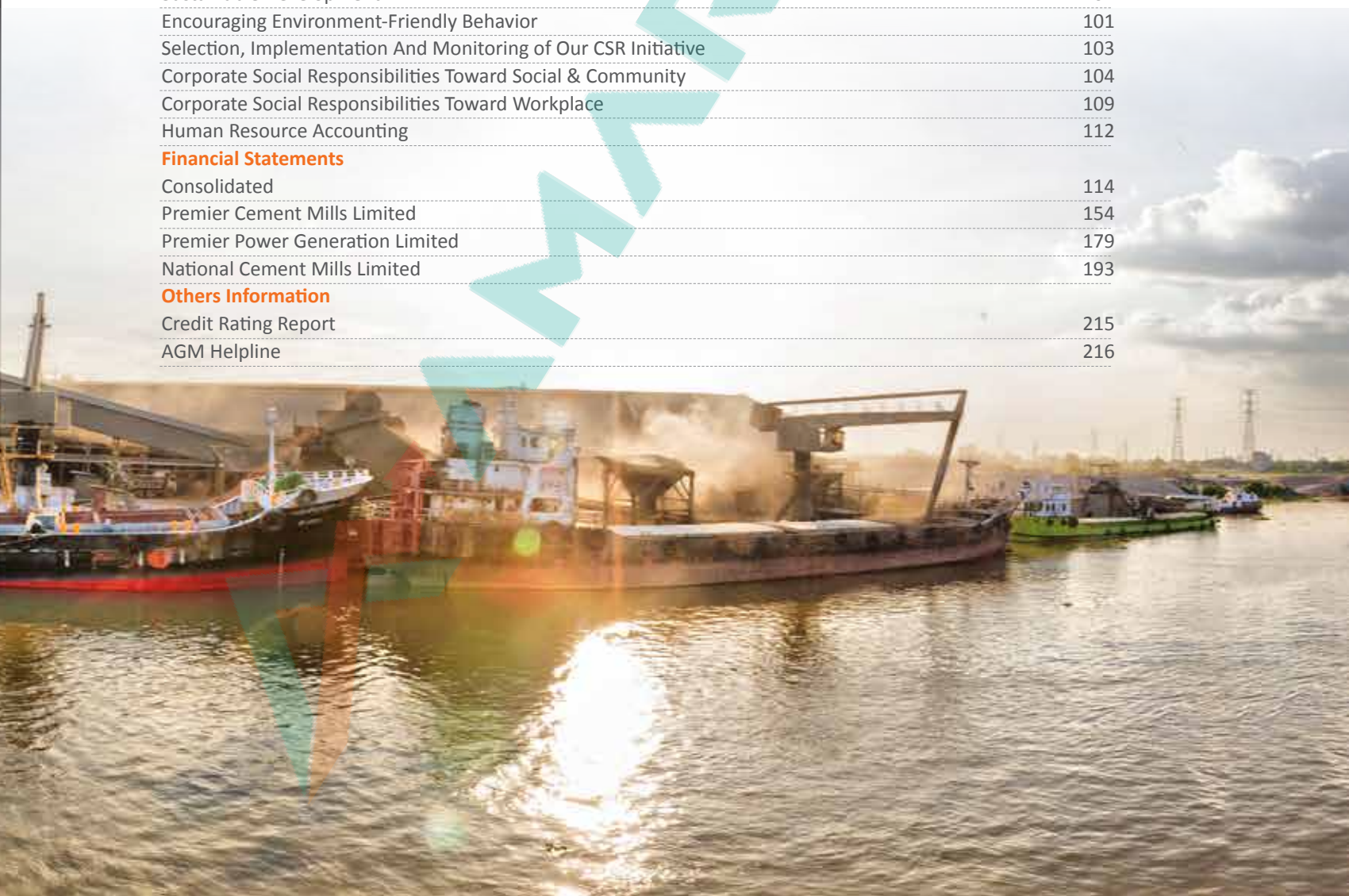
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Notice
of 15th Annual General Meeting

Notice is hereby given that the 15th Annual General Meeting (AGM) of Premier Cement Mills Limited will be held on Saturday, 14 October 2017, at time 11.00 A.M at Chittagong Club Limited, SS Khaled Road, Lalkhan Bazar, Chittagong, to transact the following businesses:

Agendas:

1. **Report and Accounts**
   To receive, consider and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended June 30, 2017 and Auditors' Reports thereon.
2. **Dividends**
   To declare Dividend for the year ended June 30, 2017 as recommended by the Board of Directors.
3. **Election of Directors**
   To elect Directors in accordance with the provisions of Articles of Association of the Company.
4. **Appointment of Statutory Auditors**
   To appoint statutory Auditors for the year ended June 30, 2018 and to fix their remuneration.

By order of the Board

Date : 28 September, 2017
Place : Dhaka

Kazi Md. Shafiqur Rahman
Company Secretary

Notes:

1. Shareholders, whose names appear on the members/Depository Register on the Record Date i.e. on 21September 2017, shall be eligible to attend the 15th AGM of the Company and to receive the Dividend.
2. A member eligible to attend and vote at the Annual General Meeting may appoint a proxy on his/her stead. The proxy form attached with Annual Report 2017, duly filed in, signed and stamped, must be submitted at the Corporate Office of the Company not later than 48 hours before the time fixed for the meeting.
3. Only shareholders or their validly appointed proxies will be allowed to have access to the registration process to attend the meeting.
4. Admission into the auditorium will be allowed strictly on submission of the attendance slip sent with the notice.
5. Shareholders are requested to submit their queries on the Directors' Report and the Audited Financial Statements for the year ended June 30, 2017 at the Corporate Office of the Company at least 3 (three) working days before the day of Annual General Meeting.
6. The Annual Report for the year ended on June 30, 2017 is available in the Company's website at www.premiercement .com
7. 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 October 22, 2017.
8. The concerned trustee board of approved superannuation fund or pension fund or gratuity fund or recognize provided fund or workers participation fund are requested to provide us update tax rebate certificate on or before October 22, 2017.

Special Notes:

No special benefit, refreshment or gift in cash shall be given to the shareholders for attending the 15th Annual General Meeting as per Bangladesh Securities and Exchange Commission's circular no. SEC/CMRRD/2009-193/154 dated October 24, 2013.

১৫তম
বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা জানানো যাচ্ছে যে, প্রিমিয়ার সিমেন্ট মিল্‌স লিমিটেড এর ১৫তম বার্ষিক সাধারণ সভা নিম্নলিখিত বিষয়াদি সম্পাদনকল্পে আগামী ১৪-ই অক্টোবর ২০১৭ ইং তারিখে রোজ শনিবার সকাল ১১:০০ টায় চিটাগং ক্লাব লিমিটেড, এস এস খালেদ রোড, লালখান বাজার, চট্টগ্রামে অনুষ্ঠিত হবে।

আলোচ্য বিষয়সূচি:

১. **প্রতিবেদন এবং হিসাব**
৩০ জুন ২০১৭ ইং তারিখে সমাপ্ত বছরের নিরীক্ষিত লাভ লোকসান হিসাব ও স্থিতিপত্র এবং সেই সঙ্গে পরিচালকমন্ডলীর ও নিরীক্ষকের প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।

২. **লভ্যাংশ**
৩০ জুন ২০১৭ ইং তারিখে সমাপ্ত বছরের জন্য কোম্পানীর পরিচালনা পর্ষদ কর্তৃক সুপারিশকৃত লভ্যাংশ ঘোষণা।

৩. **পরিচালক নির্বাচন**
কোম্পানীর সঙ্ঘবিধি অনুযায়ী পরিচালক নির্বাচন।

৪. **বিধিবদ্ধ নিরীক্ষক নিয়োগ**
৩০ জুন ২০১৮ ইং তারিখে সমাপ্ত বছরের জন্য নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।

বোর্ডের আদেশক্রমে

কাজী মোহাম্মদ সফিকুর রহমান
কোম্পানী সচিব

স্থান : ঢাকা
তারিখ : ২৮ সেপ্টেম্বর, ২০১৭ ইং

নোট:

১. যে সকল শেয়ারহোল্ডারদের নাম রেকর্ড ডেটে অর্থাৎ ২১ সেপ্টেম্বর, ২০১৭ ইং তে সদস্য/ ডিপোসিটরি রেজিস্টারে লিপিবদ্ধ রয়েছে শুধুমাত্র তারাই ১৫তম বার্ষিক সাধারণ সভায় অংশগ্রহণ ও লভ্যাংশ গ্রহণের জন্য উপযুক্ত বলে বিবেচিত হবে।

২. যে সকল সদস্যদের বার্ষিক সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের অধিকার রয়েছে, তারা ইচ্ছা করলে তাদের পরিবর্তে ১৫তম বার্ষিক সাধারণ সভায় অন্য কোন ব্যক্তিকে অংশগ্রহণের অনুমতি দিতে পারেন। তবে সেক্ষেত্রে ২০১৬-২০১৭ সালের বার্ষিক প্রতিবেদনের শেষের দিকে সংযুক্ত প্রক্সিফর্ম যথোপযুক্তভাবে পূরণ করে স্বাক্ষর ও স্ট্যাম্পসহ সভা অনুষ্ঠিত হওয়ার নির্ধারিত সময়ের ৪৮ ঘন্টা পূর্বে অবশ্যই কোম্পানীর কর্পোরেট অফিসে জমা দিতে হবে।

৩. শুধুমাত্র শেয়ারহোল্ডারগণ অথবা তাদের মনোনীত প্রক্সিদের সভায় অংশগ্রহণের রেজিস্ট্রেশন প্রক্রিয়ায় প্রবেশাধিকার রয়েছে বলে বিবেচিত হবে।

৪. কেবলমাত্র সভার বিজ্ঞপ্তির সাথে প্রেরিত হাজিরা রসিদ/ এ্যাটেনডেন্স স্লিপ জমার প্রেক্ষিতে শেয়ারহোল্ডারদের অথবা প্রক্সিদের অডিটোরিয়ামে প্রবেশের অনুমতি প্রদান করা হবে।

৫. শেয়ারহোল্ডারদের পরিচালকমন্ডলীর প্রতিবেদন ও ৩০ জুন ২০১৭ ইং তারিখে সমাপ্ত নিরীক্ষিত আর্থিক প্রতিবেদনের উপরে প্রশ্নাবলীসমূহ বার্ষিক সাধারণ সভার কমপক্ষে ৩ (তিন) দিন পূর্বে কোম্পানীর কর্পোরেট অফিসে জমা দেওয়ার জন্য অনুরোধ করা হলো।

৬. ৩০ জুন ২০১৭ ইং তারিখে সমাপ্ত বছরের বার্ষিক প্রতিবেদন কোম্পানীর ওয়েবসাইট www.premiercement.com এ পাওয়া যাবে।

৭. সংশিষ্ট ব্রোকার হাউজ এবং মার্চেন্ট ব্যাংকের মার্জিন লোন হোল্ডার যাদের রেকর্ড ডেটে প্রিমিয়ার সিমেন্টের শেয়ার রয়েছে তাদের পূর্ণ বিবরনীসহ (শেয়ারহোল্ডারদের নাম, বিও আইডি নাম্বার, ই-টিন নাম্বার, মোট প্রাপ্য লভ্যাংশ, প্রযোজ্য কর হার এবং নীট প্রাপ্য লভ্যাংশ) উক্ত বিষয়ের সাথে সম্পর্কিত ব্যক্তির নাম ও মোবাইল নাম্বার আমাদেরকে সরবরাহের জন্য অনুরোধ করা হল। আমরা ব্রোকার হাউজ এবং মার্চেন্ট ব্যাংকের কাছে আরো অনুরোধ করি যে তারা যেন ২২ শে অক্টোবর ২০১৭ ইং তারিখে অথবা তার পূর্বে তাদের ব্যাংক একাউন্ট নাম, নাম্বার এবং রাউটিং নাম্বার আমাদেরকে প্রদান করে।

৮. সুপারএনুএশন ফান্ড অথবা পেনশন ফান্ড অথবা গ্রাচুইটি ফান্ড অথবা প্রভিডেন্ড ফান্ড অথবা শ্রমিকের মুনাফায় অংশগ্রহণ ফান্ড সংশিষ্ট ট্রাস্টি বোর্ডকে ২২ শে অক্টোবর ২০১৭ ইং তারিখে অথবা তার পূর্বে হালনাগাদ কর রেয়াত সনদ সরবরাহের জন্য অনুরোধ করা হ'ল।

বিশেষ নোট:

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন সার্কুলার নং এসইসি/সিএমআরআরডি/২০০৯-১৯৩/১৫৪ তারিখ ২৪ অক্টোবর ২০১৩ ইং অনুযায়ী আসন্ন ১৫তম বার্ষিক সাধারণসভায় অংশগ্রহণের জন্য শেয়ারহোল্ডাদের কোন প্রকারের বিশেষ সুবিধা, খাবার বা নগদ উপহার দেওয়া হবে না।

Letter of Transmittal

To

All Shareholders of Premier Cement Mills Limited
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSC)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)
National Board of Revenue (NBR)

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

Dear Sir(s),

It is our immense pleasure to present before you the Annual Report of Premier Cement Mills Limited along with the Audited Financial Statements for the year which ended on June 30, 2017. Financial Statements along with notes to the Accounts of the Company comprise both the standalone and consolidated statements of Financial Positions, statements of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period which ended on June 30, 2017.

Yours sincerely

Kazi Md. Shafiqur Rahman
Company Secretary

AMARSTOCK

Moments of 14th Annual General Meeting (AGM)



Beginning of the 14th Annual General Meeting.



Managing Director Mr. Mohammed Amirul haque addressing queries from the shareholders in the 14th Annual General Meeting.



Partial view of the shareholders attended in the 14th Annual General Meeting.



Shareholders present thair views and recommendation about the performance of the PCML.

Proud Partner of Major Construction Projects



Moghbazar –Mouchak Flyover, Dhaka



Maa o Shishu Hospital- Chittagong.



Kodomtoli Flyover- Chittagong



Sarak Bhaban- Dhaka



Rajshahi City Centre- Rajshahi



Sher-E- Bangla National Cricket Stadium- Mirpur, Dhaka.

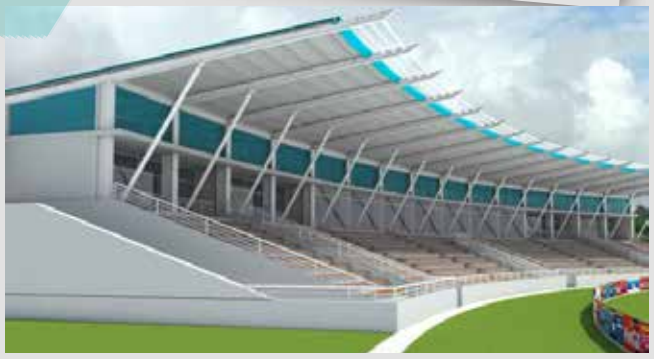

International Garments Trade Centre- Ashulya, Dhaka.


Nagar Bhaban- Rajshahi


Protik Ruposree, Banashree- Dhaka


United Hospital Ltd-Dhaka


Computer council-Dhaka


Sheikh Kamal International Cricket Stadium-Cox's bazaar


Akhteruzzaman Fyover-Chittagong


Padma Bridge

Awards and Recognition







REB Award 2015





Chief Financial Officer of the Company , Mr. Md. Shafiqul Islam Talukder-FCMA is seen receiving the "Certificate of Merit" from Mr. Abul Maal Abdul Muhith, Honorable Finance Minister, Government of the People's Republic of Bangladesh.





ICSB Rewarded the Company by the Sliver Award for "Corporate Governance Excellence" in 2013. On behalf of the Company, Mr. Mohammed Amirul Haque, Managing Directors is seen receiving the Award from Mr. Abul Maal Abdul Muhith, Honorable Finance Minister, Government of the People's Republic of Bangladesh.



The Institute of Chartered Accountants of Bangladesh

16TH ICAB NATIONAL AWARD FOR BEST PRESENTED ANNUAL REPORTS-2015

Manufacturing Category

Certificate of Merit

Premier Cement Mills Limited participated in the 16th ICAB National Award for Best Presented Annual Reports-2015 Competition organized by the Institute of Chartered Accountants of Bangladesh and awarded the Certificate of Merit in the Manufacturing Category as a mark of excellence in corporate reporting.

Kamrul Abedin FCA
President

Parveen Mahmud FCA
Chairman, Review Committee for Published Accounts and Reports

Dhaka, November 29, 2016



Honorable Managing Director, Mr. Mohammed Amirul Haque is seen receiving the Certificate of Merit for best presented Annual Report 2015 from Prime Minister's Economic Adviser Dr. Moshiur Rahman.



PCML Won ICSB National Award-2014 consecutively for the 2nd year under manufacturing category. Mr. Mohammed Amirul Haque, Managing Director of PCML is seen receiving the Award from Mr. Abul Maal Abdul Muhith, Honorable Finance Minister of Bangladesh.



ICSB

Institute of Chartered Secretaries of Bangladesh

Statutory Body under an Act of Parliament

ICSB National Award 2014

Silver Award

Manufacturing Companies category

This is to certify

Premier Cement Mills Limited

participated in the ICSB National Award for Corporate Governance 2014 Competition organized by the Institute of Chartered Secretaries of Bangladesh (ICSB). This Company has been awarded the Silver Award in the Manufacturing Companies category.

This Certificate of Appreciation has been awarded on the 10th day of November 2015

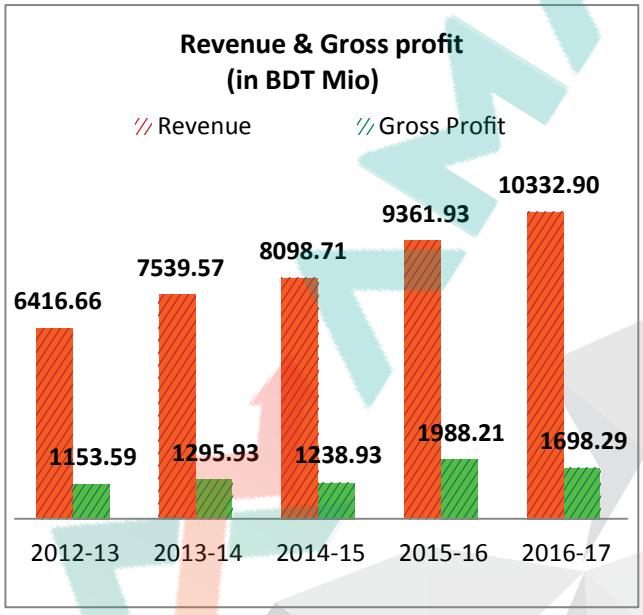
Mohammad Nurul Alam FCS
Chairman, CGA Committee

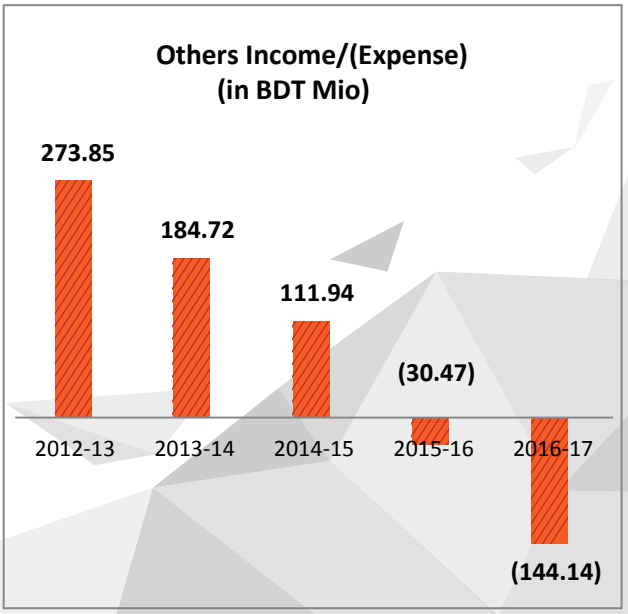
Mohammad Asad Ullah FCS
President

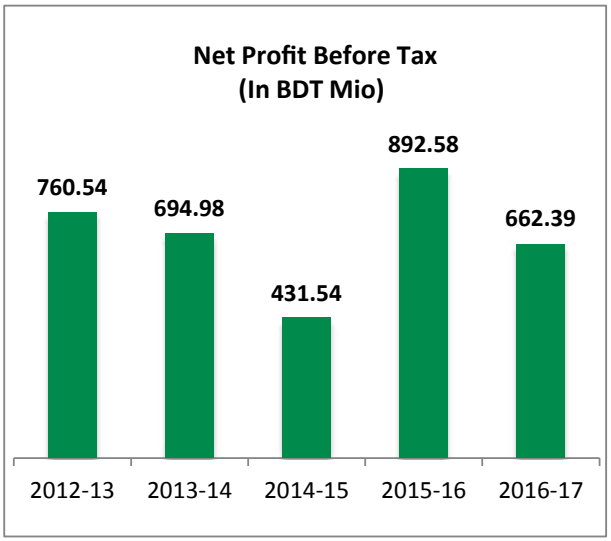
Five years at a Glance

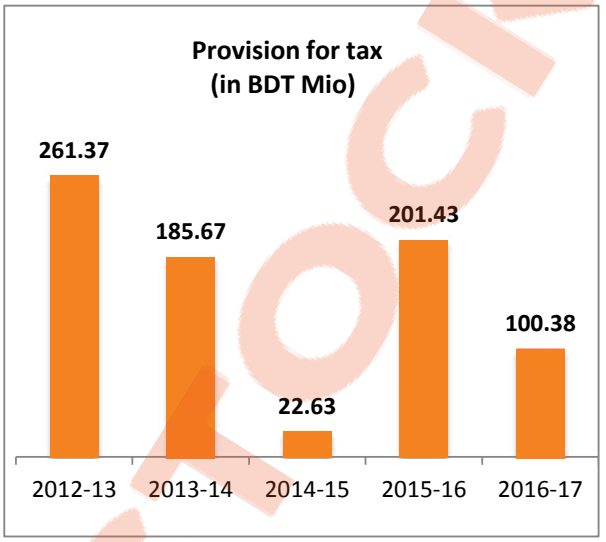
Key Financial Indicators **In BDT Mio**

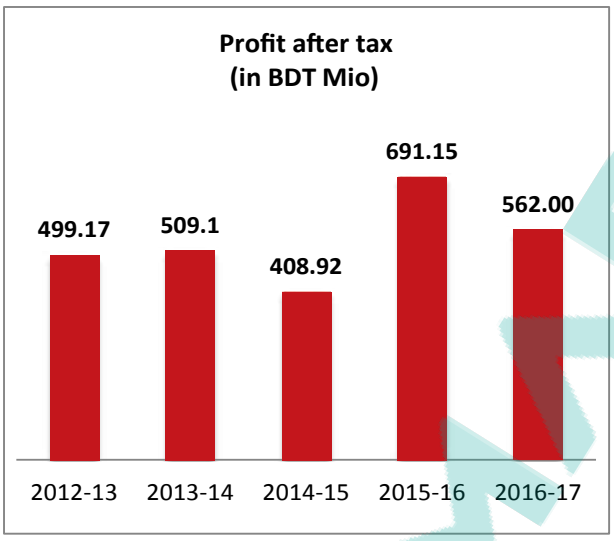
Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Revenue/ Turnover	10,332.89	9,361.94	8,098.70	7,539.57	6,416.66
Gross Profit	1,698.29	1,988.21	1,238.94	1,295.93	1,153.59
Other Income	(144.14)	(30.47)	111.94	184.72	273.85
Profit before Tax	662.38	892.58	431.54	694.78	760.54
Provision for Tax	100.38	201.43	22.63	185.67	261.37
Profit after Tax	562.01	691.15	408.92	509.10	499.17
Total Asset	12,473.43	10,843.74	10,089.33	9,803.42	8,496.23
Net Operating Cash Flows Per Share (NOCFPS)	6.53	11.30	3.73	0.47	8.67
Net Asset Value (NAV)	4,292.34	3905.27	3,105.91	3,228.35	3,146.00
Net Asset Value Per share	40.71	37.03	29.45	30.61	29.83
Gross Profit Ratio	16%	21%	15%	17%	18%
Return on Asset	5%	6%	4%	5%	6%
Return on Equity	13%	15%	13%	15%	15%
Earnings Per Share (EPS)	5.17	6.48	3.83	4.78	5.00

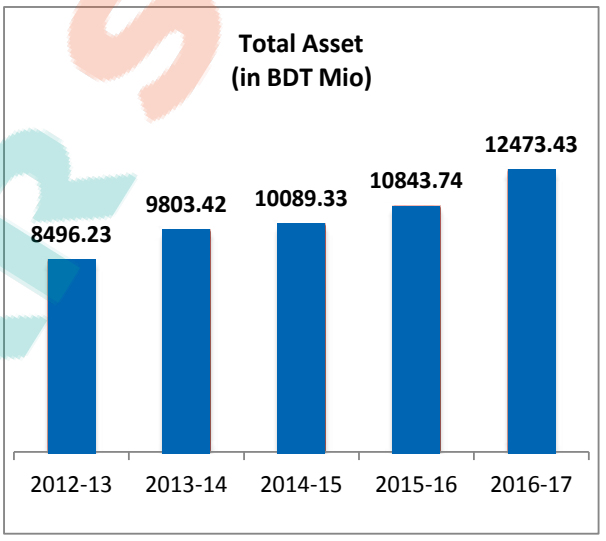


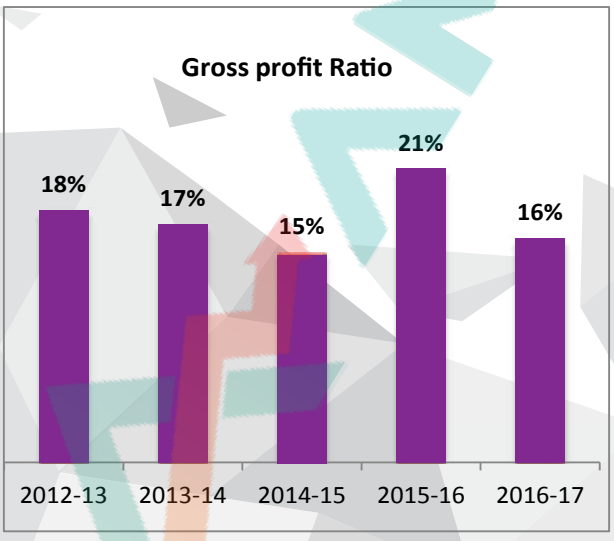


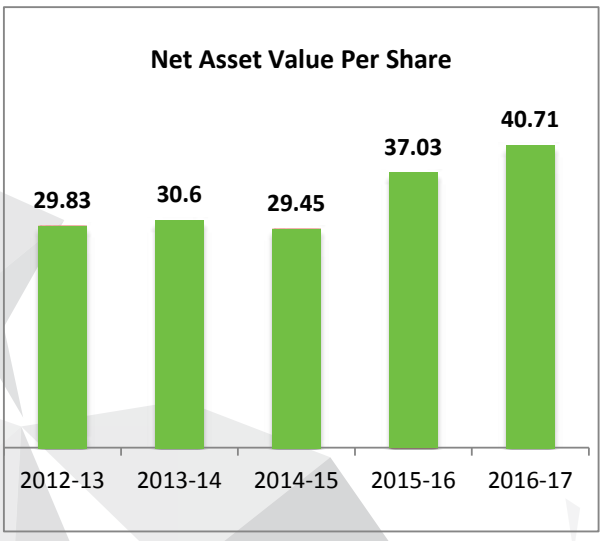

Net Profit Before Tax
(In BDT Mio)
760.54
694.98
431.54
892.58
662.39
2012-13
2013-14
2014-15
2015-16
2016-17

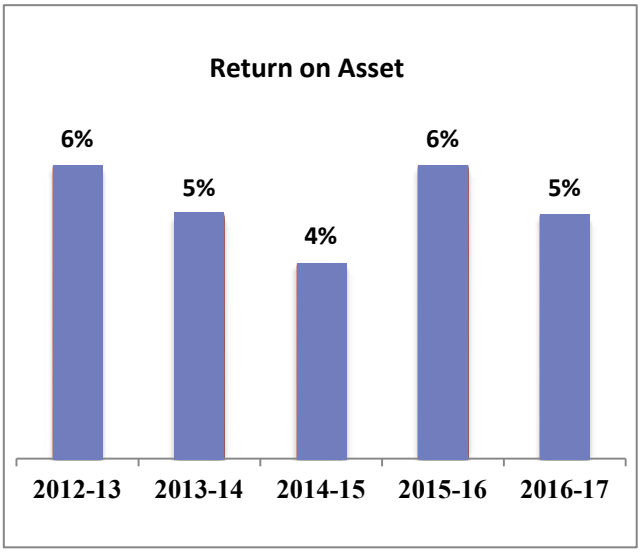

Provision for tax
(in BDT Mio)
261.37
185.67
22.63
201.43
100.38
2012-13
2013-14
2014-15
2015-16
2016-17

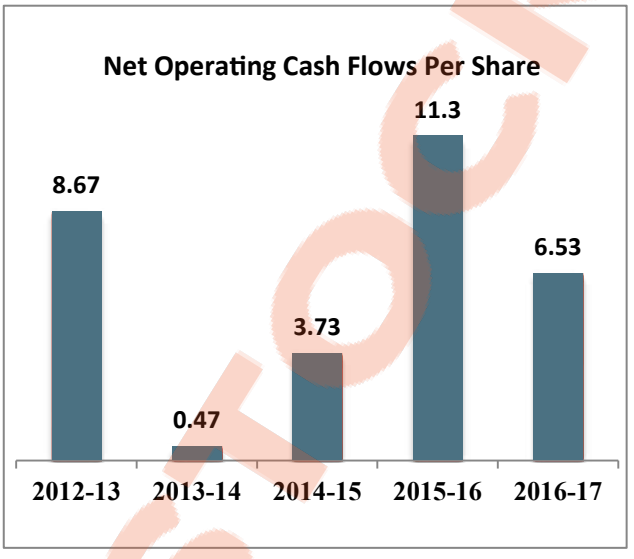

Profit after tax
(in BDT Mio)
499.17
509.1
408.92
691.15
562.00
2012-13
2013-14
2014-15
2015-16
2016-17

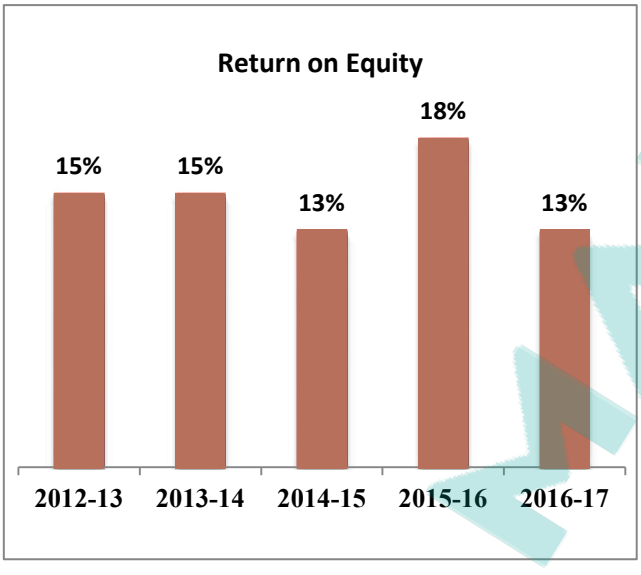

Total Asset
(in BDT Mio)
8496.23
9803.42
10089.33
10843.74
12473.43
2012-13
2013-14
2014-15
2015-16
2016-17

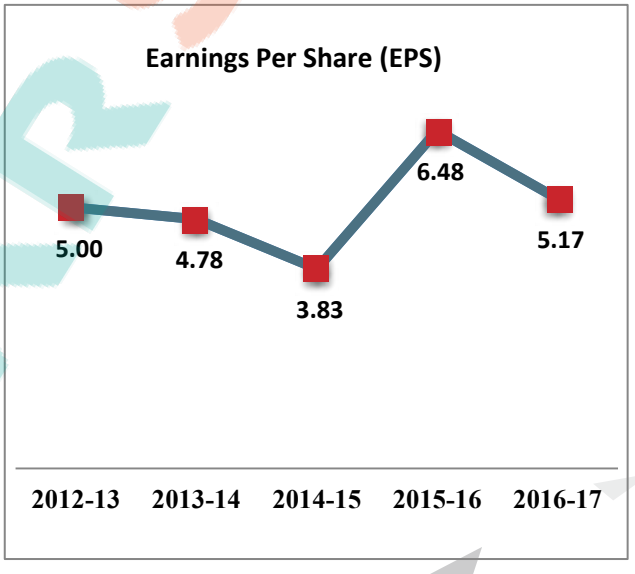

Gross profit Ratio
18%
17%
15%
21%
16%
2012-13
2013-14
2014-15
2015-16
2016-17


Net Asset Value Per Share
29.83
30.6
29.45
37.03
40.71
2012-13
2013-14
2014-15
2015-16
2016-17


Return on Asset
6%
5%
4%
6%
5%
2012-13
2013-14
2014-15
2015-16
2016-17


Net Operating Cash Flows Per Share
8.67
0.47
3.73
11.3
6.53
2012-13
2013-14
2014-15
2015-16
2016-17


Return on Equity
15%
15%
13%
18%
13%
2012-13
2013-14
2014-15
2015-16
2016-17


Earnings Per Share (EPS)
5.00
4.78
3.83
6.48
5.17
2012-13
2013-14
2014-15
2015-16
2016-17

The history behind Premier Cement



Premier Cement is a cutting-edge cement manufacturing company with an ambition to establish itself as a leading player in the industry. Our corporate culture is built on the values of quality, trust and transparency. An emphasis on technological superiority enables us to differentiate our offering through impeccable quality and effective communication. With an extensive network of dealers, we endeavor to earn a place in the premium segment of the market.

Premier Cement Mills Limited is one of the Leading innovative cement manufacturers in the Country. It was incorporated as a private limited Company in 2001. It took three years from the date of incorporation to start its first commercial production with a production capacity of 0.6 Million Metric Tons per annum. Premier Cement did not have to look back since then. It was moving ahead from year to year. The movement of growth got extra force when it was converted into a public limited company under the Companies Act 1994 with an authorized capital of BDT 5,000 million in 2010. After going through successful operation and production for three more years, in 2013 it was listed in both the bourses namely Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. A decade of commercial production opened up a new window of opportunity and as a result now the Company is successfully fulfilling about seven percent (6.5%) of the country's total demand for cement. Now we have a remarkable production capacity of 2.4 Million Metric Tons per annum. In April 2017, the Company signed an agreement with FL Smidth-Denmark in order to increase its production capacity by 5 Million tons per year by installing vertical Roller Mill. After the completion of the agreement, the Company's total production capacity will be enhanced to 7.4 Million Metric Tons per annum.



Our first and foremost objective is to manufacture EUROPEAN standard products using the best raw materials combined with state of the art technology for ensuring dependable and superior output. The products provide strength and durability to buildings of high dimensions, roads, bridges and infrastructure that speed up the line of commerce and provide comfort and security to families across Bangladesh, India and Myanmar. Etc.

Ethos & Values

Vision

To work towards the development of the society through sustainable growth and excellence in performance.

Mission Statement

To become a market leader in the cement industry by satisfying the customers through production excellence, competitive pricing and by adding value for the stakeholders.

Values (That We Care For)

Integrity: We take pride in being a highly ethical company that respects relationships and the dignity of the individual. We obey the laws, produce environmentally safe products, protect the environment and practice equal employment and adopt fair labor practices. We are dedicated to the protection and preservation of our environment, animals and community.

Customer Satisfaction: We recognize that without our customers we do not exist as a business. Consequently, we are committed to develop and maintain exceptional customer relations built on mutual trust, respect and loyalty and to constantly and consistently meet our customers' expectations.

Understand: We seek to understand the needs of stakeholders & the Company to make the best (balanced) decisions.

Simplify: We work towards making things convenient for the people and to increase the effectiveness of our products.

Solve: We find ways to resolve issues that prevent us from delivering values to those we serve.

Connect: We communicate to manage people's expectations in the most effective manner.

Quality: We produce high quality products by maintaining European Standards and we use the best raw materials and provide technical excellence for our Customers.

Commitment: We are committed to achieving success for our customers, for our teams and ourselves through compliance of regulatory guidelines.

Social Responsibility: We promote CSR activity to address social issues as well as to create value to the society

Corporate Objectives (That We Strive For)

- To promote comprehensively on current areas of success.
- To build a strong brand image.
- To give more emphasis on customers satisfaction.
- To earn reasonable profits.
- To capture the target market share.
- To serve consistently the changing needs of customers for their convenience.
- To satisfy our customers.
- To be the leading cement manufacturer in Bangladesh

Corporate Philosophy

- **For Customers:** The main objective of PCML is to provide best quality products and services in every aspects of its business and to maintain good customer-supplier relationship.
- **For Shareholders:** By forging ahead and consolidating its position as a stable and progressive Manufacturing Company.
- **For Employees:** Clients do not come first, Employees do. If we take care of our employees they will eventually take care of our clients.

Our Products

Portland Cement (PC); CEM I, Strength Class 52.5N



Formerly known as Ordinary Portland Cement (OPC), is manufactured to conform to British Standard BS EN 197-1. PC is the cement that has been most commonly used throughout the world in civil engineering and building works. It is versatile, durable and helpful for strong construction purpose. In addition, specific properties can be enhanced by altering either the cement-making recipe or the size of the particles and so producing different cements.

However, it is the least sustainable type and used for general construction (requiring higher early strength) like most buildings, bridges, pavements, structural non prestress, precast units, high strength reinforced foundations or stripping away, decentering and demolding. Portland Cement (PC) is the name given to a cement obtained by intimately mixing together calcareous & argillaceous, or other silica, alumina & oxides of iron-bearing materials, burning them at a clinkering temperature of up to about 1450°C, and grinding the resulting clinker to required fineness. Components of Portland Cement (PC) are as follows:

Portland Clinker	: 95-100%
Gypsum	: 0-5%

Portland Composite Cement (PCC); CEM II, Strength Class 42.5N



Portland Composite Cement is used in general construction purposes and also where precaution against moderate sulfate attack is important (most buildings, bridges in drainage structures) where sulfate concentrations in ground waters are higher than normal but not unusually severe. PCC usually generate less heat at a slower rate than PC. With this moderate heat of hydration (an optional requirement) CEM II cement can be used in structures of considerable mass, such as large piers, heavy abutments, and heavy retaining walls. Its use will reduce temperature rise- especially important when the concrete is placed in warm weather.

On the basis of clinker percentage two types of Portland Composite Cement (PCC) are available namely **CEM II/A-M and CEM II/B-M.**

CEM II/A-M:

This type of cement contains Clinker, Fly ash, Slag, Lime stone and Gypsum. PCML has obtained certificate from Bangladesh Standards and Testing Institution (BSTI) bearing license no. 7184/G-18/2013. Its strength is 42.5 N (Newton). The ingredients with percentages are given below:

Clinker	: 80-94%
Fly ash, Slag & Lime stone	: 6-20%
Gypsum	: 0-5

CEM II/B-M:

The main difference between the CEM II/ A-M and the CEM II/B-M is the different percentage of ingredients. PCML is also certified by Bangladesh Standards and Testing Institution (BSTI) bearing license no. 7764/G-18/2013. Its strength is 42.5 N (Newton).The ingredients with percentages are given below:

Clinker	: 65-79%
Fly ash, Slag & Lime stone	: 21-35%
Gypsum	: 0-5%



Portland Pozzalana Cement:

Portland Pozzolana Cement, "Product of Future," is prepared by a fully-automated, dry manufacturing process using state of the art technology under strict quality assurance at all stages of manufacturing with the help of the "ROBOTIC (POLAB)" system. PPC is manufactured by inter-grinding well-burnt OPC Clinker with gypsum and pozzolanic materials like power-station fly ash or siliceous earths. It is conformed to Indian Standard (IS)1489 (Part 1): 1991 on February 06, 2008 from the Bureau of Indian Standard (BIS).

Highlights of the Events



Mr. Amirul Haque, Managing Director of Premier Cement and Mr. Carsten Riisberg Lund, Managing Director of FL Smidth exchanging documents after signing agreement for installation of VRM; Mikael Hemniti Winther- Royel Danish ambassador, Abrar A Anwar- Chief Executive Officer of Standard Chartered and Mr. Mustafa Haider- Chairman of Premier Cement remained present.



Premier Cement BUET VC Cup-2016 final.

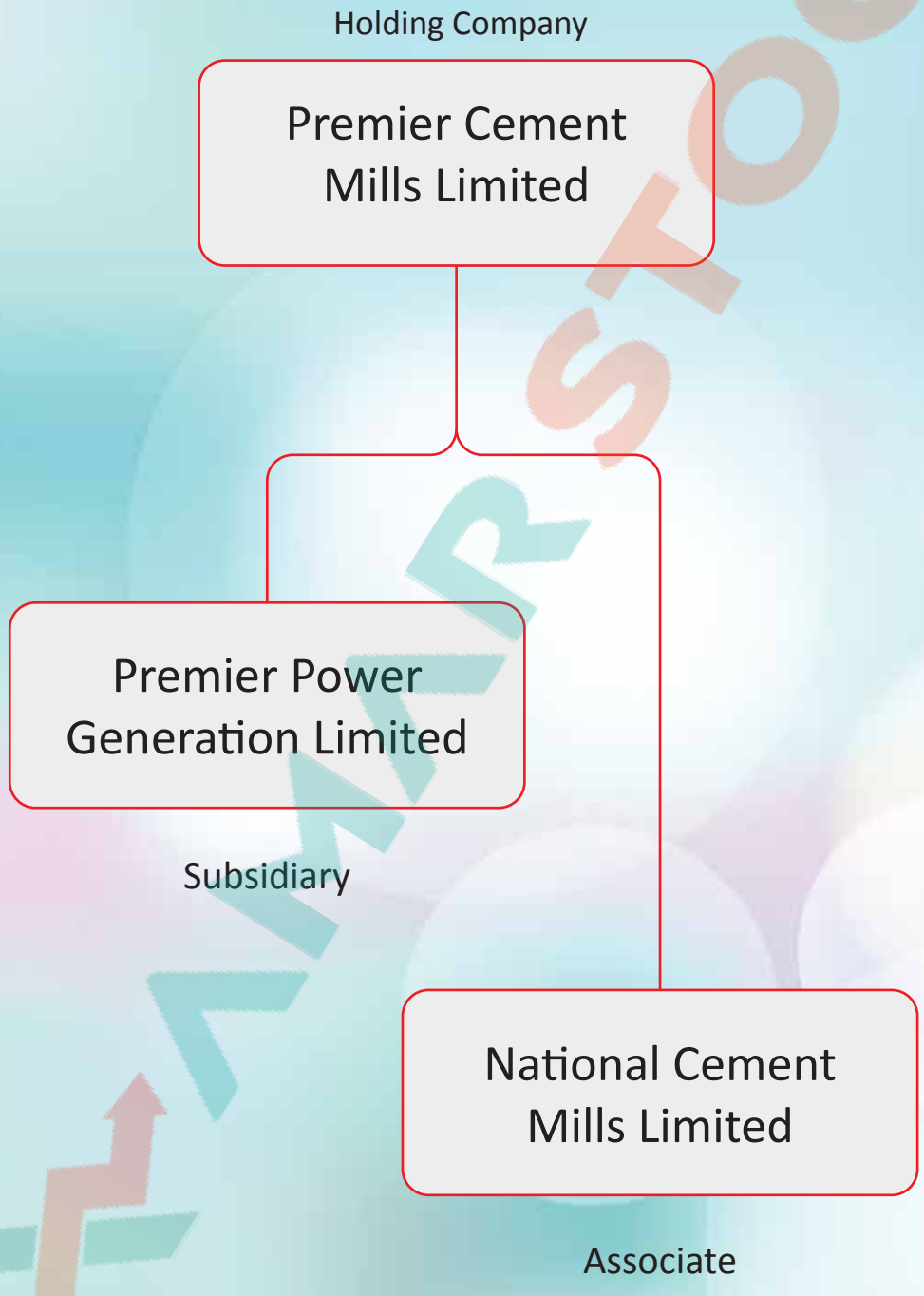


Mr. Abul Hassan Mahmood Ali, Honorable Minister, Ministry of Foreign Affairs seen along with the winner of 2nd Deplomat Cup Tennis Tournament 2017 Sponsored by Premer Cement.



Pobitra Quraner Alo 2017-TV program Co-Sponsored by Premier Cement

Corporate structure



Premier Power Generation Limited (Subsidiary):

Premier Power Generation Limited (PPGL) is a 96% holding subsidiary company of Premier Cement Mills Limited. It was incorporated on 7th September 2006 as a private limited Company, having its registered office in Chittagong and the plant located at West Mukterpur, Munshigonj. The main objective of PPGL is to generate electricity for ensuring uninterrupted power supply to Premier Cement. To achieve this objective, PPGL installed one gas based generator and two diesel driven generators with total capacity of 5.34 MW.





National Cement Mills Limited (Associate):

National Cement Mills Limited was taken over by Premier Cement Mills Limited as its 40% holding associate company. It was incorporated on 10th September 1996 as a public limited company with its registered office in Chittagong and factory located at Issa Nagar, Karnafully, Chittagong having a production capacity of 4,20,000 Metric Tons per annum.



Code of Conduct and Ethical Standards

Our code of conduct and ethical standards addresses ethical conduct in our work environment, business practices and relationship with external stakeholders. Premier Cements Mills Limited sets out the guiding principles known as "Code of Conduct and Ethical Standards" as well as ensures the highest ethical standards in all of the Company's business dealings. Our code of conduct guides us for our daily business interactions, reflecting our standard of proper behavior and our corporate values. The code clearly conveys to each of us the manner in which we achieve our business. The code of conduct is applied by all of Premier Cements' people including Directors, Officers and all employees of the Company and its subsidiary for the best interest of the Company. Vendors and suppliers are also subject to these requirements as adherence to the code is a condition for conducting business with Premier Cement.

The code of conduct is often updated and reissued by the Board of Directors to cope up with the changing needs of stakeholders. We at Premier Cement are very keen to conduct our business according to our predetermined "Code of Conduct" for improving honesty and transparency in doing business so that it can achieve trust of its stakeholders.

Compliance with laws, rules and regulations

Premier Cement and all its employees are bound by the law. All employees must follow applicable laws, rules and regulations as adopted in Bangladesh at all times. Employees having doubt or questions about the applicability of code of conduct should contact with top management.

Conflict of interest

A "conflict of Interest" exists when an employee's personal interest interferes with the best interest of the Company. For example, a conflict of interest may occur when an employee or his/her family member receives personal benefit as a result of employee's position with Premier Cement. The Directors and Management personnel are expected to avoid and disclose any activity or association that creates or supposed to create a conflict between the personal interests and the Company's business interests. If any relationship or association creates anything which is seemed to be material then it should be disclosed and permission should be taken thereby from audit committee as well as Board of Directors.

In performing their duties, all employees of Premier Cement are expected to use their judgment to act, at all times and in all possible way, in the best interest of the Company. Employees should attempt to avoid conflict of interest and employees who believe a conflict of interest may exist should promptly notify top management. The top management will consider the facts and take instant corrective action if needed.

Business relationships

Directors and management are not allowed to make any business relationship which may hamper the Company's image in the country. They must not make any commitment that the Company cannot honor because the business of the Company is expected to be conducted legally and ethically.

Corporate disclosure

Directors and senior management personnel are liable to full, fair, accurate, timely, understandable and relevant disclosure in reports and documents it files with or submits to the regulatory bodies and publishes through the medium of public communications. They are not allowed to misrepresent either intentionally or inadvertently, or cause others to misrepresent, facts about the Company to others within or outside the Company including its audit committee, statutory auditors and Govt. regulators and investors.

Privacy and Confidentiality

Directors and management personnel must ensure confidentiality of such information which may influence capital market directly or indirectly. Actually they are not allowed to disclose any forward looking statements or information regarding proceeding of board meetings/ committee meetings / internal meeting or any tentative decisions about to be taken in those meetings.

The following information along with other information as directed by the chairman of the board may be termed as confidential:

- Information on trade and any trade secrets
- Confidential and privileged information regarding customers and employees
- Information relating to mergers and acquisitions
- Dividend, stock splits and divestitures etc.
- Plans relating to business issues and decisions which is not available in the public domain at that point of time.

Confidential information or forward-looking information only can be disclosed with prior permission from appropriate authorities or as legally mandated.

Fraudulent and unfair practices in the securities market

It is forbidden for all the directors as well as management for committing any kind of fraudulent and unfair trading practices in the securities market, with regard to the securities of the Company or of any other Company with whom the Company has business dealings to the best of their knowledge.



Protection and proper use of Company's opportunities and resources

Without having permission of the board of directors, directors are not allowed for taking personal benefit from any opportunities that belong to the Company. They must also avoid using the Company's property, information or position for personal gain.

Fair dealing

Any personnel of the Company must not discriminate any employee, customer, supplier or any business partner based on caste, religion, gender or disability of any kind. Also, they must not give any unfair benefit to any employee, customer, supplier or competitors through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Health, safety & environment

Company must comply with all the relevant environmental, safety and health laws and regulations. They must run the operations in an environment-friendly manner and provide a safe and healthy working environment for all of its employees.

Applicability, amendment, modification & waivers

The comprehensive code applies equally to all employees, directors and management personnel. Directors shall communicate any suspected violations of the code promptly to the audit committee. Suspected violations will be investigated by audit committee and appropriate action will be taken if the violation is so confirmed.

In consultation with the audit committee, board of directors may amend, modify or vary this code, subject to relevant provisions of laws, rules, regulations and guidelines in force. The board will not grant exemption to this code. But in case of extra-ordinary situations the board may waive or grant waiver for anyone or more from this code but reasons, explanations of the exception must be approved, written and filed thereby. As this code does not specifically address every potential form of unacceptable conduct, directors should exercise good judgment to comply with the principles set out in this code. Therefore, directors should avoid any circumstances that will violate the spirit of this code of conduct

Corporate Information

Official Bangla name of the Company	:	প্রিমিয়ার সিমেন্ট মিল্‌স লিমিটেড
Official English name of the Company	:	Premier Cement Mills Limited
Legal status	:	Public Limited Company
Line of business	:	Production & Sales of Cement and empty Bag

Exchange on which the Company's shares are listed

1.	Exchange name	:	Dhaka Stock Exchange Limited
	Trading code	:	PREMIERCEM
	Scrip code	:	21645
2	Exchange name	:	Chittagong Stock Exchange Limited
	Trading code	:	PREMIERCEM
	Scrip ID	:	15011

Board of Directors:

1.	Mr. Mohammad Mustafa Haider	Chairman
2.	Mr. Mohammed Amirul Haque	Managing Director
3.	Mr. Md. Jahangir Alam	Director
4.	Mr. Md. Alamgir Kabir	Director
5.	Mr. Mohammed Ershadul Hoque	Director
6.	Mr. M. Mahfuzur Rahman	Independent Director
7.	Mr. Tariq Ahmed	Independent Director

Management Committee:

1.	Mr. Mohammad Amirul Haque	Managing Director
2.	Mohammed Ershadul Hoque	Director
3.	Md. Shafiqul Islam Talukder, FCMA	Chief Financial officer
4.	Zobaer Alam	Head of Commercial
5.	Kazi Md. Shafiqur Rahman	Company Secretary
6.	S M Mamunur Rashid	GM (Marketing & sales)
7.	Engr. Md. Abdul Ahad	GM (Marketing & sales)

Audit Committee:

1.	Mr. M. Mahfuzur Rahman	Chairman
2.	Mr. Tariq Ahmed	Member
3.	Mr. Mohammed Ershadul Hoque	Member

Chief Financial Officer:

Mr. Md. Shafiqul Islam Talukder, FCMA

Company Secretary:

Kazi Md. Shafiqur Rahman

Head of Internal Audit:

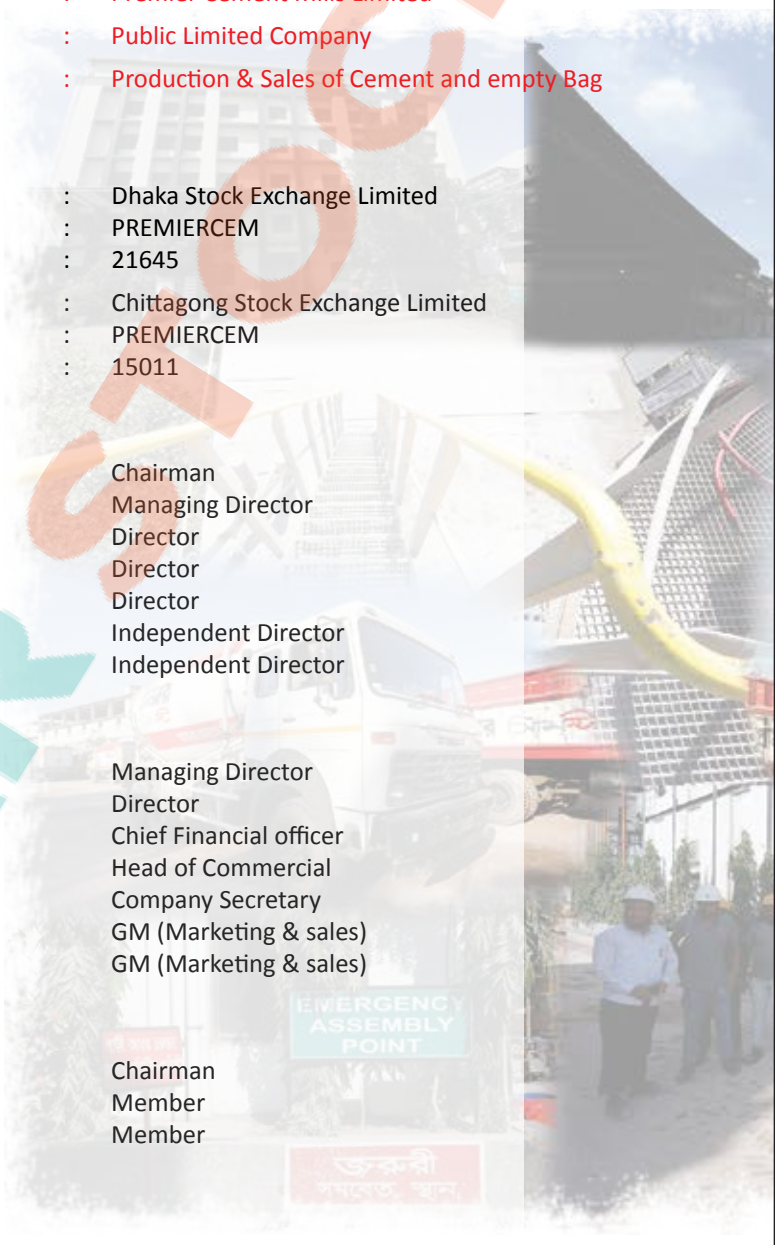
Mr. Md. Masuk Chowdhury

Statutory Auditors:

M/s. Syful Shamsul Alam & Co. (Chartered Accountants)

Governance Compliance Auditor:

A.K. Mazumdar & Associates





Bankers:

1. AB Bank Limited
2. Al-Arafah Islami Bank Limited
3. Bank Asia Limited
4. Brac Bank Limited
5. City Bank Limited
6. Dutch Bangla Bank Limited
7. Eastern Bank Limited
8. HSBC Limited
9. IFIC Bank Limited
10. Islami Bank Bangladesh Limited
11. Jamuna Bank Limited
12. Mercantile Bank Limited
13. Midland Bank Limited
14. Mutual Trust Bank Limited
15. National Bank Limited
16. NCC Bank Limited
17. One Bank Limited
18. Premier Bank Limited
19. Prime Bank Limited
20. Pubali Bank Limited
21. Shahjalal Islami Bank Limited
22. Social Islami Bank Limited
23. Sonali Bank Limited
24. Southeast Bank Limited
25. Standard Bank Limited
26. Standard Chartered Bank Limited
27. State Bank of India
28. Trust Bank Limited
29. United Commercial Bank Limited
30. Uttara Bank Limited

Registered Office:

Premier Cement Mills Limited
Taher Chamber (2nd Floor), 10 Agrabad C/A, Chittagong-4100.
Phone: 031-711611-5
Fax: +880-31-710612-3

Corporate Office:

T K Bhaban (12th floor)
13 Karwan Bazar, Dhaka-1215.
Phone: 02-9144788, 02-9126220
Fax: +880-02-9139797-8

Website:

www.premiercement.com

17 years of Glorious Journey

2001

Incorporation of business as a private limited Company
-14th October

2004

Started production of its 1st unit-14th October
-12th March

2004

Started production of its 1st unit-14th October
-12th March

2006

Achieved "ISO 9001:2000 Quality Management System Certificate"
-10th May

2008

Awarded "Portland Pozzolana Cement Certificate" by BIS
-6th February
First export of cement
-26th April

2010

Converted into public Limited Company
-16th April

2011

Started production of its 2nd unit
-1st January
Achieved ISO 9001:2008 Quality Management System Certificate
-10th February
Submission of IPO application for consent from BSEC
-24th October

2012

Awarded "Ordinary Portland Cement Certificate" by BIS
-27th January
Consent from BSEC for floating shares to public
-2nd October
Beginning of IPO subscription
-17th December
Closing of IPO subscription for Bangladesh residents.
-23rd December

2013

Started production of 3rd and 4th units
-1st January
Closing of IPO subscription for NRB
-1st January
Lottery of IPO applications
-20th January
Listed under Chittagong Stock Exchange Limited
-3rd February
Listed under Dhaka Stock Exchange Limited
-11th February
Inaugural trading in Stock Exchanges
-3rd March
Import of BSW Bag Plant
-18th April

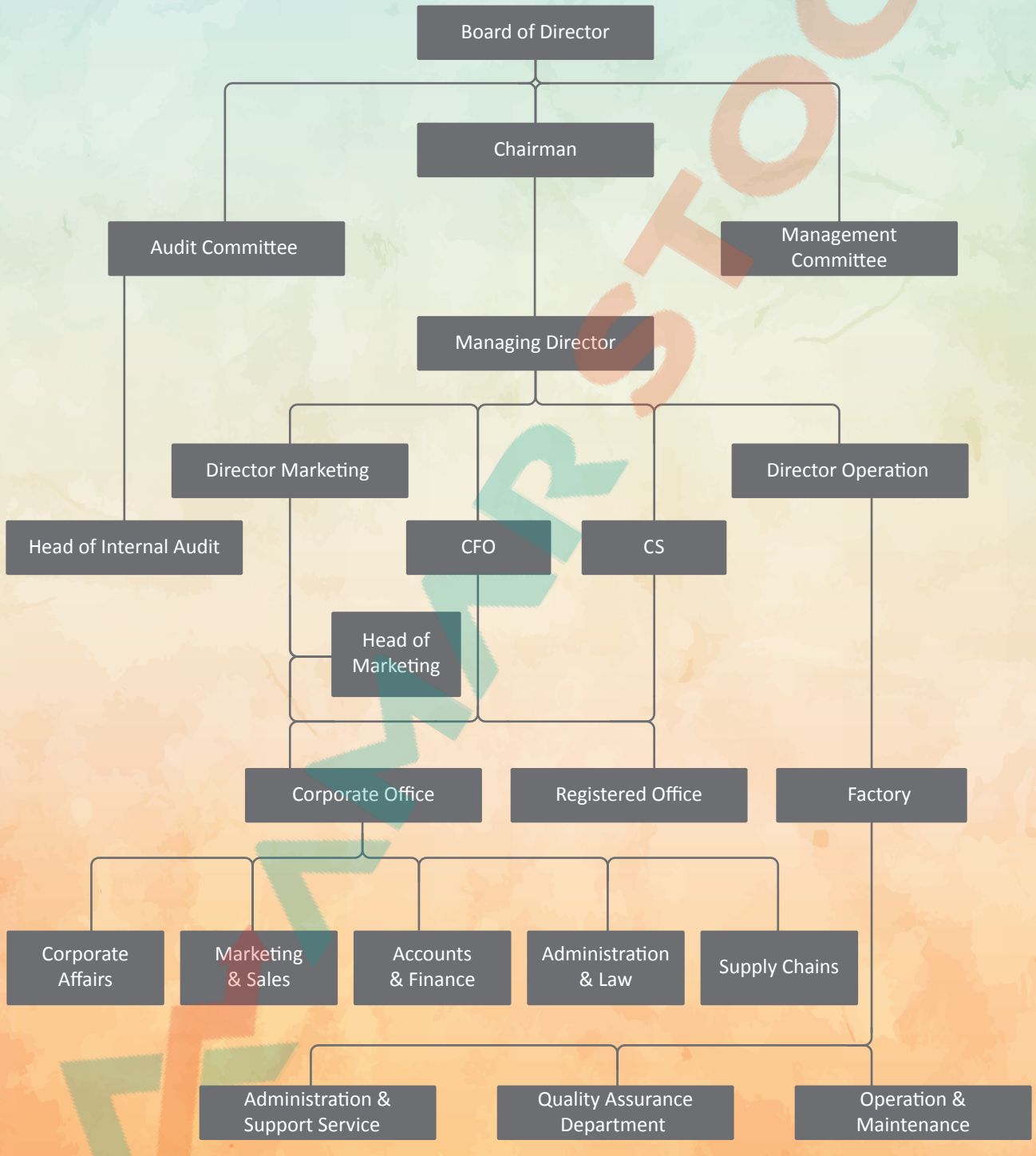
2014

Installation of BSW Bag Plant
-3rd February
Started commercial production of the Bag plant
-14th July
Receipt of US$ 3.5 million as foreign loan from Hong Kong and Shanghai Banking Corporation for the purpose of Bag plant machinery
-15th April
Receipt of US$ 4.5 million as foreign loan from Brac Bank Limited for the purpose of 3rd unit machinery
-24th July
Purchase of a 300MT capacity Motor vessel
-10th December

2017

Signed an agreement with FL Smith for installation of VRM to increase production capacity
-11thApril

Organization & Management Structure



Our Healthiness and Ability

Quality Assurance Facilities:

Quality and strength are the core attributes of our Product. In maintaining product quality we follow zero tolerance rules. There is no scope of relaxation in any issue regarding product quality. Virtually, we produce two types of cement, high quality Portland Cement and Portland Composite Cement. We closely monitor production process and ensure best quality of our products. Our products are certified by BUET, BSTI and ISO 9001:2008 and our fully automated manufacturing facility complies with Bangladeshi BDS EN, American ASTM, European EN and Indian BIS standards. We have following in-house testing facilities:



- ⇒ Fineness of Cement by air permeability apparatus
- ⇒ Normal consistency
- ⇒ Setting time (1ST and FST)
- ⇒ Mortar and flow ability test of cement
- ⇒ Chemical test (major and minor properties of cement)
- ⇒ Soundness test
- ⇒ Autoclave expansion
- ⇒ Chloride test by Spectrometer
- ⇒ Alkalis test by Photometer
- ⇒ Concrete test and mix design by our own concrete lab

Raw material quality:

Quality product depends on quality of raw materials. As a result the issue of obtaining quality raw materials is a major issue for us. We give our best effort to get quality raw materials at minimum cost. We import raw materials from Vietnam, China, Japan, Oman, Thailand and India and others. The raw materials needed in producing cement are clinker, slag, gypsum, fly ash and limestone. We do not compromise with the quality at the time of collection of raw materials.



Powerful production capacity:

We are really proud to have a powerful production capacity. We can claim that Premier Cement is one of the top five cement producers of the country on the basis of production capacity in Bangladesh. With existing capacity, we are now able to produce more than 2.40 million MT cement per annum and the amount also peaked to 2.82 million MT per annum adding the associate's capacity of production. At the very beginning it had started its operation by having capacity of only 2,000 MT per day, but after the setting up of four consecutive production units, the Company now possesses a remarkable production capacity of 9,400 MT per day with its uninterrupted production process. Amongst the four units, the last unit was installed in January 2013. Considering the maximum production capacity, future demand of our cement is fully ensured with these production units in upcoming years.

Production process:

In production process we are trying to achieve maximum production with minimum cost. Premier Cement ensures cost effective production through "Production Process Planning" (PPP). Actually, it identifies our present position and gives direction on our future plan. By planning and adopting such prudent strategies as well as maintaining co-ordination and integration of all the factors of production for optimum efficiency, our human resources are ensuring an environment of uninterrupted production of our products. Furthermore, all our units are operated by two diesel driven generators and one gas based power generation plant with total capacity of 5.34 MW which provides continuous supply of power in order to maintain stability in our whole production process.

Logistics and distribution:

Logistics is the general management of how resources are acquired, stored and transported to the final destination.

There is no scope of avoiding importance of strong and fast logistic support in such a highly logistic dependent industry. Owing to that, our logistics team manages the transportation of raw materials to cement plants, the delivery of cement to Premier's customers and partners in the least time and the fastest way possible. It is a matter of pride that our logistics team is highly conscious to mitigate any gap between placement of order and delivery of products. Premier Cement ensures faster delivery of product and thus it avoids wastage of time and materials. We do have trucks, covered vans, bulk carriers as well as vessels for logistics and distribution support. When demand exceeds the capacity of our own logistics support, we don't hesitate to take logistics support from outsider to ensure smooth business operation. For better comprehension PCML's logistics support including capacity till 30 June 2017 is provided below:

98 Covered Vans - Capacity 10 Metric Tons
94 Covered Vans - Capacity 20 Metric Tons
10 Open Trucks - Capacity 5Metric Tons
29 Open Trucks - Capacity 10 Metric Tons
5 Open Trucks - Capacity 20 Metric Tons
16 Open Trucks - Capacity 30 Metric Tons
34 Bulk Carriers
20 Vessels

Day by day our logistics and distribution are becoming stronger. A significant improvement has been achieved by our Company. Besides that we have most advantageous plant locations, a strong dealers' network and a robust logistic team. As a result we are able to deliver our product at the right time to the right customers.

Excellent marketing team:

As the market is very competitive and it is really hard to occupy more space in the market because of some major market players, our marketing and sales team is working very hard to acquire more market share. They engage themselves with strengthening and nurturing the Company's brand advantage, to maintain its share in an increasingly competitive market. Furthermore, our strong technical support team comprising of expert engineers are always ready to provide post sales services to customers so that customers cannot have any place for dissatisfaction. Our marketing team takes extra care to customers' problems and responds very quickly whenever our customers want. We carry out continuous market surveys so that our marketing team can cope up with the changing market trend and adopt appropriate set of actions to tackle any unfavorable market situation. In addition we arrange various daylong training sessions and hold discussions with our marketing team in order to gain strength in the field of marketing. Our young and energetic sales team takes great care of customer needs and preferences to their best ability as present world business knows that "Customer is the king of business."

Information and technology:

Strong and updated technology is the precondition for surviving in the present competitive business world. Sensing that, we have adopted modern technology in both production and official works. As IT is the lifeblood of our Company, we have successfully ensured the adoption of IT in every sphere of our Company. We hire IT related workforce and train up the existing employees to the farthest possible extent. Our strong IT strives tirelessly for maintaining stable and quick communication across the whole Company. All the functional units of the Company use the Enterprise Resource Planning (ERP) system software which enables integration among the departments with proper management .For real time monitoring of entire operation, both of our office and factory premises are under constant surveillance through close circuit cameras that are administered from the corporate office.





Location and advantage:

Favorable location of factory and strong logistic is badly required for achieving success in such a logistic based industry. Our factory is located at West Muktarpur, Munshiganj and our associate Company is located at Issa Nagar, Karnafully, Chittagong. Our factory site enjoys well communication facilities through both river and road. Well navigable river Shitalakhya meets the river Dhaleswari and in the downstream both the rivers fall at the mighty river Meghna, which is adjacent to the factory. The factory is also connected by Dhaka- Munshigonj highway. The Company has been utilizing these routes for transportation of raw materials and finished products. It helps us to achieve greater cost advantage by means of adequate access to customers, transportation, materials and so on. We have 11 warehouses at different favorable locations like Noapara of Jessore, C & B ghat of Faridpur, Nagarbari of Pabna, Baghabari of Sirajgonj, Ashugonj of B-Baria, Chatok of Sylhet, Badha Ghat of Sylhet, Daudkandi of Comilla, Kaligonj of Gazipur, Demra of Dhaka and Aminbazar of Dhaka etc. which enable us to ensure effective time management and to maximize opportunity while minimizing costs and risks associated with the business.

Bag plant:



Every business entity wishes to expand their business both locally and globally and tries to achieve some unique features which would differentiate them from their rivals. We are following the same rule. We have set up a hi-tech international standard bag plant in our factory premise. The bag plant uses Czech Republic origin technology and German machineries; the plant is capable of producing more than 26 million bags per annum. We started import of BSW bag plant machineries on 18th April 2013 and on 14th July 2014 the plant commenced its commercial production. By reducing backward linkages the plant is not only enabling us to have comparative advantage but also protecting us from any unfavorable price fluctuation. We have extra production capacity and we are able to provide outsourcing facility to other cement producers in our country.



Human resources:

Human Resources are the greatest strength of Premier Cement family. There is no place of ignoring any employee's effort. Everyone is giving his or her best effort for the improvement and stable growth of the Company. Our employees are passionate about what they do and they are innovative too. We believe that our present position has been achieved in exchange of our employees' efforts. To enrich our employee's skill and efficiency, we always try to provide them with training by our internal experts. We believe that to achieve more productivity an excellent environment in the workplace needs to be ensured. Most of our employees have experiences of more than three years in their respective fields. Due to low employee turnover, it has been retaining remarkable numbers of experienced manpower since the Company commenced its business in March 2004. Especially our board of directors have decades of successful experience in the business field.

Chairman's and Directors' Profile



Mr. Mohammad Mustafa Haider

Chairman

Mr. Mohammad Mustafa Haider is a well known industrialist. He is the Sponsor Director as well as the current Chairman of the Board of Directors, a position he held several times in the past also.

Currently, he is associated with the following business concerns:

Chairman:

- Premier Cement Mills Limited
- Roknoor Navigation Limited
- National Cement Mills Limited
- Roknoor Maritime Limited
- Roknoor Lighterage Limited
- Samuda Holdings Limited
- Samuda Terminals Limited
- M R F Fashion Ltd

Managing Director:

- T.K. Shares & Securities Limited
- Premier Power Generation Limited
- Samuda Chemical Complex Limited
- Samuda Power Limited
- Samuda Peroxide Ltd
- Samuda Real Estate Ltd
- Genweb2 Limited

Director:

- Saif Shipbuilding & Engineering (Pvt.) Ltd
- Asia Insurance Limited
- Elahi Noor Tea Co. Ltd
- Hafsa Nazir Industries Complex Ltd
- Premier Assets Ltd
- Super Knitting & Dying Mills Ltd
- Ali Tannery Ltd
- T.K. Shipyard Limited and Modern Power Limited.
- Modern Hatchery Ltd.
- Modern Power Limited

Mr. Haider has completed his Bachelors of Science in Business Studies concentrating in Finance from the University of Southern California, Marshall School of Business, USA in May 2005. After completion of his studies he came back to Bangladesh in July 2005 and has been involved in the sales and marketing of premier Cement Mills Limited, consumer products of T.K. Group of industries, primarily – Pusti Soybean Oil, Pusti Ata Maida and Pusti Full Cream Milk Powder.

Despite having all the above stated major responsibilities, he is successfully performing his duties and responsibilities from the beginning to the present. His excellent leadership quality plays an important role in increasing Premier Cement sales and collection significantly.



Mr. Mohammed Amirul Haque

Managing Director

Mr. Mohammed Amirul Haque is a world class entrepreneur and an elite businessman in Bangladesh. He is the former Director of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the apex trade body of the country. He is the promoter and founder Managing Director of Premier Cement Mills Limited

Mr. Haque has involved himself into and is guiding through various businessman in different sectors.

Presently, Mr. Haque is holding the following portfolios:

Chairman:

- Premier Power Generation Ltd.

Managing Director:

- Premier Cement Mills Ltd.
- National Cement Mills Ltd.
- Seacom Shipping Lines Ltd.
- Seacom Containers Ltd.
- Seacom Corporation Ltd.
- Seacom Shipping Ltd.
- Seacom Logistics Ltd.
- Unichart Navigation Ltd.
- Sea Gold Shipping and trading Ltd.
- Transchart Navigation Ltd.
- Aryan Stevedore Ltd.
- Prime Shrimp Hatchery Ltd.
- Sea Container terminal Ltd.
- Classic Corporation Ltd.
- Regal Poly Packages Ltd.
- River view Properties Ltd.
- Rever view Holdings Ltd.
- Rever view Terminals Ltd.
- Rupsha Tank Terminals & Refinery Ltd.
- Multifeb Weaving Mills Ltd.
- Techno plast Industries Ltd.
- Jan Air Ltd.
- Crescent Cement Mills Ltd.
- Prime Builders Ltd.
- Ancient Properties Ltd.
- Benocean Holding Ltd.
- Roknoor Agrifirm Ltd.
- Sam Development Holding Ltd.
- Gold Creast Holding Ltd.
- Roknoor Navigation Ltd.
- Jalalabad Cement Mills Ltd.
- K.K Properties Ltd.
- Saif Shipbulilding & Engineering (pvt.) Ltd.
- Roknoor Holdings Ltd.
- Samuda Terminals Ltd
- Roknoor Property Developers Ltd.
- Roknnor Properties Ltd.
- Roknoor Assets Ltd.
- Roknoor Landmark Ltd.
- Roknoor Shipbuilder Ltd.
- Roknoor Maritime Ltd
- Roknoor Lighterage Ltd
- Rupsha Edible oil Refinery Ltd.
- Rupsha LPG Ltd.
- Rupsha Petro Refinery Ltd.
- Standard Cement Mills Ltd.
- Roknoor Shipping Service Ltd.
- Roknoor Industrial Complex Ltd

Director:

- Prime Shrimps Hatchery Ltd.

Mr. Haque completed post-graduation in Business and is also a Fellow Member of The Institute of Petroleum, England. He was also selected as 'Commercially Important Person '(CIP) by the Government of the Peoples Republic of Bangladesh for the consecutive years of 2008 and 2009.

Chairman's and Directors' Profile



Md. Jahangir Alam

Director

Mr. Md. Jahangir Alam is one of the renowned industrialists in Bangladesh. He was appointed as a director at Premier Cement on 14th October in 2001. He completed his graduation in Commerce from Government College of Commerce, Chittagong. Mr. Alam embarked several industrial undertakings during his 30 years of business life. He started his magnificent journey in his business career through establishing a business house named Jahangir & Others in 1987 which subsequently incorporated as Jahangir & Others Limited in 2003. Subsequently, he diversified his business portfolio by investing in other different areas such as cement, steel re-rolling and insurance.

Chairman:

- M.I Cement Factory Ltd
- Crown Power Generation Ltd
- Crown Polymer Bagging Ltd
- Crown Transportation & Logistics Ltd
- Crown Mariners Ltd
- GPH Ship Builders Ltd.

Managing Director:

- GPH Ispat Limited
- GPH Power Generation Ltd
- GPH Steels Ltd
- GPH Engineers & Development Ltd
- Jahangir & Others Limited
- Chittagong Capital Limited

Director:

- Premier Cement Mills Limited
- Premier Power Generation Limited
- National Cement Mills Limited
- Crown Cement Concrete and Building Products Ltd.
- Asia Insurance Limited
- Chartered Life Insurance Limited

Mr. Alam is also actively involved with different social and charitable organizations such as

- Founder member of Independent University of Bangladesh (IUB), Chittagong, Bangladesh,
- Vice President of Gulshan North Club Limited,
- Life Member of Chittagong Maa-o-Shishu Hospital,
- Member of Bangladesh German Chamber of Commerce and industry,
- Member of Bangladesh Ex-Cadet Association,
- Life Member of Bangladesh National Society for the Blind,
- Life Member of Bhatiary Golf & Country Club,
- Life Member of Gulshan Society, General Member of FBCCI
- Life member of Dhaka Board Club Limited

Mr. Alam is a man of commitment which he strongly maintains in his day to day business activities.



Mr. Md. Alamgir Kabir

Director

Mr. Md. Alamgir Kabir was appointed to the Board on October 14, 2001 as a Director. He completed his Masters degree in Business Administration. He involved himself in various manufacturing industries especially in cement industry during his 21 years of business life.

Mr. Kabir is a successful business personality and currently holding the following portfolios:

Chairman:

- GPS ispat Ltd

Managing Director:

- M.I Cement Factory Ltd (Additional Managing Director)
- Crown Cement Concrete and Building Products Ltd

Director:

- Premier Cement Mills Limited
- Premier Power Generation Limited
- National Cement Mills Limited
- Crown Power Generation Limited
- GPH Power Generation Limited
- Jahangir & Others Limited
- Chittagong Capital Limited
- Indo Steel Re-rolling Ind. Ltd
- Crown Polymer Bagging Ltd
- Crown Transportation & Logistics Ltd
- Crown Mariners Limited.

Besides success in Business Mr. Kabir has also been providing his Commitment to the Society by attaching himself in social activities like,

- Vice President of Bangladesh Cement manufactures Association
- Member of Army Golf Club
- President of Munshigonj Unnoyon Forum
- Life Member of Bangladesh Red Crescent Society.

Chairman's and Directors' Profile



Mr. Mohammed Ershadul Hoque

Director

Mr. Mohammed Ershadul Hoque was appointed to the Board on November 20, 2004 as a Director. Mr. Hoque is the successor of Late Mohammed Nurul Hoque. He completed his Bachelors and Masters Degree in Computer Science and Telecommunication from University of Texas at Dallas, Texas, U.S.A. in 2004. Since his return to Bangladesh in 2004, he has been directly involved with the day to day factory operation of Premier Cement.

At present he is managing the following companies:

Director:

- Premier Cement Mills Limited
- Premier Power Generation Limited
- National Cement Mills Limited
- Saif Shipbuilding & Engineering (Pvt.) Limited
- N H Exim and Services Limited
- Barnali Corporation Limited
- Roknoor Shipping Services Limited
- Roknoor Agro Farm Limited
- Jalalabad Cement Co. Limited

Mr. Hoque is an active social worker and takes keen interest in different benevolent and philanthropic activities.

AMAR STOCK

Profile of the Independent Directors



Mr. M. Mahfuzur Rahman
Independent Director

Mr. Mahfuzur Rahman is an Independent Director of the company. Mr. Rahman is associated with T. K. Group of Ind. in an advisory capacity .
Prior to his new role at T. k. Group, Mr. Rahman worked for American Express Bank, ANZ Grindlays Bank and Standard Chartered Bank for more than three decades in different capacities. Mr. Rahman was a successful banker and contributed a lot with his dynamic leadership for business growth of the bank in commodity finance, trade finance, project finance, financial risk management ,financial derivatives, syndicated finance, et.al. During his long banking career, he received many accolade. While in Standard Chartered Bank, Mr. Rahman got the group chairman's award for booking a land mark deal within Standard Chartered's global foot print. He was well regarded in bank for his strong commitment to build a sustainable business and in business community for his support to any profitable deal.
Mr. Rahman did his Honors' and Masters in Economics from Chittagong University and also completed LLB from the same University. He is widely travelled person attending seminars, workshop and training. Mr. Rahman is a keen follower of games and sports and loves to play golf.



Mr. Tariq Ahmed
Independent Director

In 1977 Mr. Tariq Ahmed took Masters Degree from the University of Dhaka. After completion of his Masters he joined at Shaw Wallace Bangladesh Limited in its tea plan. Subsequently, he joined as a Management Trainee at Lever Brothers Bangladesh Limited (now it is Unilever Bangladesh Limited) in 1980. After 6 years he was appointed as the Manager, Exports of Lever's International Trading and Marketing department. After one year of that in 1997 he joined as the Head of Food Marketing in the same organization. Mr. Tariq worked as the HR Manager of the same Company for the following two years. He took numerous international trainings at the time of his working with Unilever especially a one year stint at Unilever Foods in UK in 1983. He joined T.K. Group of Industries as the Director, Operations in 1999. He has 34 years long management experience with both international and local businesses. Mr. Tariq has been elected as Independent Director of Premier Cement Mills Limited in place of the Company's former Independent Director, Mr. Mahbubul Alam; who has resigned from the post for his personal reason. The appointment of new Independent Director along with the re-appointment of Directors retired by rotation were both duly confirmed and approved by the shareholders in the 12th Annual General Meeting (AGM) of the Company held on 27th December 2014 at Chittagong Club, SS Khaled Road, Lalkhan Bazar, Chittagong.

Our Veteran Human Resources

Management Team

			
Name	Mohammed Amirul Haque	Mohammed Ershadul Hoque	Md. Shafiqul Islam Talukder
Designation	Managing Director	Director- Operations	Chief Financial Officer
Academic qualification	Post Graduate in Business and a Fellow Member of the Institute of Petroleum, England	Masters Degree in Computer Science and Telecommunication from University of Texas at Dallas, U.S.A in 2004	B.Com (Hons). M.Com (DU), FCMA
Date of joining in the Company	14th October 2001	20th November 2004	1st December 2010
Experience	A visionary world class entrepreneur and an elite businessman who embarked and involved himself into various business such as Trading & Shipping, Agriculture and Fishing, Real Estate etc. for the last three decades	Since his return to Bangladesh in 2004, he was directly involved with the day to day factory operations of Premier Cement	Fellow member of the Institute of Cost and Management Accountants of Bangladesh. More than 35 years experience in various National and Multinational organizations such as Glaxo Bangladesh Ltd., Jamuna Oil Company Ltd., Singer Bangladesh Ltd., Chittagong Stock Exchange Ltd., BASF Bangladesh Ltd., and Banglalion Communication Limited

Our Veteran Human Resources

Management Team

				
Name	Zobaer Alam	Kazi Md. Shafiqur Rahman	S M Mamunur Rashid	Engr. Md. Abdul Ahad
Designation	Head of Commercial	Company Secretary	General Manager-Marketing & Sales	General Manager-Marketing & Sales
Academic qualification	MBA (Management)	B.Com.(Hons), M.Com. CA (Inter)	MBA in Marketing	BSC (Civil) BUET, MIEB-28979
Date of joining in the Company	1st January 2005	16th November 2001	1st November 2001	25th October 2007
Experience	More than 17 years experience in Shipping, Logistics & Commercial.	More than 19 years experience in different manufacturing companies of T.K. Group, SA Group etc. with 14 years experience in Cement Industries. Working with PCML since its inception.	More than 21 years of working experience in indenting, shipping and cement sector.	15 years of experience in construction engineering.

Operation Team

				
Commander (Rtd.) S M Rezaul Karim PSC, SNCC	Chowdhury Quamrul Hasan	Saradhindu Bikash Barua	Mohammed Mahbubur Rahman	Syed Rifat-E-Momin
Chief Co-ordinator	Chief Technical Officer	Head of Production	Head of Quality Control	Head of Bag Plant
MBA	B.Sc. Engineering in Mechanical from BUET	Diploma (Mechanical Engr.)	MSc (Applied Chemistry), B.Sc and MBA	B.Sc. Engineering
1st March 2010	1st June 2016	3rd November 2008	18th December 2008	29th June 2013
More than 33 years experience in Bangladesh Navy and Cement sector.	More than 20 years of working experience in both national and multinational cement sector.	More than 48 years experience in different manufacturing companies with 32 years experience in Cement Industries.	More than 18 years experience in different manufacturing companies with 14 years experience in Cement Industries such as Holcim Bangladesh Limited.	More than 21 years working experience in different cement companies specially in the field of production and bag plant.

Our Advisory Panel



Mr.Fakhrul Islam
Group Advisor

Mr. Fakrul Islam was a member of Bangladesh Civil Service (Administration) cadre. He worked in different administrative positions in different upazilas and districts. He also worked in different ministries and worked two reputed Government organization. Finally he went to retirement as secretary to the Government of Bangladesh.



Mr. Md. Azmal Hquue
Advisor (Technical)

Mr. Azmal Haque was graduated in Civil Engineering from BUET, Dhaka. He obtained post graduate Diploma in housing from the Netherlands. His total working experience is about 41 years out of which in Government service is 34 years. He served under public works department (PWD) in different positions from Assistant Engineer to Additional Chief Engineer. During this long period construction of various types of Govt. Buildings were executed under his supervision. He also served one year on deputation as chief engineer, RAZUK, Dhaka. He is now working as Advisor (technical) of our Company for the last 7 years.



Mr. Aminur Rahman Lasker
Advisor (Technical)

Mr. Md. Aminur Rahman Lasker was graduated from BUET, Dhaka. He joined as Asstt. Engineer in Roads & Highways Department (RHD). He retired as Chief Engineer from RHD. His total working experience in Govt. service is about 34 years. During his Job in Road & Highways Department he was associated with construction of many mega projects, bridges, flyovers etc. Now he is working as Advisor (technical) in our Company for last the 3 years.

MIR STOCK

Message from the Chairman

Dear Distinguished Shareholders,
Dear Employees and Well-wishers of
Premier Cement Mills Limited
AssalamuAlaikumWa-Rahmatullah,

On behalf of the Board of Directors, I would like to welcome you all at the 15th Annual General Meeting of Premier Cement Mills Limited. I would also like to take the opportunity to share and exchange our thoughts and views on the performance of the company in the past year and the potentials and possibilities going forward.

Every year we see new technologies and innovative ideas evolving which enhances the safety and quality of the products. I believe Premier Cement looks for new ways, makes the effort and takes the initiatives to adopt those into business processes and deliver the best products at consumers' door in the shortest time possible. This is what makes Premier Cement a distinguished entityin the Cement industry.

In 2017, despite of the presence very tough competition, our company performed well in terms of growth. The sales volumes of the Company increased by 10.4% to Tk. 10,332.89 million which is the highest in the history of Premier Cement. Now the Company's net worth stands at Tk. 4,292.34 Million, net profit before tax Tk. 662.38 million and EPS stands at Tk.5.17 per share. The credit to this phenomenal achievement goes to our dedicated workers, staffs and officers without whose hard work this would not have been possible.

Bangladesh Economy*

When people talk about the "Asian Tigers," they're typically referring to Hong Kong, Singapore, South Korea and Taiwan. The four countries experienced rapid growth between the 1960s and 1990s. But now there's another country that comes to mind and that is our beloved Bangladesh**.**

The Bangladesh economy has been one of the top performers in Asia over the past decade, averaging annual growth of more than 6%., much like Hong Kong, Singapore, South Korea and Taiwan during the industrialization of our economies.

But Infrastructure/Construction sector in Bangladesh are poor which forms a massive barrier to trade and puts off foreign companies looking to invest and set up operations in the country. According to Bangladesh Bureau of Statistics the sector contributed 7.18 % of GDP in the FY 2016-2017.

Source: The financial express, dated 21 April 2017

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পরিচালনা পর্ষদের পক্ষ থেকে আমি প্রিমিয়ার সিমেন্ট মিল্‌স লিমিটেড এর ১৫তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগতম জানাতে চাই। আমি চাই অতীত দিনগুলোতে কোম্পানীর কর্ম সম্পাদন এবং এগিয়ে যাওয়া প্রচ্ছন্ন বিষয়াবলী ও সম্ভাবনা সমূহে আমাদের চিন্তাভাবনা ও মতামতকে ভাগাভাগি ও বিনিময় করার সুযোগ গ্রহণ করতে।

প্রতি বছর আমরা নতুন প্রযুক্তি ও উদ্ভাবনী ধারনা সমূহকে দেখি যা পণ্যের নিরাপত্তা ও মানবর্ধনকে বিকশিত করে। আমি বিশ্বাস করি প্রিমিয়ার সিমেন্ট নতুন পদ্ধতির সন্ধান করে, প্রচেষ্টা চালায় এবং সেগুলোকে ব্যবসা প্রক্রিয়ায় গ্রহনের উদ্যোগ গ্রহন করে এবং সর্বোত্তম পণ্য সমূহকে কাস্টমারের দরজায় সম্ভাব্য স্বল্পতম সময়ে সরবরাহ করে। এ কারণটিই সিমেন্ট শিল্পে প্রিমিয়ার সিমেন্টকে বিশিষ্ট স্বত্ত্বা হিসেবে প্রতিষ্ঠিত করেছে।

২০১৭ সালে, খুবই কঠিন প্রতিযোগিতায় আমাদের কোম্পানী বৃদ্ধির দিক থেকে ভাল করেছে। কোম্পানীর বিক্রি ভলিউম ১০,৩৩২.৮৯ মিলিয়ন টাকা অর্থাৎ বিগত বছরের তুলনায় প্রবৃদ্ধি ছিল ১০.৪০% , কর প্রদানের পূর্বে নীট লাভ ছিল ৬৬২.৩৮ মিলিয়ন টাকা এবং প্রতি শেয়রে ইপিএস দাড়ায় ৫.১৭ টাকা। এ অসাধারণ অর্জনের কৃতিত্বের দাবীদার হচ্ছেন আমাদের নিয়োজিত কর্মী, কর্মচারী ও কর্মকর্তাবৃন্দ যাদের কঠোর পরিশ্রম ব্যতিরেকে এটি কখনোই সম্ভব হ'ত না।

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যখন লোক 'এশিয়ান টাইগার্স" সম্পর্কে বলে, তারা সাধারনত হংকং, সিংগাপুর, দক্ষিণ কোরিয়া এবং তাইওয়ানের বরাত দেন। চারটি দেশেরই ১৯৬০ এর দশক থেকে ১৯৯০ এর দশকের মধ্যে দ্রুত সমৃদ্ধি অর্জনের অভিজ্ঞতা রয়েছে। কিন্তু এখন অন্য একটি দেশের নাম মনে আসে তার তা হচ্ছে আমাদের প্রিয় বাংলাদেশ।

গত দশক জুড়ে এশিয়ায় বাংলাদেশ অর্থনীতি সর্বোচ্চ নৈপুন্য সম্পাদনকারীদের একটি হয়, যেখানে বার্ষিক প্রবৃদ্ধি শতকরা ৬ ভাগের অধিক, আমাদের অর্থনীতির শিল্পায়নকাল হংকং, সিংগাপুর, দক্ষিণ কোরিয়া এবং তাইওয়ানের চেয়ে অধিক।

কিন্তু বাংলাদেশের দুর্বল ভৌত অবকাঠামো ও নির্মাণ খাত ব্যবসা বাণিজ্য প্রসারে ব্যাপক প্রতিবন্ধকতা সৃষ্টি করে এবং বৈদেশিক কোম্পানীগুলোকে এদেশে বিনিয়োগে নিরুৎসাহিত করে। বাংলাদেশ পরিসংখ্যান ব্যুরো অনুসারে ২০১৬-২০১৭ অর্থ বছরে খাতটি জিডিপি-তে ৭.১৮% অবদান রাখে।

***Drmt w` dvBbwÝqvj G·‡cm, ZwiLt 21 Gwcj 2017|**


Success does not come to those who just keep talking about it rather comes to those who do something on it. Genuine success comes only to those
who are ready for it.

To be continued...

Bangladesh Cement industry

Bangladesh Cement Industry is the 40th largest Market in the world. The current capacity of the industry is 43 million tons. According to the information of various research papers on the Cement industry, nearly 30 million tons cement is being produced at the moment. This implies that the cement manufacturers are using 70 to 75 percent of their total production capacity. However per capital cement consumption remains poor when compared with world average. Currently it stands at only 137 kg while our neighboring countries China, Malaysia and India, have per capital Cement consumption of 1700 kg, 700 kg and 230 kg respectively.

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বিশ্বে ৪০তম বৃহত্তম বাজার হচ্ছে বাংলাদেশ সিমেন্ট শিল্প। শিল্পটির বর্তমান বার্ষিক উৎপাদন ক্ষমতা ৪১ মিলিয়ন টন। সিমেন্ট শিল্পের উপর নানা ধরনের গবেষনামূলক কাগজ-পত্রের তথ্যানুযায়ী প্রায় ৩০ মিলিয়ন টন সিমেন্ট বর্তমানে উৎপাদিত হচ্ছে।অর্থাৎ সিমেন্ট প্রস্তুতকারকগণ তাদের মোট উৎপাদন ক্ষমতার ৭০ থেকে ৭৫ ভাগ ব্যবহার করছেন। তবে যখন বিশ্ব গড় মানের সাথে তুলনা করা হয় তখন দেখা যায় বাংলাদেশে মাথাপিছু সিমেন্ট ব্যবহার খুব কমই রয়ে গেছে। বর্তমানে এর পরিমান মাত্র ১৩৭ কেজি যেখানে প্রতিবেশী দেশ চীন, মালয়েশিয়া এবং ভারতে মাথাপিছু সিমেন্ট ব্যবহার হচ্ছে যথাক্রমে ১৭০০ কেজি, ৭০০ কেজি ও ২৩০ কেজি



Bangladesh cement consumption is expected to increase by 9% per year through to 2021, as the government looks to follow through on promised investment in infrastructure and affordable housing in a country undergoing high population growth and urbanization.

The Bangladesh government is actively seeking to improve national construction through a combination of building new roads and upgrading existing activities. Public-sector infrastructure projects currently account for **35%** of the country's total cement consumption.

Business Performance

The period 2016-2017 was another progressive period for the Company. In this period, our company was able to increase its production compared to the previous year. The production was 1.81

উন্নয়ন খাতে সরকারী ব্যয় বৃদ্ধি, ক্রমবর্ধমান উচ্চ জনসংখ্যা ও শহরায়নের কারণে অবকাঠামোতে প্রতিশ্রুত বিনিয়োগ ও সাশ্রয়ী মূল্যের গৃহায়ণ ব্যবস্থার উপর জোর দেয়ার কারণে ২০২১ সাল পর্যন্ত সিমেন্ট ব্যবহারের প্রবৃদ্ধি ধরা হয়েছে ৯%।

বাংলাদেশ সরকারের বিটুমিনের পরিবর্তে সিমেন্ট কংক্রিটের দ্বারা নতুন রাস্তা নির্মানের নীতিগত সিদ্ধান্ত গ্রহণের ফলে নির্মাণ সামগ্রীর ব্যবহার বৃদ্ধি পাবে বলে আশা করা হয়। সরকারী খাতে অবকাঠামো প্রকল্প সমূহ দেশের মোট সিমেন্ট এর ৩৫% ব্যবহার করছে।

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২০১৬-২০১৭ মেয়াদ ছিল কোম্পানীর জন্য আরেকটি প্রগতিশীল মেয়াদ। এ সময়ে, আমাদের কোম্পানী পূর্ববর্তী বছরের তুলনায় এর উৎপাদন ও বিক্রয় বৃদ্ধিতে সক্ষম হয়। ২০১৬-২০১৭ বছরে উৎপাদনের

Million ton in the period 2016-2017 whereas it was 1.55 Million ton in the previous year. Due to increase in raw material cost in the international market coupled with unfavorable exchange loss, our cost of sale and operation cost increased remarkably. On the other hand price could not be increased due to stiff competition. As a result the Company net profit after tax has been decreased from Tk. 691.11 Million to Tk. 562.01 Million.

Return of the Shareholders

In light of the business performance the board of Directors proposed 20% cash dividend i.e. Tk. 2.00 per ordinary share of tk. 10.00, each of which is being placed in the Annual General Meeting of today for approval of the honorable shareholders.



Conclusion

Finally, On behalf of the Boards, I would like to personally thank and express my heartiest gratitude to our managers as well as the staff functions. Without you, the good performance in this year 2017- in comparison with our competitors- would not have been possible.

I would also like to thank the government bodies, Bangladesh Security & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and others statutory bodies for their support for the various activities of the Company. Again I am also very much thankful to all our valued shareholders, associates, valued customers and our bankers for their kind cooperation and assistance.

Thank you once again for being with premier Cement Mills Limited.

Mohammad Mustafa Haider
Chairman of the Board

পরিমান ছিল ১.৮১ মিলিয়ন টন যা পূর্ববর্তী বছরে ছিল ১.৫৫ মিলিয়ন টন। আন্তর্জাতিক বাজারে কাঁচা মালের মূল্য বৃদ্ধি ও বৈদেশিক মুদ্রার বিনিময় হার বৃদ্ধির কারণে আমাদের উৎপাদন ও অপারেশনাল ব্যয় উলেখযোগ্য হারে বৃদ্ধি পায়। অন্যদিকে কঠিন প্রতিযোগিতার কারণে দর বাড়ানো সম্ভব হয়নি। যার ফলে কর পরিশোধের পর কোম্পানীটির নীট মুনাফা হ্রাস পেয়ে ৬৯১.১১ মিলিয়ন টাকা স্থলে টাকায় ৫৬২.০০ মিলিয়ন দাড়ায় ।

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ব্যবসা সম্পাদনের আলোকে পরিচালনা পর্ষদ ২০% নগদ লভ্যাংশ বন্টেনের প্রস্তাব করেন অর্থাৎ ১০.০০ টাকার প্রতিটি সাধারণ শেয়ার এর বিপরীতে ২.০০ টাকা, যা সম্মানিত শেয়ারহোল্ডারগণের অনুমোদনের জন্য অদ্যকার সাধারন সভায় উপস্থাপিত হল।

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সর্বশেষে, পর্ষদের পক্ষে আমি আমাদের ব্যবস্থাপকগণ সহ কর্মচারী, কর্মকতাগণকে ব্যক্তিগতভাবে ধন্যবাদ ও আন্তরিক কৃতজ্ঞতা জানাতে চাই। কারণ আপনাদের সহযোগিতা ছাড়া ২০১৬-২০১৭ অর্থ বছরে আমাদের প্রতিদ্বন্দ্বীদের তুলনায় ভাল কর্ম/ব্যবসা সম্পাদন কখনোই সম্ভব হতো না।

আমি আরও ধন্যবাদ জানাতে চাই সরকারী সংস্থা সমূহ, বাংলাদেশ সিকিউরিটি অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসই) এবং অন্যান্য সংবিধিবদ্ধ সংস্থা সমূহকে যারা কোম্পানীটিকে বিভিন্নভাবে তাদের সহায়তা প্রদান করেন। আমাদের সম্মানীত শেয়ারহোল্ডার, সহযোগী, গ্রাহক ও আমাদের ব্যাংকারদের প্রতি তাদের সদয় সহযোগীতা ও সহায়তা প্রদানের জন্য আবারো কৃতজ্ঞতা জ্ঞাপন করছি।

প্রিমিয়ার সিমেন্ট মিল্স লিমিটেড এর সাথে থাকায় আরো একবার আপনাদের সকলকে ধন্যবাদ জ্ঞাপন করছি।

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চেয়ারম্যান



Report of the Board of Directors

In the name of Allah, the Most Gracious, the Most Merciful

Dear shareholders,

AssalamuAlaikumWa-Rahmatullah

On behalf of the Board of Directors and Management, we welcome you all at the 15th Annual General Meeting (AGM) of Premier Cement Mills Limited. In compliance with the provisions of section 184-186 of the Companies Act 1994 and notification No. SEC/CMMRRCD/2006-158/134/Admin/44 dated 07 August 2012 of the Bangladesh Securities and Exchange Commission (BSEC), we are delighted to place the Directors' Report and Auditor's Report together herewith the Audited Financial Statements of the Company for the year ended June 30, 2017 thereon for your valued consideration, approval and adoption.

Bangladesh Economy :

In the past decade, the economy has grown at nearly 6 percent per year, and human development went hand-in-hand with economic growth. The growth performance persisted because of sharp domestic demand boosted by higher worker remittances, private sector wages and public investment. In the last fiscal year 2016-2017, the country's GDP increased by 7.24%. The growth rate for FY 2018 can be expected to be around 7.5 percent to 7.70 percent, subject to continuation of stable business and political environment. The country has already been able to achieve the lower middle income status and the per capita income reached to $1,602 in FY 2017 compared to $ 1,466 and $ 1,314 in FY 2016 and 2015 respectively. Overall,

বিসমিলাহির রাহমানির রাহিম

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আসসালামু আলাইকুম ওয়া রাহমাতুলাহ,

পরিচালনা পর্ষদ ও ব্যবস্থাপনার পক্ষ থেকে, আমরা প্রিমিয়ার সিমেন্ট মিলস্ লিমিটেড এর ১৫তম বার্ষিক সাধারন সভায় (এজিএম) আপনাদের সকলকে স্বাগতম জানাচ্ছি। কোম্পানী আইন ১৯৯৪ এর ধারা ১৮৪-১৮৬ এর প্রবিধির এবং বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) এর ০৭ আগস্ট ২০১২ তারিখের প্রজ্ঞাপন পরিপালনে ৩০ জুন ২০১৭ তারিখে সমাপ্ত বছরের কোম্পানীর নিরীক্ষিত আর্থিক বিবরণীর সাথে একত্রে পরিচালকবৃন্দের প্রতিবেদন এবং নিরীক্ষকের প্রতিবেদন আপনাদের মূল্যবান বিবেচনা, অনুমোদন ও পরিগ্রহণের জন্য উপস্থাপন করতে পেরে আমরা উৎফুল।

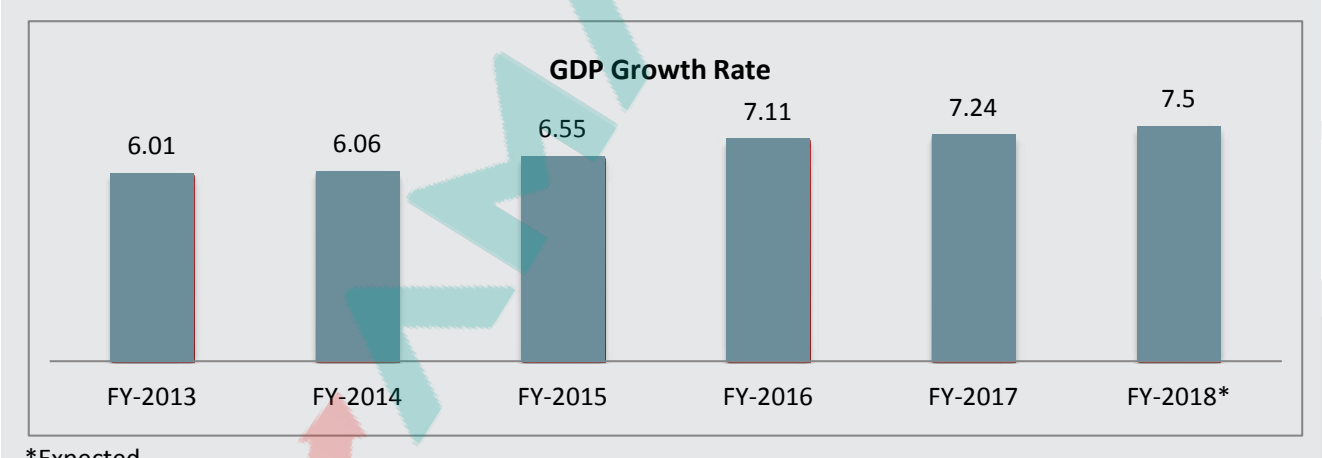
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গত দশকে অর্থনীতি বছর প্রতি বৃদ্ধি পেয়েছে প্রায় শতকরা ৬ ভাগ, আর মানব উন্নয়ন অর্থনৈতিক উন্নয়নের সাথে সমানভাবে সংঘটিত হয়। প্রবৃদ্ধি বজায় থাকার কারণ হচ্ছে উচ্চতর কর্মী রেমিট্যান্স, বেসরকারী খাতের মজুরী ও সরকারী বিনিয়োগ দ্বারা অভ্যন্তরীন চাহিদা বেড়ে গিয়েছিল। গত অর্থ বছর ২০১৬-২০১৭-তে দেশের জিডিপি ৭.২৪% ভাগ বৃদ্ধি পায়। স্থির ব্যবসা ও রাজনৈতিক পরিবেশ এর ধারাবাহিকতা সাপেক্ষে ২০১৮ অর্থবছরের জন্য প্রবৃদ্ধির হার প্রত্যাশা করা যেতে পারে প্রায় ৭.৫ থেকে ৭.৭০ ভাগ। দেশটি ইতিমধ্যে নিম্ন মধ্যম আয়ের মর্যাদা অর্জন করতে সক্ষম হয়েছে এবং অর্থবছর ২০১৭-তে মাথাপিছু আয় পৌঁছেছে ১,৬০২ ডলার যা ২০১৬ ও ২০১৫ সালে ছিল যথাক্রমে ১,৪৬৬ ডলার এভং ১,৩১৪ ডলার। সর্বোপরি, এধরনের একটি উচ্চ প্রবৃদ্ধি হারের সাথে বাংলাদেশ এখন দক্ষিণ এশিয়ায় দ্বিতীয়

> It is a very promising sign that the Cement industry of Bangladesh has become one of the leading players in the world exporting market.

with such a high growth rate, now Bangladesh is the second fastest growing nation in South Asia, only behind India according to World Bank-WB Statistics. Our foreign Currency reserve also remarkably increased and set the record to an amount of more than $ 30 billion at the end of this reporting period.

দ্রুততম প্রবৃদ্ধি অর্জনকারী দেশ,বিশ্ব ব্যাংক পরিসংখ্যান মতে শুধুমাত্র ভারতের পিছনে। আমাদের বৈদেশিক মুদ্রার রিজার্ভ উলেখজনকভাবে বৃদ্ধি পেয়েছে এবং এই রিপোর্টিং মেয়াদ শেষে ৩০ বিলিয়ন ডলারের চেয়ে বেশি পরিমানে রেকর্ড সেট করেছে।



*Expected

Industry Overview :

Cement industry is one of the fastest growing industries in Bangladesh with nine years of CAGR, 10.3% of which is mainly driven by basic infrastructures, housing and industrial establishment. Bangladesh has a high need for basic infrastructure, housing and services and therefore a robust growth in the demand for cement is expected. The industry is operating with effective capacity of 41 million MT out of 43.00 million MT

ïkí ïelqK msï¶ß ïeeiY :

সিমেন্ট শিল্প হচ্ছে সিএজিআর এর নয় বছরের সাথে বাংলাদেশে সবচেয়ে দ্রুত বর্ধনশীল শিল্প, যার ১০.৩% মূলত পরিচালিত হয় মৌলিক অবকাঠামো, গৃহায়ন এবং শিল্প স্থাপনা দ্বারা। বাংলাদেশের রয়েছে মৌলিক অবকাঠামো, গৃহায়ন ও সেবা সমূহের জন্য একটি উচ্চ প্রয়োজনীয়তা এবং অতএব সিমেন্ট এর চাহিদায় একটি শক্তিশালী বৃদ্ধি প্রত্যাশিত। শিল্পটি পরিচালনা করছে তাত্ত্বিক সক্ষমতার



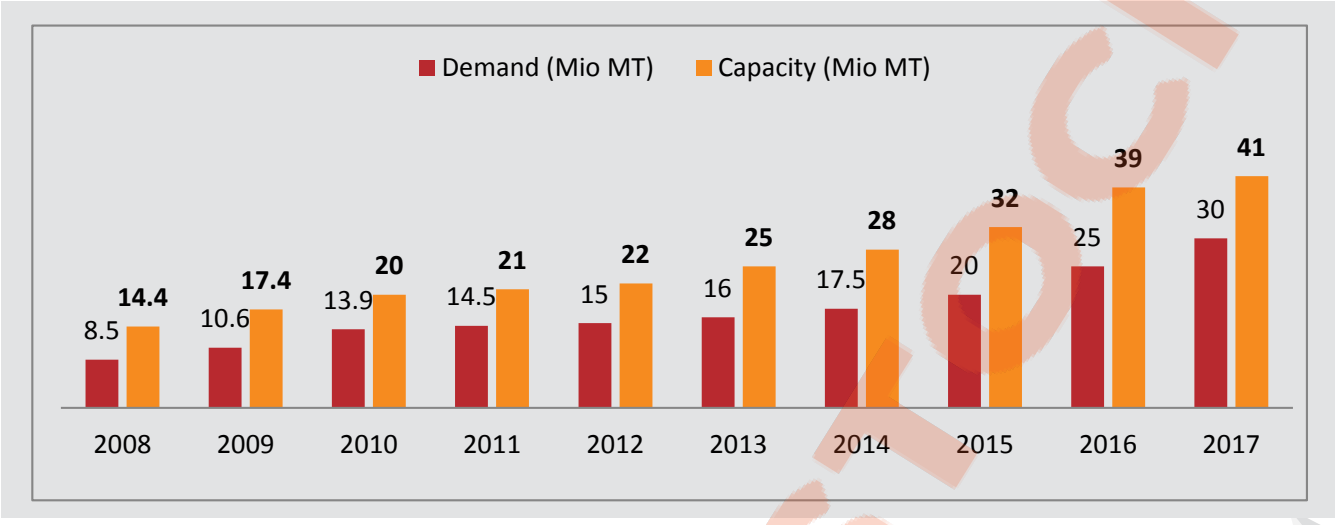
theoretical capacities, whereas the demand was 30 million MT for the financial year 2016-2017. Thus, the industry is operating with excess capacity of 26%. The industry saw around 20% volume growth in 2017. As a result, the excess capacity in the industry has actually decreased from last year's 40% levels. The pressure on cement prices has eased somewhat in this year with this volume boost. Cement manufacturers have also been benefited by falling clinker prices which have led to margin expansion. Though the price of clinker increased abit from April 2017, industry volume growth is expected to improve by dint of some government mega projects which would further appease the price competition in the cement industry.

It is a very promising sign that the Cement industry of Bangladesh has become one of the leading players in the world exporting market. But the birth of the cement industry in Bangladesh dates back to 1994. The local demand was huge as the consumer's substituted imported cement with local products. Till now, several cement producers have exported their products to the seven sister's zone & West Bengal of India, with a good potential to further accelerate the export volume. The industry growth gets extra force as Bangladesh government has taken various infrastructural mega projects and rising homebuilding in rural areas and suburbs have provided scope for construction ingredient makers to make up for the void in demand created by the slowdown in the real estate sector.

৪৩ মিলিয়ন এমটি এর ক্ষেত্রে ৪১ মিলিয়ন এমটি'র কার্যকরী ক্ষমতা, অথচ ২০১৬-২০১৭ অর্থবছরের জন্য চাহিদা ছিল ৩০ মিলিয়ন এমটি। এভাবে, শিল্পটি অতিরিক্ত ২৬% সক্ষমতায় পরিচালনা করছে। ২০১৭ সালের মধ্যে শিল্পটি প্রায় ২০% বৃদ্ধি পেয়েছে। ফলতঃ শিল্পটিতে অতিরিক্ত সক্ষমতা গত বছরের ৪০% মাত্রা প্রকৃতপক্ষে ইতোমধ্যে হ্রাস পেয়েছে। এ বছরে পরিমাপ সহায়তায় সিমেন্ট দরে চাপ কিছুটা কমেছে। সিমেন্ট প্রস্তুতকারকগন ক্লিংকারের দর কমলে উপকৃত হয় যা মার্জিন সম্প্রসারণের দিকে পরিচালিত করে। যদিও এপ্রিল ২০১৭ থেকে ক্লিংকারের দর কিছুটা বেড়েছে, সরকারে কিছু বৃহদ প্রকল্পের কল্যাণে শিল্পের পরিমাণ বৃদ্ধি প্রত্যাশিত যা সিমেন্ট শিল্পে দর প্রতিযোগিতাকে আরও প্রশমিত করবে।

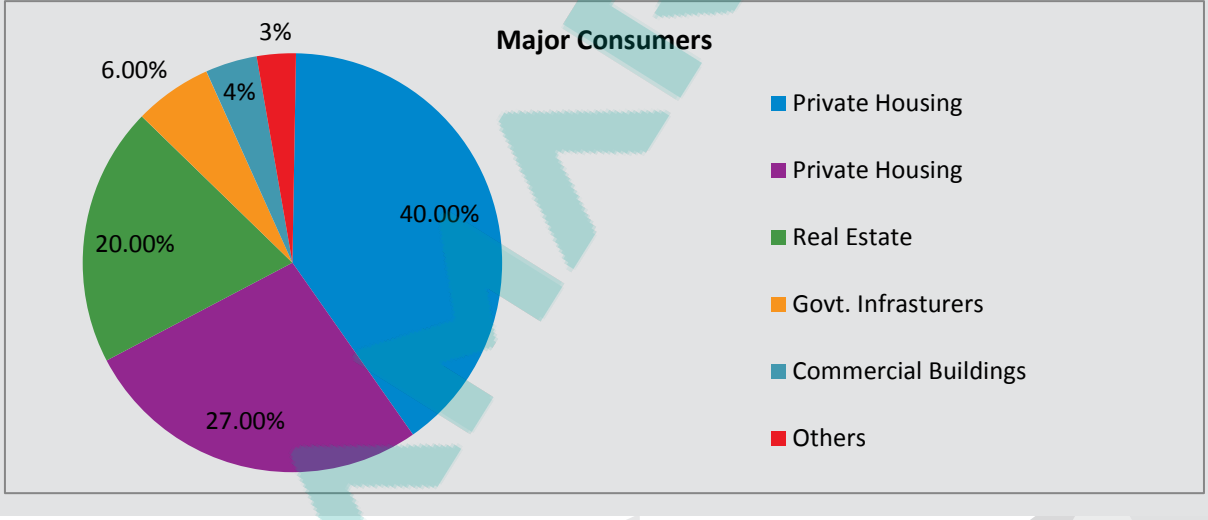
এটি একটি শুভ লক্ষণ যে, বাংলাদেশের সিমেন্ট শিল্প বিশ্ব রপ্তানী বাজারে নেতৃস্থানীয় খেলোয়াড়দের একজনে পরিণত হয়েছে। কিন্তু বাংলাদেশে সিমেন্ট শিল্পের জন্ম ১৯৯৪ সাল থেকে। স্থানীয় চাহিদা প্রচুর ছিল, গ্রাহকগন বিকল্প সিমেন্ট আমদানী করতেন স্থানীয় পন্যের সাথে। এখন পর্যন্ত, কতিপয় সিমেন্ট প্রস্তুতকারক তাদের পন্য ভারতের সেভেন সিস্টার্স জোনে ও পশ্চিম বঙ্গে ভাল সম্ভাব্যতায় রপ্তানী করেছেন। শিল্প প্রবৃদ্ধি অতিরিক্ত শক্তি প্রাপ্ত হয় যেহেতু বাংলাদেশ সরকার বিভিন্ন ধরনের অবকাঠামোগত বৃহদ প্রকল্প সমূহ গ্রহণ করেছে এবং গ্রামীণ এলাকায় বাড়িঘর উঠাচ্ছেন এবং রিয়্যাল এস্টেট খাতে মন্দা দ্বারা সৃষ্ট চাহিদা পূরণে শহরতলীতে নির্মাণ উপাদান প্রস্তুতকারকদের জন্য সুযোগ প্রদান করছেন।

Industry Demand Vs Capacity :



Currently, the demand for cement stands at 30 million MT against production capacity of 41 million MT. Industry average capacity utilization stands at 73.17%, although some major players are operating at 100% capacity.

বর্তমানে, ৪১ মিলিয়ন এমটি উৎপাদন সক্ষমতার বিপরীতে সিমেন্টের চাহিদা দাড়িয়েছে ৩০ মিলিয়ন এমটি। শিল্প গড় ক্ষমতা ব্যবহার দাড়িয়েছে ৭৩.১৭%, যদিও কিছু প্রধান প্রতিষ্ঠান ১০০% সক্ষমতায় পরিচালিত হচ্ছে।

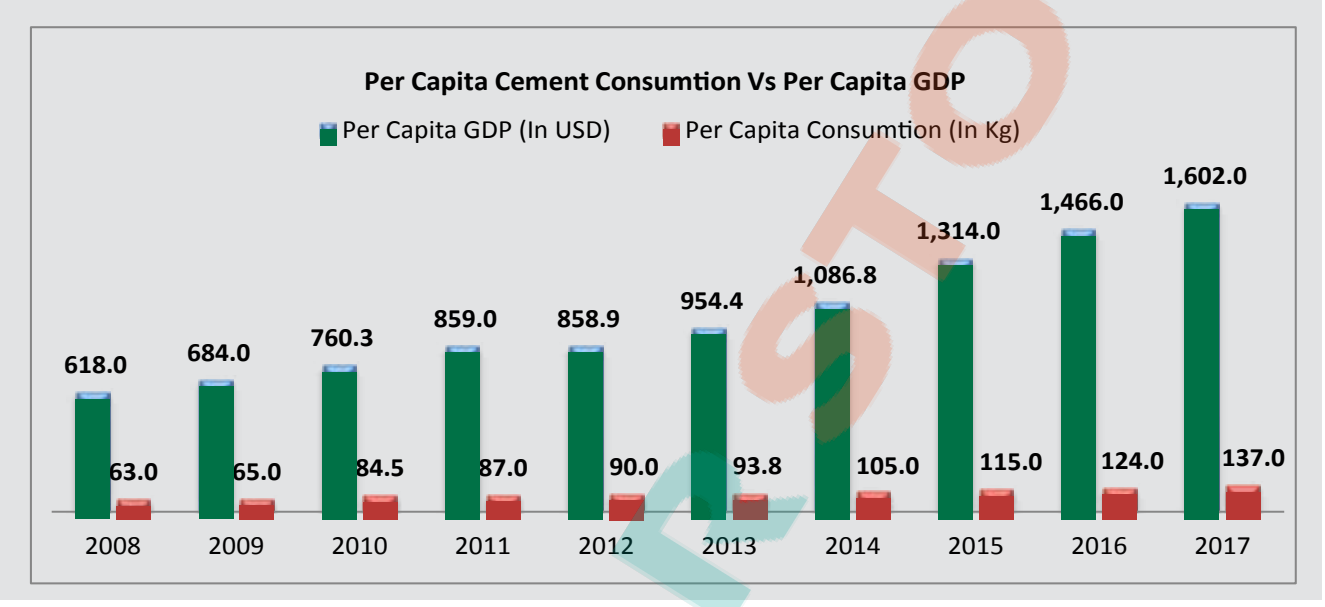


Government spending on infrastructural development plays a driving role in construction activities. Remittance inflows and increased farm income have also fuelled demand for construction materials, including cement, in rural and sub-urban areas. Currently the government is implementing various mega projects, including flyovers and bridges which have sustained the demand for cement, steel and other ingredients. We have seen strong growth in the demand for construction materials in rural and sub-urban areas. Bangladesh annually consumes more than three crore tons of cement against the production capacity of four crore tones according to Bangladesh Cement Manufacturer Association (BCMA). Affluence is a factor behind

সরকার অবকাঠামোগত উন্নয়নে খরচ করে নির্মাণ কার্যাবলীতে চালকের ভূমিকায় রয়েছে। রেমিট্যান্স অন্তর্মুখী প্রবাহ এবং বর্ধিত ফার্ম আয় গ্রাম ও উপ-শহর এলাকায় সিমেন্ট সহ নির্মাণ দ্রব্যাদির জন্য চাহিদাকে উজ্জীবিত করে। বর্তমানে সরকার ফ্লাইওভার এবং সেতুসহ বিভিন্ন ধরনের বৃহদাকার প্রকল্প সমূহ বাস্তবায়ন করছে যেগুলো সিমেন্ট, স্টীল এবং অন্যান্য উপকরনের চাহিদা বিদ্যমান রাখে। আমরা গ্রাম ও উপ-শহর এলাকায় নির্মাণ দ্রব্যাদির চাহিদার বলিষ্ঠ বৃদ্ধি দেখেছি। বাংলাদেশ সিমেন্ট প্রস্তুতকারক এসোসিয়েশন (বিসিএমএ) অনুসারে বাংলাদেশ বছরে চার কোটি টন উৎপাদন ক্ষমতার বিপরীতে তিন কোটি টনের অধিক সিমেন্ট ব্যবহার করে। গ্রাম্য এলাকায় কঙ্কীট বাড়ি সমূহ নির্মাণ বৃদ্ধির পিছনে

the rise in construction of concrete homes in rural areas. There has also been a good deal of construction activities such as building markets in upazilas and growth centers. The demand for cement is high in export processing zones as well. So it is easily realized and expected that in the upcoming days the demand for cement will go up along with the infrastructural development of Bangladesh.

উপাদান হচ্ছে সমৃদ্ধি। উপজেলা সমূহে মার্কেট ও গ্রোথ সেন্টার নির্মাণ ইত্যাদি কার্যাবলীর একটি ভাল বাস্তবায়ন এগিয়ে যাচ্ছে। একইভাবে রপ্তানী প্রক্রিয়াকরণ জোনগুলোতেও সিমেন্টের চাহিদা ব্যাপক। সুতরাং ইহা সহজে অনুধাবিত ও প্রত্যাশিত যে, আসন্ন দিনগুলোতে বাংলাদেশের অবকাঠামোগত উন্নয়নের সাথে সিমেন্টের চাহিদা বৃদ্ধি পাবে।



In a recent research conducted by International Cement review, per capita cement consumption in Bangladesh had doubled within the decade between 2008 and 2017, from 63 kg to 137 kg.

ইন্টারন্যাশনাল সিমেন্ট কর্তৃক পরিচালিত সাম্প্রতিক একটি গবেষনা পর্যালোচনায় দেখা যায় ২০০৮ এবং ২০১৭ এর দশকের মধ্যে বাংলাদেশে মাথাপিছু সিমেন্ট ব্যবহার দ্বিগুন হয়ে গেছে অর্থাৎ ৬৩ কেজি থেকে বৃদ্ধি পেয়ে ১৩৭ কেজি হয়েছে।

Future of Cement Industry in Bangladesh :

Considering the ''Life cycle of the industry'' currently cement industry of Bangladesh is in the growth stage. Sales of cement are increasing due to growing demand for cement in both the local and foreign markets. The expected demand growth in the industry is 20%-25% for the next three years based on the assumptions below.

- In terms of purchasing parity, we have become the 34th largest economy in the world. Currently Bangladesh is the 40th largest Cement Manufacturer in the world.
- Our economy has increased 174 times & per capita income increased 82 times whereas population has increased 2 times from 1972
- Strong growth in demand of Cement is forecasted and the market continues to be dominated by local players
- Industry insider expects demand growth of above 20% for the next few years

evsjv‡`‡k wm‡gvU wk‡íi fvel¨r :

"শিল্পটির জীবন চক্র" বিবেচনায় বর্তমানে বাংলাদেশের সিমেন্ট শিল্প বৃদ্ধি পর্যায়ে রয়েছে। স্থানীয় ও বৈদেশিক উভয় বাজারে সিমেন্টের চাহিদা বৃদ্ধির কারণে সিমেন্টের বিক্রয় বৃদ্ধি পাচ্ছে। নিম্নোক্ত ধারনা সমূহের ভিত্তিতে পরবর্তী তিন বছর শিল্পে প্রত্যাশিত চাহিদা বৃদ্ধি হবে ২০%-২৫%।

- সমতা আনয়নের শর্তে, আমরা হয়েছি বিশ্বে ৩৪তম বৃহত্তম অর্থনীতি। বর্তমানে বাংলাদেশ হচ্ছে বিশ্বে ৪০তম বৃহত্তম সিমেন্ট প্রস্তুতকারক।
- ১৯৭২ সাল থেকে আমাদের অর্থনীতি বেড়েছে ১৭৪ গুন আর মাথাপিছু আয় বেড়েছে ৮২ গুন যেখানে জনসংখ্যা বৃদ্ধি পেয়েছে ২ গুন।
- সিমেন্টের চাহিদায় সুদৃঢ় বৃদ্ধি পূর্বাভাস দেওয়া হয় এবং স্থানীয় প্রতিষ্ঠান সমূহ কর্তৃক মার্কেট আধিপত্য অব্যাহত রাখবে।
- শিল্পের অভ্যন্তরের ব্যক্তিবর্গ পরবর্তী কয়েক বছরের মধ্যে ২০% এর উপর চাহিদা বৃদ্ধি প্রত্যাশা করেন।
- ভারত ও থাইল্যান্ডের মত রোলার কম্প্যাক্টেড কঙ্ক্রিট রোড এর নির্মাণ আরো চাহিদা বৃদ্ধিতে সাহায্য করবে।

- Construction of roller compacted concrete roads like India & Thailand would help boost demand growth further.
- Our per Capita income is now 1602 USD which was 500 USD a couple of years back.
- We are now in the lower-middle income group and by 2021 our per capita income will exceed 2,000 USD.
- When economy moves positively, the country also does well
- Bangladesh is among the top five "most optimistic markets" in the Asia Pacific region

- আমাদের মাথাপিছু আয় বর্তমানে ১৬০২ ইউএসডি যা কয়েক বছর পূর্বে ৫০০ ইউএসডি ছিল।
- আমরা বর্তমানে নিম্ন-মধ্যম আয়ের শ্রেণীভুক্ত এবং ২০২১ সালের মধ্যে আমাদের মাথাপিছু আয় ২,০০০ ইউএসডি ছাড়িয়ে যাবে।
- অর্থনীতি যখন ইতিবাচকভাবে সচল থাকে, দেশও তখন ভাল করে।
- এশিয়া প্যাসিফিক অঞ্চলে উপরের দিকের পাঁচটি দেশের মধ্যে বাংলাদেশ হচ্ছে "সবচেয়ে আশাবাদী বাজার"।





Future Plan:

Considering growing demand of the industry in recent years, the Company has taken massive expansion decision. Owing to this expansion we would be able to increase our production capacity to more than double compare to our existing capacity. Notably after the said expansion of the project, standalone production capacity will be 460 MT/Hour despite having existing capacity of 400 MT/Hour. This extensive expansion of capacity will assist us to reduce cost of production by ensuring better quality of products. The installation of Vertical Roller Mill (VRM) mechanism which is included as a part of expansion project would not be injurious to our environment because of being environment friendly and it would assist to maintain ecological balance as well. Moreover, its' aim is to run production process by saving greater power. The estimated cost of the said expansion project will be Tk. 4,880 million.We have already signed an agreement with FL Smidth A/S, Denmark, in order to increase our production capacity by installing Vertical Roller Mill. Beside local experts we have hired external experts as well in order to ensure skillful and efficient completion of the project. The expansion work is scheduled to be completed within 2018. We believe that the Company will be able to reap

fwel¨r cwiKíbv :

সাম্প্রতিক বছরগুলোতে শিল্পের বর্ধমান চাহিদা বিবেচনায় কোম্পানী ব্যাপক সম্প্রসারণ সিদ্ধান্ত গ্রহণ করেছে। এ সম্প্রসারণের ফলে আমরা আমাদের বিদ্যমান উৎপাদন ক্ষমতার দ্বিগুনেরও বেশী বাড়াতে সক্ষম হব। লক্ষণীয়, বিদ্যমান সক্ষমতা ৪০০ এমটি/ঘন্টা থাকা স্বত্ত্বেও প্রকল্পের উক্ত সম্প্রসারণের পর একক উৎপাদন সক্ষমতা হবে ৪৬০ এমটি/ঘন্টা। সক্ষমতার এই ব্যাপক বিস্তার পন্যের আরো ভাল মান নিশ্চিত করার মাধ্যমে আমাদেরকে উৎপাদন খরচ কমাতে সহায়তা করবে। সম্প্রসারণ প্রকল্পের অংশ হিসেবে অন্তর্ভুক্ত ভার্টিক্যাল রোলার মিল (ভিআরএম) এর স্থাপন পদ্ধতি আমাদের পরিবেশের জন্য ক্ষতিকারক হবেনা কারণ ইহা পরিবেশ বান্ধব এবং ইহা পরিবেশ সংক্রান্ত ভারসাম্য বজায় রাখতেও সহায়তা করে। অধিকন্তু, বৃহত্তর শক্তি সংরক্ষণের মাধ্যমে উৎপাদন প্রক্রিয়া পরিচালনা করাই হচ্ছে ইহার লক্ষ্য। উক্ত সম্প্রসারণ প্রকল্পের জন্য প্রাক্কলিত ব্যয় হবে টাকাঃ ৪,৮৮০ মিলিয়ন। ভার্টিক্যাল রোলার মিল স্থাপনের মাধ্যমে উৎপাদন ক্ষমতা বাড়ানোর লক্ষ্যে আমরা ইতোমধ্যে এফএলস্মিডথ্ এ/এস, ডেনমার্ক এর সাথে একটি চুক্তি স্বাক্ষর করেছি। প্রকল্পটির নিপুন ও কার্যকর সমাপ্তি নিশ্চিত করার লক্ষ্যে স্থানীয় এক্সপার্টদের পাশাপাশি বাহিরের এক্সপার্টও ভাড়া করা হয়েছে। সম্প্রসারণ কাজটি ২০১৮ সালের মধ্যে সম্পন্ন করা হবে। আমরা বিশ্বাস করি যে, সম্প্রসারণ কাজটি সম্পন্ন হবার অব্যবহিত পরই কোম্পানী অনেক সুবিধা আহরণ করতে সক্ষম হবে। একটি নিবিড় সম্প্রসারণ প্রকল্প হওয়ায়,

numerous benefits immediately after completion of the expansion work. Being an extensive expansion project, it demands huge investment and we deserve unanimous consent and co-operation of all shareholders regarding this issue.

ইহাতে প্রচুর বিনিয়োগ চাহিদা থাকে আর এ বিষয়ে আমরা সকল শেয়ারহোল্ডারগনের কাছ থেকে সর্বসম্মত সম্মতি ও সহযোগিতা আশা করি।

Segment wise standalone Performance :

We believe Premier Cement Mills limited could have achieved greater sales revenue growth in these years. In spite of many obstacles in this year, we have achieved a positive outcome in terms of sales volume from standalone point of view and our strong financials indicate more well-off position in our current business operation. Comparative standalone sales performance and the separate figures of our proceeds can be found in the following table:

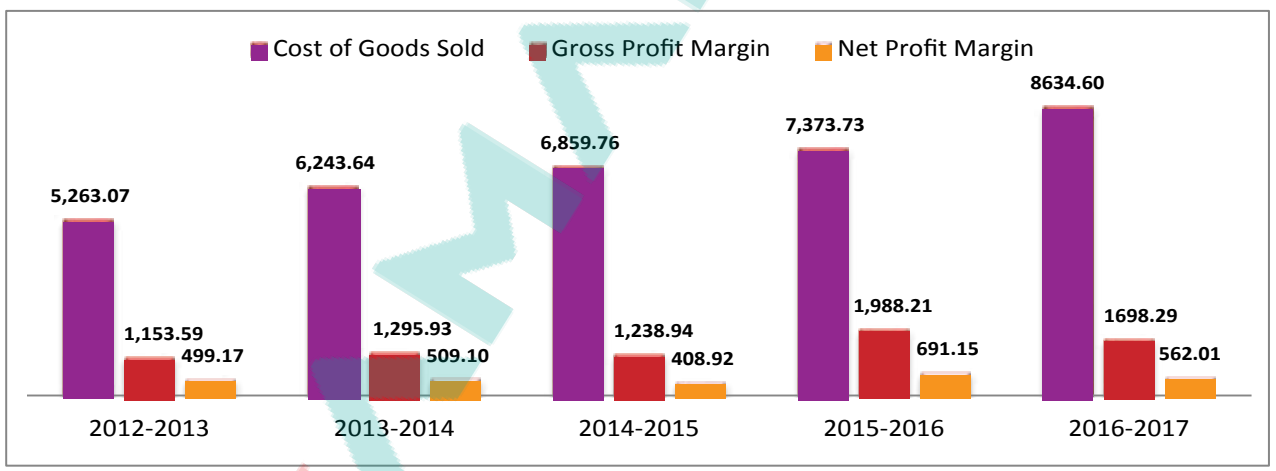
‡Kv¤úvbxi ¯Zš Kg m¤úv`b :

আমরা বিশ্বাস করি যে, প্রিমিয়ার সিমেন্ট মিলস লিমিটেড এ বছরগুলোতে বৃহত্তর বিক্রি রাজস্ব বৃদ্ধি অর্জন করতে পারত। এ বছর বিভিন্ন ধরনের প্রতিবন্ধকতা স্বত্ত্বেও, আমরা বিক্রির পরিমানের দিক থেকে একটি ইতিবাচক ফলাফল অর্জন করেছি এবং আমাদের সুদৃড় আর্থিক অবস্থা বর্তমান ব্যবসা পরিচালনায় সফলতা প্রমাণ করে। তুলনামূলক স্বতন্ত্র বিক্রি কর্ম সম্পাদন এবং আমাদের প্রক্রিয়ার আলাদা হিসাব নিম্নের টেবিলে পাওয়া যাবেঃ

Year	Domestic sales (MT)	Export Sales (MT)	Amount (Taka)	Growth %
2012-2013	917,534	21,596	6,037,165,868	44%
2013-2014	967,911	16,500	6,819,174,802	13%
2014-2015	1,063,548	42,015	7,133,420,289	5%
2015-2016	1,351,937	38,290	8,369,413,682	17%
2016-2017	1,583,149	49,428	9,265,687,526	10%

Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:

wewµZ cY¨ gj¨, †gvU gbvdv I bxU gbvdv m¤úwKZ Av‡jvPbv :



In FY 2016-17 COGS is 83.6% of revenue whereas it was 78.8% of last year's revenue. As a result the Gross Profit Margin decreased to 16.4% compared to last year 21.20%. The Gross profit stood at Tk. 1,698.29 million compared to Tk. 1,988.21 in 2015-2016. Due to the increase in the operational cost in 2016-17, Net Profit Margins has also decreased by 18.68% Compare to last year. It stood at Tk. 562.01 million in 2016-2017 whereas it was Tk. 691.15 million in last year which is 5.44% and 7.40% of revenue respectively.

অর্থবছর ২০১৬-১৭-তে সিওজিএস হচ্ছে ৮৩.৬% রাজস্বের অথচ গত বছরের রাজস্ব ছিল ৭৮.৮%। ফলত, মোট মুনাফা গত বছরের ২১.২০% এর তুলনায় হ্রাস পেয়ে দাড়িয়েছে ১৬.৪% হয়। ২০১৫-২০১৬ সালের টাকা ১৯৮৮.২১ মিলিয়নের স্থলে ২০১৬-২০১৭ মোট মুনাফা দাড়ায় টাকা ১৬৯৮.২৯ মিলিয়ন। ২০১৬-১৭ সালে পরিচালন ব্যয়ে বৃদ্ধির কারণে নীট মুনাফা ও পূর্ববর্তী বছরের তুলনায় ১৮.৬৮% হ্রাস পায়। ২০১৬-১৭ সনে নীট মুনাফা ৫৬২.০১ মিলিয়ন অথচ গত বছর ইহা ছিল টাকা ৬৯১.১৫ মিলিয়ন যাহা যথাক্রমে বিক্রয়ের ৫.৪৪% ও ৭.৪% ।

Risks And Concerns:

The details of risks and concerns of the Company are discussed in risk management and control Environment on page no 79 in this annual report

Discussion on Continuity of any Extra-Ordinary gain or loss:

There was no extra-ordinary gain or loss during the period

Related Party Transaction:

In the FY 2016-2017, a number of transactions with related parties were carried out in the normal course of business on an arm's length basis. In note 28 of consolidated financial statements, a brief description of related party transaction is given including names of the respective related parties, nature of relationship with them, nature of those transactions and their value in amount.

IPO Fund Utilization:

According to consent letter no. SEC/CI/IPO-164/2011/1800 dated 13 December, 2012 issued by the Bangladesh Securities and Exchange Commission, we were not allowed to utilize the IPO proceeds before submission of the land rent receipts. Till date, we have not been able to provide the said rent receipt. However, on 18 November of 2013, Bangladesh Securities and Exchange Commission (BSEC) permitted us to utilize the IPO proceeds but we were required to keep an FDR in a scheduled bank for an amount equivalent to the value of the lands for which mutation and rent receipt have not been submitted. The rest of the IPO proceeds were utilized for repayment of LC value of our Machineries for 4th Production Unit.

Safety, Health And Environment Issues:

Ensuring healthy and safe working conditions for employees and contractors is one of the most important issues for the cement industry. Premier Cement takes all possible measures to ensure that all its employees as well as communities within which it operates remain safe at all times. Company's safety measures, continuous risk assessment policy ensures a healthy



SwK Ges D‡ØM:

কোম্পানীর ঝুঁকি এবং উদ্বেগের বিস্তারিত বিবরণ এ বার্ষিক প্রতিবেদনে ৭৯ নং পৃষ্ঠায় ঝুঁকি ব্যবস্থাপনা এবং পরিবেশ নিয়ন্ত্রণ-এ আলোচিত হয়েছে।

†Kvb A¯'vfwe K jvf I ¶wZi avivewnKZvi Dci Av‡jvPbv:

এ সময়কালে কোন অস্বাভাবিক লাভ বা ক্ষতি ছিলনা।

mswkó c¶ m¤úwKZ †jb‡`b:

অর্থ বছর ২০১৬-২০১৭-তে সম্পর্কিত পার্টি সমূহের সাথে স্বাভাবিক ব্যবসায়িক কার্যক্রমে অনেকগুলো লেনদেন সাধিত হয়। সম্মিলিত আর্থিক বিবরণীর নোট ২৮.০০-তে সম্পর্কিত পক্ষ সমূহের নাম, তাদের সাথে সম্পর্কের প্রকৃতি, উক্ত লেনদেন সমূহের প্রকৃতি এবং অর্থে তাদের মূল্যমানসহ সংক্ষিপ্ত ব্যাখ্যা প্রদত্ত হয়েছে।

AvBwcI Znwej e¨envi:

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন কর্তৃক ১৩ ডিসেম্বর ২০১২ তারিখে জারীকৃত সম্মতি পত্র নং এসইসি/সিআই/আইপিও-১৬৪/২০১১/১৮০০ অনুসারে জমির খাজনা রশিদ পেশের পূর্বে আমরা আইপিও প্রক্রিয়া ব্যবহারে অনুমোদিত ছিলামনা। অদ্যাবধি, আমরা উক্ত খাজনার রশিদটি প্রদান করতে পারিনি। তবে, ১৮ নভেম্বর, ২০১৩ তারিখে বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) আমাদেরকে আইপিও প্রক্রিয়া ব্যবহারের অনুমতি প্রদান করে কিন্তু আমাদেরকে একটি তফসিলী ব্যাংকে জমির মূল্যের সমপরিমান অর্থের একটি এফডিআর রাখতে হবে, যার জন্য আমরা নামজারী ও খাজনার রশিদ পেশ করতে পারিনি। ৪র্থ উৎপাদন ইউনিট এর আমাদের মেশিনারিজের এলসি মূল্যের পরিশোধের জন্য আইপিও প্রক্রিয়ার বাকীটুকু ব্যবহার হয়ে যায়।

wbivcËv, ¯'v¯¿ Ges cwi‡ek welqvejx:

কর্মচারী ও ঠিকাদারগনের জন্য স্বাস্থ্যকর ও নিরাপদ কার্য পরিবেশ নিশ্চিত করা হচ্ছে সিমেন্ট শিল্পের জন্য গুরুত্বপূর্ণ বিষয় সমূহের একটি। প্রিমিয়ার সিমেন্ট সর্বদা ইহার পরিচালন ক্ষেত্রে কর্মচারী এবং কমুনিটিকে নিরাপদ রাখার সম্ভব ব্যবস্থা সমূহ নিশ্চিত করে। কোম্পানীর নিরাপত্তা ব্যবস্থা সমূহ, ধারাবাহিক ঝুঁকি নিরূপন নীতি কার্যক্ষেত্রে সকল কর্মচারীদের জন্য স্বাস্থ্যকর ও ঝুঁকিমুক্ত কার্য পরিবেশ নিশ্চিত করে। অধিকন্তু আমরা সমাজের



and hazard free work environment for all employees in the workplace. Moreover we allow zero tolerance in sacrificing our community's health issues as we all are part of the society. Environment preservation is therefore one of our top agendas. Premier Cement is a certified Company from the Department of Environment, Government of People's Republic of Bangladesh through abiding all the laws and regulations exerted by the above mentioned authority.

সাথে আমাদের কমুনিটির স্বাস্থ্য বিষয় সমূহে সর্বোচ্চ গুরুত্ব প্রদান করি, কোন ছাড় দেয়া হয়না। অতএব পরিবেশ সংরক্ষণ হচ্ছে আমাদের শীর্ষ এজেন্ডা সমূহের একটি। পরিবেশ অধিদপ্তর, গণপ্রজাতন্ত্রী বাংলাদেশ সরকার কর্তৃক নির্ধারণকৃত সকল আইন ও বিধিমালা পালনের মাধ্যমে উক্ত প্রতিষ্ঠান থেকে প্রিমিয়ার সিমেন্ট সনদপ্রাপ্ত।

An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.

There was no deterioration of financial results during the period under review due to the above mentioned reason.

GKwU e¨vL¨v, †Kv¤úvbx hw` cvi¤úK MY c¯Íve (AvBwcI), cbt Mb c¯Íve (AviwcI), ivBUm Advi, mivmwi wjw÷s BZ¨vw`i ci hw` Aw_K djvd‡j Aeb¤Z/¶q N‡U|

উপরোক্ত কারণে পর্যালোচনার অধীন মেয়াদকালে আর্থিক ফলাফলের কোন প্রকার অবনতি হয় নি।

Quarterly disclosed financial performance and 2016-2017 financial performance:

As stipulated by law, the Company is required to publish the report of its 1st, 2nd and 3rd quarterly financial performance and the yearly performance are indicated in the following table:

ˆÎgwmK wfËZ‡Z cKwkZ Aw_K Kg m¤úv`b 2016-2017 A_eQ‡ii Aw_K Kgm¤úv`b:

আইনের নির্ধারন মোতাবেক, কোম্পানীকে এর ১ম, ২য় এবং ৩য় ত্রৈমাসিক আর্থিক কর্ম সম্পাদন প্রতিবেদন প্রকাশ করতে হয় এবং বার্ষিক কর্ম সম্পাদন হিসাব নিম্নের টেবিলে প্রদত্ত হলো।

Quarterly performance- PCML **(Stand Alone)**

Tk in Mio

Particulars	Q 1	Q2	Q3	2016-2017
Revenue	1,734.48	2,152.41	2,727.81	9280.42
Gross Profit	282.61	364.87	524.81	1522.74
Profit from operation	176.34	206.65	347.13	877.53
Profit before tax	96.52	133.09	266.33	570.92
Profit after tax	46.47	128.11	198.09	490.96
Total non-current assets	4,963.15	5,041.10	5102.84	5313.88
Total assets	9,197.89	10,178.01	10,060.90	10379.00
Total non-current liability	1,226.12	1,125.93	1,046.76	903.38
Total liability	5,313.37	6,348.18	6,032.97	6301.10
Total equity	3,884.51	3,829.83	4,027.92	4077.89
EPS	0.44	1.21	1.88	4.66





Quarterly performance- PCML **(Consolidated)**

Tk in Mio

Particulars	Q 1	Q2	Q3	2016-2017
Revenue	1,926.53	2,426.27	3,039.06	10332.89
Gross Profit	309.37	403.50	591.72	1698.29
Profit from operation	199.85	236.00	404.94	1023.22
Profit before tax	110.62	150.29	305.90	662.38
Profit after tax	59.53	141.44	223.00	562.00
Total non-current assets	6,338.55	6,467.33	6,541.63	7095.39
Total assets	11,063.41	12,084.26	12,087.34	12473.43
Total non-current liability	2,146.26	2,071.05	1,962.04	1779.37
Non-Controlling Interest	90.99	292.43	299.30	306.31
Total liability	6,655.62	7,778.32	7,558.31	7874.77
Total equity	4,316.80	4,013.51	4,229.72	4292.34
EPS	0.55	1.33	2.05	5.17

Significant variance between Quarterly Financial performance and Annual Financial Statement:

There was no significant variance between Quarterly Financial performance and Annual Financial Statements. The Company was able to maintain a remarkable performance both in operational and financial perspective throughout the period.

Remuneration of Directors:

Mr. Mohammad Mustafa Haider and Mr. Mohammed Ershadul Hoque, Members of our Board of Directors are working diligently and sincerely for the Company. Mr. Mustafa Haider is looking after the Sales and Marketing and Mr. Ershadul Hoque is responsible for overall operation. Each of them receives a yearly remuneration of BDT 12,00,000 (Twelve lacs). None of other BoD members including independent directors receive any remuneration or benefits from the Company other than BoD meeting attendance fee.

Internal control and adequacy of Audit Committee:

Our Company has a well defined internal control system to support efficient business operations and statutory compliance. External Auditors carry out concurrent audit of financials which adds to the stability of the entire internal control systems. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides transparency at every stage of operation.

The Company has a strong system of budgetary control which covers all aspects of operations, finance and capital expenditure at a macro level by a monthly basis reporting directly to top management. Financial performances and efficiency

^Îgvwmk Aw_K Kg mxúv`b Ges ewlK Kg mxúv`‡bi gv‡S D‡jL‡hvM¨ cv_K¨:

ত্রৈমাসিক আর্থিক কর্ম সম্পাদন এবং বার্ষিক কর্ম সম্পাদনের মাঝে উলেখযোগ্য কোন পার্থক্য ছিলনা। পুরো মেয়াদ জুড়ে কোম্পানী পরিচালনগত ও আর্থিক উভয় ক্ষেত্রে একটি অসাধারন নৈপুন্য সম্পাদন করতে সক্ষম হয়।

cwiPvjKM‡Yi cwikwgK:

জনাব মোহাম্মদ মোস্ড়ফা হায়দার এবং জনাব মোহাম্মদ এরশাদুল হক, আমাদের পরিচালনা পর্ষদের সদস্য আমাদের কোম্পানীর জন্য অধ্যবসায়ের সাথে আন্তরিকভাবে কাজ করছেন। জনাব মোস্তফা হায়দার বিক্রয় ও বিপণন দেখাশুনা করছেন আর জনাব এরশাদুল হক সার্বিক অপারেশানের ক্ষেত্রে দায়িত্বপ্রাপ্ত। তাদের প্রত্যেকে বার্ষিক পারিশ্রমিক বাবদ টাকাঃ ১২,০০,০০০/- (বারো লক্ষ) গ্রহন করেন। নিরপেক্ষ পরিচালকসহ পরিচালনা পর্ষদের অন্য কেউ পরিচালনা পর্ষদের সভায় উপস্থিতির ফি ব্যতিত কোম্পানী থেকে কোন প্রকার পারিশ্রমিক অথবা সুবিধাদি গ্রহণ করেন না।

অভ্যন্তরীন wbqšY Ges wbix¶v KwgwUi chvßZv:

দক্ষ ব্যবসা অপারেশন ও বিধিবদ্ধ পরিপালনকে সহায়তা প্রদানে আমাদের কোম্পানীর রয়েছে একটি সু-সঙ্গায়িত অভ্যন্তরীন নিয়ন্ত্রণ সিস্টেম। বহিঃ নিরীক্ষা আর্থিক বিষয়াবলীর নিরীক্ষা কার্যক্রম চালিয়ে যায় যা সমপূর্ণ অভ্যন্তরীন নিয়ন্ত্রণ সিস্টেমের স্থায়িত্বকে যুক্ত করে। কর্তৃপক্ষের যথাযথ চিত্রণে মানানসই অভ্যন্তরীণ যাচাই সকল আর্থিক লেনদেন কভার করতে প্রণয়নকৃত, যা অপারেশানের প্রতিটি স্ড়রে স্বচ্ছতা প্রদান করে।

কোম্পানীর বাজেট নিয়ন্ত্রণের একটি মজবুত পদ্ধতি রয়েছে যা শীর্ষ ব্যবস্থাপনাকে সরাসরি মাসিক প্রতিবেদন প্রদানের ভিত্তিতে ক্ষুদ্র পর্যায়ে অপারেশন, অর্থ এবং পুজি ব্যয়ের সকল দিক কভার করে। আথিক কর্মক্ষমতা ও দক্ষতা দৈনন্দিন ভিত্তিতে যাচাই বাচাই ও পর্যবেক্ষণ করা হয়

parameters are monitored periodically and actions are taken then and there. Currently, our Audit Committee consists of the following Directors:

Mr. M. Mahfuzur Rahman	- Independent Director
Mr. Tariq Ahmed	- Independent Director
Mr. Mohammed ErshadulHoque	- Director

Going concern:

Going concern is one of the fundamental assumptions of accounting on the basis of which financial statements are prepared. According to going concern a business will continue its business for the foreseeable future without the need or intention on part of management to liquidate the entity or to significantly curtail its operational activities.

Our Company has adequate resources to continue its operation for the foreseeable future. Thus the directors are of the opinion that the Company is a going concern; and its financial statements are prepared on a going concern basis.

Other concerns:

It is regrettable that a dispute has been arosen between Rupayan Housing Estate Limited and the Company. The Rupayan Housing Estate Limited agreed to sale an office space of 21,507 sft (11th Floor) and 6 car parking spaces (4 in Basement-1 and 2 in Basement -2) at the Rupayan Trade Centre (a 18 storey building) at Bangla Motor area for Tk. 17,94,07,400.00 (Taka Seventeen Crores Ninety Four Lakhs Seven Thousands Four Hundreds Only). The agreement for sale was duly registered by Registered Deed No. 4169 on 12th May 2010 and the Company paid BDT 12.5 Crore to Rupayan at the time of registration. Subsequently, Rupa- yan sold the same property to a third party for at a higher price i.e. BDT 20 crores 33 lakhs 13 thousands and 7 hundreds. After knowing that PCML's authority filed a case in the District and Session Judge Court against Rupayan and applied for imposing restriction on transfer of the said property to any other third party except the plaintiff, case no.-61/2010. The District and Session Judge Court on 13.07.2014 gave decree in favour of PCML after hearing of the case. Afterwards that Rupayan did appeal but it also went against them. Denying the Court verdict Rupayan gave Subkobla Registree in favour of the said third party only at a price of Tk. 5 crore, Sales deed no.-4312/15 dated 30.06.2015. Drawing attention to this regard PCML did appeal to Durnity Domon Commission (DUDOK).

Significant deviation from the last year's operating results and the reasons behind deviations:

During the year under review phenomenal growth has been witnessed in the year-end financial results. Turnover has

এবং প্রয়োজনীয় পদক্ষেপ নেওয়া হয়। বর্তমানে, আমাদের নিরীক্ষা কমিটি নিম্নোক্ত ব্যক্তিবর্গকে নিয়ে গঠিতঃ

জনাব এম. মাহফুজুর রহমান	- নিরপেক্ষ পরিচালক
জনাব তারিক আহমেদ	- নিরপেক্ষ পরিচালক
জনাব মোহাম্মদ এরশাদুল হক	- পরিচালক

Pjgvb bxwZ:

চলমান নীতি হচ্ছে হিসাবের মৌলিক ধারনা সমূহের একটি যার ভিত্তিতে আর্থিক বিবরণী প্রণীত হয়। চলমান নীতি অনুসারে একটি ব্যবসা ইহার স্বত্ত্বাকে তারল্য করতে অথবা পরিচালনগত কার্যক্রম সমূহকে উলেখজনকভাবে হ্রাস করতে ব্যবস্থাপনার দিক থেকে কোন প্রয়োজন অথবা উদ্দেশ্য ছাড়া সম্মুখ ভবিষ্যতের জন্য ইহার ব্যবসা অব্যাহত রাখবে।

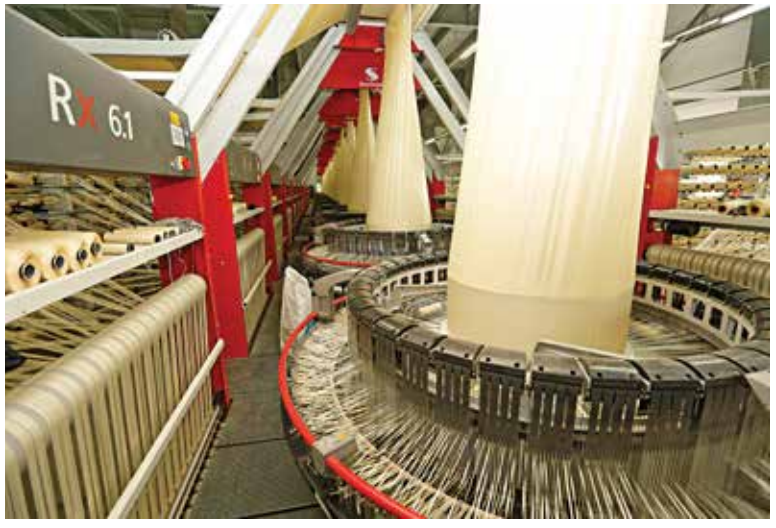
সম্মুখ ভবিষ্যতের অপারেশন অব্যাহত রাখার জন্য আমাদের কোম্পানীর রয়েছে পর্যাপ্ত সম্পদ। তাই আমাদের পরিচালকগণ একমত যে কোম্পানী চলমান নীতি অনুযায়ী চলছে এবং আর্থিক প্রতিবেদন প্রস্তুতে চলমান নীতি অনুসরন করছে।

Ab¨vb¨ D‡ØM:

বিষয়টি দুখঃজনক যে রূপায়ণ হাউজিং এস্টেট লিমিটেডের সাথে প্রিমিয়ার সিমেন্ট মিল্স লিমিটেডের মামলা চলছে। রূপায়ণ হাউজিং এস্টেট লিমিটেড ১৭,৯৪,০৭,৪০০.০০ (সতের কোটি চুরানব্বই লক্ষ সাত হাজার চারশত) টাকার বিনিময়ে বাংলা মোটর এলাকার রূপায়ণ ট্রেড সেন্টারের (১৮ তলা বিশিষ্ট ভবন) ২১,৫০৭ বর্গফুটের নির্ধারিত অফিস (১১তম ফ্লোর) এবং ৬টি গাড়ি পার্কিং করার জায়গা (৪টি বেইজমেন্ট-১ এবং ২টি বেইজমেন্ট-২) আমাদের নিকট বিক্রয় করতে চুক্তিবদ্ধ হয়েছিল। বিক্রয় চুক্তিটি ২০১০ সালের ১২ মে নিবন্ধিত দলিল নং ৪১৬৯ দ্বারা যথোপযুক্ত ভাবে নিবন্ধিত হয় এবং নিবন্ধনের সময় প্রিমিয়ার সিমেন্ট মোট ১২.৫ কোটি টাকা চেকের মাধ্যমে রূপায়ণকে পরিশোধ করে। পরবর্তীতে রূপায়ণ একই জায়গা বেশি দামে অর্থাৎ ২০ কোটি ৩৩ লক্ষ ১৩ হাজার ৭ শত টাকার বিনিময়ে তৃতীয় পক্ষের কাছে বিক্রি করে। বিষয়টি দৃষ্টিগোচর হলে প্রিমিয়ার সিমেন্ট কর্তৃপক্ষ রূপায়ণের বিরুদ্ধে মহামান্য দায়রা জজ আদালতে স্পেসটি তৃতীয় পক্ষের কাছে হস্তান্তরে নিষেধাজ্ঞা জারী চেয়ে একটি মামলা দায়ের করে, মামলা নং-৬১/২০১০। শুনানি শেষে দায়রা জজ আদালত গত ১৩.০৭.২০১৪ ইং তারিখে প্রিমিয়ার সিমেন্টের পক্ষে রায় দেন। দায়রা জজ আদালত উক্ত মামলায় বাদীর আবেদন মঞ্জুর করে সম্পত্তির সিডিউল প্রপার্টি বাদী ছাড়া অন্য কারো কাছে হস্তান্তর করতে অস্থায়ী নিষেধাজ্ঞা জারি করে। পরবর্তীতে রূপায়ন মহামান্য সুপ্রিম কোর্টে আপিলের জন্য দারস্থ হলেও আপিলে হেরে যায়। রূপায়ণ মহামান্য আদালতের রায়ের প্রতি ভ্রূক্ষেপ না করে জায়গাটি উক্ত তৃতীয় পক্ষের কাছে মাত্র পাঁচ (৫) কোটি টাকায় সাবকবলা রেজিস্ট্রি করে দেয়, বিক্রয় দলিল নং -৪৩১২/১৫ তারিখ ৩০.০৬.২০১৫। এই বিষয়ে প্রিমিয়ার সিমেন্ট দুর্নীতি দমন কমিশন বরাবর আবেদন করে।

MZ eQ‡ii Acv‡iUs djvdj †_‡K ¸iæZcY wePvwZ Ges wePvwZi wcQ‡b KviY mgn:

পর্যালোচনার অধীন বর্ষ মেয়াদে বর্ষ শেষের আর্থিক ফলাফল সমূহে অসাধারন বৃদ্ধি দেখা গিয়েছে। পূর্ববর্তী বছরের মত কোম্পানী এ





increased by 10.37% over that of the previous year. The Company has attained its highest revenue amounting BDT **10,332,898,832** which has not ever been attained before in its life time. Due to increasing demand in the domestic market, the Company has been able to achieve this highest revenue. There has been an increase in the cost of raw materials as well as an increase in the operational cost but no such increase was observed in the price due to stiff competition. As a result the gross profit, the profit from operation and the profit after income tax have decreased which are depicted below:

বৎসরেও সর্বোচ্চ টাকা ১০,৩৩২,৮৯৮,৮৩২ বিক্রয় করেছে যা ইহার চালু হবার পর থেকে পূর্বে কখনো অর্জিত হয়নি, যা গত বছরের তুলনায় বৃদ্ধির পরিমাণ ১০.৩৭%। অভ্যন্তরীণ বাজারে বর্ধমান চাহিদার কারণে কোম্পানী এই অর্জনে সক্ষম হয়েছে। পরিচালনা ব্যয় বৃদ্ধির মত কাঁচামালের দরে একটি বৃদ্ধি ঘটেছে কিন্তু কঠোর প্রতিযোগিতার কারণে দরে এধরনের কোন বৃদ্ধি পর্যবেক্ষিত হয়নি। ফলে মোট লাভ, অপারেশন থেকে লাভ এবং আয়করের পর লাভ হ্রাস পেয়েছে যা নিম্নে প্রদর্শিত হলঃ

Particulars	30 June 2017	30 June 2016	Growth (%)
Revenue	10,332,898,832	9,361,935,844	10.37
Gross profit	1,698,294,901	1,988,210,021	(14.58)
Profit from operation	1,023,226,534	1,372,303,300	(25.44)
Profit after income tax	562,009,311	691,146,949	(18.68)
Total non-current assets	7,095,398,349	6,385,540,182	11.12
Total current assets	5,378,034,129	4,458,198,593	20.63
Total assets	12,473,432,468	10,843,738,775	15.03
Total non-current liability	1,779,370,215	2,454,689,553	(27.51)
Total current liability	6,095,408,288	4,194,229,567	45.33
Non-Controlling Interest	306,310,722	289,545,610	5.79
Total liability	8,181,089,225	6,938,464,730	17.91
Total equity	4,292,343,243	3,905,274,045	9.91

The total assets have increased by 15.03% due to addition of new fixed assets in the year 2016-2017. As a result significant positive growth has been noticed in respect of total non-current assets. The current liability has increased by 45.33% due to import of raw material against short term bank loan. On the other hand due to repayment of long term bank loan the non-current liability has decreased by 27.51%.

২০১৬-২০১৭ বর্ষে নতুন স্থির সম্পদ (ফিক্সড এসেট) সংযোজনের কারণে মোট সম্পদ ১৫.০৩% হারে বৃদ্ধি হয়েছে। ফলে, মোট নন কারেন্ট সম্পদের প্রেক্ষিতে উলেখযোগ্য ইতিবাচক বৃদ্ধি জ্ঞাত করা হয়েছে। স্বল্প মেয়াদী ব্যাংক ঋণের বিপরীতে কাঁচামালের আমদানীর কারণে বর্তমান দায় ৪৫.৩৩% বৃদ্ধি পেয়েছে। অন্যদিকে দীর্ঘমেয়াদী ব্যাংক ঋণ পরিশোধের কারণে নন কারেন্ট দায় ২৭.৫১% হ্রাস পেয়েছে।


প্রিমিয়ার
SHIPYARD
SHIPYARD

Comparative 5 years operating, financial data and performance indicator:

Details of five years comparative Consolidated Statement of Comprehensive Income and Statement of Financial Position are presented in section "Shareholders and Stakeholders information" page no 91 of this report.

Reserve and Surplus:

Retained earnings of the Company in FY 2016-2017 stood at Tk. 2132.56 mn against TK. 1732.95 Mio in FY 2015-2016.

Dividend:

For the year ending on June 30, 2017, the Company earned Tk. 562.01 million as consolidated net profit after tax. The Board of Directors in its meeting dated 27th August 2017 recommended 20% cash dividend. i.e. Tk. 2.00 against Tk. 10.00 per share for the year 2016-2017. The following table would help you to comprehend our dividend payment history:

Zjbvgj K 5 eQ‡ii cwiPvjbv, Aw_K DcvË I cvdig¨vÝ wb‡`kK:

এ প্রতিবেদনের ৯১ নং পৃষ্ঠায় "শেয়ারহোল্ডারবৃন্দের তথ্য" শাখায় পাঁচ বছরের সমন্বিত আয়ের সুসংহত তুলনামূলক বিবৃতির বিস্তারিত এবং আর্থিক অবস্থার বিবরণী প্রদান করা হয়েছে।

wiRvf Ges DØË:

২০১৭-তে কোম্পানীর ধারনকৃত উপার্জন দাড়ায় টাকাঃ ২১৩২.৫৫ মিলিয়ন যা ২০১৫-২০১৬ সালে ছিল টাকাঃ ১৭৬৮.৭২১ মিলিয়ন।

jf¨vsk:

জুন ৩০, ২০১৭ তারিখে সমাপ্ত বছরে কোম্পানী কর পরিশোধের পর নীট লাভ করেছে সম্মিলিত টাকা ৫৬২.০০ মিলিয়ন। পরিচালনা পর্ষদ ইহার ২৭শে আগস্ট, ২০১৭ তারিখের সভায় ২০% নগদ লভ্যাংশ ঘোষনা করেন। অর্থাৎ ২০১৬-২০১৭ বর্ষের জন্য প্রতি শেয়ারে টাকাঃ ১০ এর বিপরীতে টাকা ২.০০। নিম্নোক্ত টেবিলটি আপনাকে আমাদের লভ্যাংশ পরিশোধের ইতিবৃত্ত জানতে সাহায্য করবে ঃ

Financial year	Rate of dividend	
	Cash Dividend	Stock Dividend
2012-2013	40%	N/A
2013-2014	30%	N/A
2014-2015	20%	N/A
2015-2016	15%	N/A
2016-2017	20% (Recomended)	N/A

The number of Board meetings and the attendance of the Directors during the year 2015-2016:

During the FY 2016-2017, a total of 5 (five) meetings of the board were held. Attendance by the Directors has been summarized in corporate governance report of this annual report page no 63.

2016-2017 eQ‡i cwiPvjbv cl‡`i mfv I cwiPvjKM‡bi Dcw¯wZi msL¨v:

অর্থ বছর ২০১৬-২০১৭-তে পরিচালনা পর্ষদের ৫ (পাঁচ)টি সভা অনুষ্ঠিত হয়। এ প্রতিবেদনের পৃষ্ঠা নং ৬৩ তে কর্পোরেট গভার্নেন্সে পরিচালকগনের উপস্থিতির সংক্ষিপ্তসার প্রদত্ত হয়েছে।



Pattern of shareholding:

The pattern of shareholding (along with name wise detail) of parent/subsidiary/ associate companies and other related parties, Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Auditor and their spouse and minor children, executives, shareholders holding 10% or more voting interest in the Company as at 30 June 2017 are duly stated in the following report.

†kqvi avi‡bi aib:

মূল/ অঙ্গ/ সহযোগী কোম্পানী সমূহ ও সম্পর্কিত অন্যান্য পক্ষ, পরিচালক, মুখ্য নির্বাহী কর্মকর্তা, কোম্পানী সচিব, প্রধান অর্থ বিষয়ক কর্মকর্তা (সিএফও), অভ্যন্তরীণ নিরীক্ষা প্রধান (এইচআইএ) এবং তাদের স্বামী/স্ত্রী এবং নাবালক সন্তান, নির্বাহীবৃন্দ, শেয়ারহোল্ডারগনের শেয়ার ধারনের ধরন (নামওয়ারী বিস্তারিত সহ) ৩০শে জুন, ২০১৭ তারিখে ১০% অথবা ততোধিক ভোট প্রদানের স্বার্থ কোম্পানীতে ধারন করেন যা নিম্নোক্ত প্রতিবেদনে যথোপযুক্তভাবে বিবৃত।

Chairman/Managing Director/Director/CFO/CS/Ho and other related parties:

Particulars	Position	Nos. of Shareholding	%	Spouse or Minor Children	%
Mr. Mohammad Mustafa Haider	Chairman	20,837,300	19.76	Nil	Nil
Mr. Mohammed AmirulHaque	MD	11,599,500	11.00	3,643,080	3.45
Mr. Md. Jahangir Alam	Director	10,425,313	9.88	Nil	Nil
Mr. MD. AlamgirKabir	Director	4,416,562	4.19	Nil	Nil
Mr. Mohammed ErshadulHoque	Director	2,113,500	2.00	Nil	Nil
Mr. M. Mahfuzur Rahman	Independent Director	Nil	Nil	Nil	Nil
Mr. Tariq Ahmed	Independent Director	Nil	Nil	Nil	Nil
Mr. Md. Shafiqul Islam Talukder	CFO	Nil	Nil	Nil	Nil
Kazi Md. Shafiqur Rahman	CS	200	0.0002	Nil	Nil
Mr. Md. Masuk Chowdhury	HoIA	Nil	Nil	Nil	Nil
Parent/Subsidiary/Associated Companies and related other party.	Nil	Nil	Nil	Nil	Nil

Shareholders holding ten percent (10%) or more voting interest in the Company (name wise details) other than Chairman/ Managing Director/ Director/ CFO/ CS/ HoIA

Particulars	Position	Nos. of shareholding	%	Spouse or Minor Children	%
Mr. Hasnat MD. Abu Obida	Sponsor Shareholder	18,332,500	17.39	Nil	Nil
Executives (Top five Salaried person other than CEO, CFO, CS, HoIA)		Nil	Nil	Nil	Nil



Directors Profile :

A brief profile of all directors is provided in the section "**Directors profile"** of this report on page no 32-37.

CSR Activates:

Since we are conducting our business in a society as well as in a country, we confess that we have some responsibilities towards our society and its welfare. Apart from doing business and making profit, we also engage ourselves for the welfare of the society in which we are operating our business. We carry out regular analysis to find out the most effective way of rendering service to people and to accelerate society's welfare. After a comprehensive analysis, we finally choose a way to execute our responsibility towards the society. Because of our CSR program not only the people of our society are being benefited but we are being benefitted as well. It helps us to enhance our corporate image in the society. A summary of sustainable development initiatives and CSR initiatives of the Company during the years is discussed in Corporate Social Responsibility on page 101-110 in this annual report.

Corporate Governance:

To ensure the spirit of the corporate governance with accountability, for inspiring confidence of investors, regulators, financers and other stakeholders, Premier Cement Mills Limited is committed to comply with all the requirements of corporate governance as required by Bangladesh Securities and Exchange Commission (BSEC). The detail about corporate governance is discussed in Annexure-1 in this annual report.

Status of Compliance:

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commissions Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 along with a certificate from a practicing Cost& Management Accountants has been enclosed in Annexure-VI

On behalf of PCML

Mohammed Amirul Haque
Managing Director

Place: Dhaka
Date: 23 September, 2017

cwiPvjKe›`:

এ প্রতিবেদনের পৃষ্ঠা নং ৩২-৩৭ এর পরিচালকবৃন্দের প্রোফাইল শাখায় সকল পরিচালকবৃন্দের একটি সংক্ষিপ্ত প্রোফাইল প্রদত্ত হয়েছে।

wmGmAvi Kvhµg:

যেহেতু আমরা একটি সমাজে আমাদের কার্যক্রম চালিয়ে যাচ্ছি, আমরা স্বীকার করি যে, সমাজের প্রতি ইহার কল্যানে আমাদের কিছু দায়-দায়িত্ব রয়েছে। ব্যবসা করা ও লাভ তৈরি করার বাহিরে আমরা আমাদেরকে সমাজের কল্যাণে নিয়োজিত রেখেছি, যেখানে আমরা ব্যবসা পরিচালনা করছি। আমরা লোকজনকে সেবা প্রদানের সবচেয়ে কার্যকরী পন্থা খুঁজে বের করতে ও সমাজের কল্যাণ দ্রুততর করতে নিয়মিত বিশেষণ কার্য চালিয়ে থাকি। একটি ব্যাপক বিশেষণের পর, শেষ পর্যন্ত আমরা সমাজের প্রতি দায়-দায়িত্ব নির্বাহে একটি পথ পছন্দ করি। কারণ আমাদের সিএসআর কর্মসূচী দ্বারা আমাদের সমাজের লোকজনই শুধুমাত্র উপকৃত হয়না বরঞ্চ আমরাও উপকৃত হচ্ছি। ইহা আমাদেরকে সমাজে আমাদের কর্পোরেট ভাবমূর্তিকে বাড়াতে সাহায্য করে। টেকসই উন্নয়নের উদ্যোগের সারাংশ এবং বছরগুলোতে কোম্পানীর সিএসআর উদ্যোগ এই বার্ষিক প্রতিবেদনের কর্পোরেট সোস্যাল রেসপন্সিবিলিটি-তে ১০১-১১০ নং পৃষ্ঠায় আলোচিত হয়েছে।

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বিনিয়োগকারী, নিয়ন্ত্রক, অর্থ যোগানদাতা এবং অন্যান্য স্টেকহোল্ডারদের আস্থায় অনুপ্রেরণার জন্য বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি) এর প্রয়োজন মোতাবেক জবাবদিহিতার সাথে কর্পোরেট গভর্ণেন্স এর চালিকাশক্তি নিশ্চিত করতে প্রিমিয়ার সিমেন্ট মিল্স লিমিটেড কর্পোরেট গভর্ণেন্স এর সকল প্রয়োজনীয়তা মেনে চলতে প্রতিশ্রুতিবদ্ধ। কর্পোরেট গভর্ণেন্স সম্পর্কিত বিস্তারিত সংযুক্তি-১ এ আলোচিত হয়েছে।

cwicvjb Ae¯v:

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন প্রজ্ঞাপন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/প্রশাঃ/৪৪ তারিখঃ আগস্ট ৭, ২০১২ দ্বারা আরোপিত শর্তাবলী সহ পরিপালন অবস্থা একটি অনুশীলনরত কস্ট অ্যান্ড ম্যানেজমেন্ট একাউন্টেন্টস থেকে প্রাপ্ত একটি সনদসহ সংযুক্তি-৬'এ সংযুক্ত।

পিসিএমএল এর পক্ষে

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ব্যবস্থাপনা পরিচালক

¯vbt XvKv
ZwiLt 23 †m‡Þ¤i 2017

Corporate Governance Report

Annexure-I

Corporate governance is a system by which companies are directed and controlled. At its top level, it is about how those entrusted with day to day management of a company's affairs are held accountable to shareholders and other providers of finance and whether the organization has the appropriate corporate structure to underpin accountability. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness, and social responsibility.

A good governance process provides transparency of corporate policies, strategies and the decision making process. This further strengthens internal control systems and helps in building relationships with all stakeholders. We believe in transparency and commit ourselves to adhere to good corporate governance practices at all times. We believe that good governance generates goodwill among business partners, customers and investors and helps the company grow.

Board of Directors

The Company's business is managed under the direction of the Board of Directors. The Board delegates to the Managing Director, and through that individual to other senior management, the authority and responsibility for managing the Company's business. Directors are elected or appointed by the shareholders. The role of the Board of Directors is to oversee the management and governance of the company. It is responsible for the operation of the company and works for the best interest of its shareholders and is accountable to the shareholders.

Structure of the Board

The Board of Directors of the Company consists of 7 (seven) Directors, namely Mr. Mohammad Mustafa Haider, Mr. Mohammed Amirul Haque , Mr. Md. Jahangir Alam, Mr. Md. Alamgir Kabir, Mr. Mohammed Ershadul Hoque, Mr. M. Mahfuzur Rahman and Mr. Tariq Ahmed. Among them,Mr. M. Mahfuzur Rahman and Mr. Tariq Ahmed were co-opted as independent Directors for three years tenure.

Retirement of Directors by rotation

As per Company Act 1994 and Article 140, 141, 142 & 143 of the Articles of Association of the Company, one third of the Directors retires by rotation in every ordinary general meeting. Accordingly, the retiring Directors were Mr. Md. Jahangir Alam and Mr. Mohammed Ershadul Hoque, being eligible, Mr. Md. Jahangir Alam offered himself to be re-elected as Director of the Company. The Board of Directors recommends the retiring Director namely Mr. Md. Jahangir Alam to be re-elected.

Independent Director (ID)

Mr. M. Mahfuzur Rahman was co-opted as Independent Directors (ID) in the Board of Directors' meeting dated 10 November 2016 in place of the Company's former ID, Mr. Rafiq Ahmad, FCMA which was duly approved in the 14th Annual General Meeting.

Mr. Tariq Ahmed has been co-opted as ID of Premier Cement Mills Limited in place of the Company's former ID, Mr. Mahbubul Alam who has resigned from his post for personal reasons. The appointment of the new ID namely Mr. Tariq Ahmed was duly confirmed and approved by the shareholders in the 12th Annual General Meeting dated 27th December 2014.

As per Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission, an ID is not eligible to hold his/her post for more than three years. Accordingly Mr. Tariq Ahmed-Independent Directors has completed his tenure of holding his posts and also re-appointment by the shareholders in the 14th Annual General Meeting for another three-year term.

Qualification of Independent Directors (ID)

Mr. M. Mahfuzur Rahman, one of the Independent Directors, is the Chairman of the Audit Committee, possessing more than three decades of vast business experience. Mr. Tariq Ahmed, the other independent director took Masters Degree from the University of Dhaka. They also possess significant experience in finance and accounting. All the Independent Directors are

'financially literate' as defined by the revised corporate governance guidelines. The qualifications of the ID are addressed in detail in their brief profile on Page No 37 in this Annual Report

Board of Director's Meeting

The Board of Directors holds meeting on a regular basis. At each meeting, management provides information, references and detailed working papers for each item of agenda to all the Directors well ahead of time fixed for the BOD meeting for consideration. The Chairman of the BOD allocates sufficient time for the Directors to consider each item of interest of the agenda and allow them to discuss, inquire and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities. Directors who cannot attend the meeting are granted leave of absence by the board. During the year 2016-2017, 5 (five) board meetings were held & the attendance records are as follows

Name of directors	Designation	Dated of Meeting					Meeting attended /held
		July 24, 2016	Oct 20, 2016	Nov 10, 2016	Jan 28, 2017	April 28, 2017	
Mr. Mohammad Mustafa Haider	Chairman	√	√	√	√	-	4/5
Mr. Mohammed Amirul Haque	MD	√	√	√	-	√	4/5
Mr. Md. Jahangir Alam	Director	√	√	-	√	√	4/5
Mr. Md. Alamgir kabir	Director	-	√	-	√	-	2/5
Mr. Mohammed Ershadul Hoque	Director	√	√	√	√	√	5/5
Mr. Rafiq Ahmed, FCMA (retired in the 14th AGM)	Independent Director	√	√	√	-	-	3/5
Mr. M. Mahfuzur Rahman (appointed in the 14th AGM)	Independent Director	-	-	-	√	√	2/5
Mr. Tariq Ahmed	Independent Director	√	-	-	-	-	1/5
Mr. Md. Shafiqul Islam Talukder	CFO	√	√	√	√	√	5/5
Kazi Md. Shafiqur Rahman	CS	√	√	√	√	√	5/5

Chairman of the Board and Chief Executive Officer

The positions of the Chairman of the Board and the Chief Executive Officer of Premier Cement Mills Limited were filled by different individuals. The Chairman was elected from among the directors of the company. The Managing Director & Chief Executive Officer (CEO) was also appointed from the board. The Board of Directors has clearly defined respective roles and responsibilities of the Chairman and Managing Director & the Chief Executive Officer as per Articles of Association of the Company.

Chief Financial Officer (CFO)

Mr. MD Shafiqul Islam Talukder, FCMA is the Chief Financial Officer (CFO) of Premier Cement Mills Limited. He is a fellow member of the Institute of Cost and management Accountants of Bangladesh. He is responsible for accounts and finance activities of the Company. The Board of Directors clearly defined respective roles, responsibilities and duties of the CFO.

Head of Internal Audit (HoIA)

Mr. Md. Masuk Chowdhury is the Head of Internal Audit of Premier Cement Mills Ltd. He is responsible for internal control and compliance of the Company. The Board of Directors clearly defined respective roles, responsibilities and duties of the Head of Internal Audit.

Company Secretary (CS)

Mr. Kazi Md. Shafiqur Rahman is the Company Secretary of Premier Cement Mills Ltd. and has been appointed by the Board of Directors of the Company. The Board of Directors clearly defines respective roles, responsibilities and duties of the Company Secretary in compliance with the Corporate Governance Guidelines of the Bangladesh Security and Exchange Commission (BSEC).

Audit Committee

In pursuance of the Bangladesh Securities & Exchange Commission (BSEC), the Board has constituted an Audit Committee for the Company. The Committee includes two Independent Directors and one Shareholder Director. All the members of the Committee are financially literate and have extensive experience of audit. Mr. M. Mahfuzur Rahman was duly appointed by the Board as the chairman of the Committee. The duties of Audit Committee and their report on true and fairness of the Financial Statements are set out in Annexure III.

Member of Audit Committee

Mr. M. Mahfuzur Rahman	Chairman of the Committee
Mr. Tariq Ahmed	Member of the Committee
Mr. Mohammed Ershadul Hoque	Member of the Committee

The number of the Audit Committee meeting held and attendance of each member during the year 2016-2017 are as follows:

Name of Member	Position	Date of meeting					Meeting attended /held
		July 21, 2016	Oct 18, 2016	Nov 08, 2016	Jan 26, 2017	April 25, 2017	
Mr. Rafiq Ahmed (retired in the 14th AGM)	Chairman	√	√	√	-	-	3/5
Mr. M. Mahfuzur Rahman (appointed in the 14th AGM)	Chairman	-	-	-	√	√	2/5
Mr. Tariq Ahmed	Member	√	-	√	√	√	4/5
Mr. Mohammed Ershadul Hoque	Member	√	√	√	√	√	5/5

Role of Audit Committee

Role of audit committee of PCML includes the following:

- Oversee the financial reporting process
- Monitor choice of accounting policies and principles
- Monitor internal control Risk Management process
- Oversee hiring and performance of external auditors
- Review along with the management, the annual financial statement before submission to the board for approval
- Review along with the management, the quarterly and half yearly financial statement before submission to the board for approval
- Review the adequacy of internal audit function

- Review statement of significant related party transactions submitted by management
- Review Management Letters/Letter of internal control weakness issued by statutory auditors
- Appointment, removal and fixing the terms of reference of internal auditor

External/Statutory Auditors

Syful Shamsul Alam & Co. Chartered Accountants was the External/Statutory Auditor of the Company for the year 2016-2017. They carry out systematic examination of books and records of the company and ascertain, verify and report upon the facts regarding the financial operation and the results of the company. To comply with the corporate governance properly, the Company did not engage its statutory auditors to perform the following services-

- Appraisal or valuation services or fairness opinions.
- Financial information systems design and implementation.
- Book-keeping or other services related to the accounting records or financial statements.
- Broker-dealer services.
- Actuarial services.
- Internal audit services.
- Any other service that the Audit Committee determines
- 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.

The shareholders apptointed statutory auditors and fixed their remuneration in the 14th Annual General Meeting.



Subsidiary Company

Premier Cement Mills Limited has one subsidiary company namely Premier Power Generation (PPGL) and in compliance with the Corporate Governance Guidelines of the BSEC, the Company complied with the following rules& regulations:

- The Conditions relating to composition of the board of Directors including Independent Director is fulfilled.
- Independent Director of the Company is also a director in subsidiary Company
- The affairs of the subsidiary companies have been reviewed in the Board meeting of the Company.
- Minutes of the Board meeting of subsidiary company have been placed for review in the board meeting of the Company.
- Financial Statements of the subsidiary Company have been reviewed by the audit committee of the company.

Roles and Responsibilities of the Board of Directors

The Board is responsible for the periodic review and approval of the overall strategies, business and significant policies of the Company. The Board also sets the company's core values, adopts proper standards to ensure that the Company operates with integrity and complies with the relevant rules and regulations. The Board's responsibilities are…….

- Reviewing and approving the strategies and business plans for the Company
- Reviewing and approving the un-audited quarterly financial Report
- Reviewing the adequacy and integrity of the Company's internal control systems
- Overseeing the conduct and performance of the Company
- Reviewing succession planning and talent management plans for the Company and approving the appointment and compensation of senior management staff
- Approving changes in the corporate organization structure
- Approving policies relating to corporate branding, public relations, investor relations and shareholder communication program.



The Board duly complies with the guidelines issued by BSEC and Company Act 1994 regarding the responsibility and accountability of the Board, its Chairman and Managing Director.

Responsibilities of the Chairman

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for the leadership of the Board. In particular, s/he will:

- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed;
- Ensure an effective relationship among Directors, act as the principal conduct for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Support the CEO & Managing Director in strategy formulation and, more broadly, provide support and give advice;
- Ensure that all Board Committees are properly established, composed and operated;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure effective communication with shareholders, host governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;

Role of the Company Secretary

The Company Secretary acts as a mediator between the Company, its Board of Directors, stakeholders, the government and regulatory authorities. He has expertise in corporate laws, capital markets, security laws and corporate governance. He also advises the Board of Directors on the kind of practices to be adopted in upholding high levels of corporate governance.

The Company Secretary ensures that the best management practices and work ethics are embraced to create value for the Company. He represents the Company among internal and external stakeholders, co-ordinates the policies of the Company, fulfills the management function and provides guidance on strategic decisions for the improvement and growth of the Company.

In compliance with the Corporate Governance Guidelines, the Company Secretary has a defined role and responsibilities approved by the Board.

Code of Ethics and its compliance

Very few things are as effective as good governance and integrity in our daily operations to earn trust, manage risks, foster sustainable growth and build a resilient business. Mutual co-operation for bringing honesty and integrity in every sphere of operations is at the heart of our approach. We aim to tackle challenging issues head on, make our communications and processes simple, hold everyone accountable and empower all our employees to do what's right. Our Code of Business Conduct as well as our internal ethics resource center and tailored training, helps employees make ethical decisions. We do belief that continuous supervision in every business practice is the key to sustain in a leadership role. Therefore, our Company is directed, administered and complied with the set of laws, policies and procedures exerted in Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRC-D/2006-158/134/Admin/44 dated 7 August 2012, Company ACT 1994 and Listing Regulations 2015 of Dhaka Stock Exchange and Chittagong Stock Exchange.

Communication to Shareholders and other Stakeholders

The Company encourages communicating with the Shareholders throughout the year and welcomes their participation in the annual general meeting. In the annual general meeting the management of the Company receives their valuable opinion and tries to implement it if it is in the best interest of the company.

- Policy on Communication with Shareholders and other Stakeholders: The Share department of the Company plays an instrumental role to make effective communication with its Shareholders and other Stakeholders. Shareholders and other Stakeholders of the Company may contact to this Department during office hour for any sort of information and queries. Furthermore, PCML provides updated information in its website from time to time for the shareholders and other stakeholders of the Company.
- Policy on Ensuring Participation of Shareholders at AGM: To ensure effective and efficient participation of shareholders in AGM, PCML publishes notice of AGM in daily newspapers with necessary details within reasonable time-frame. The arrangement of the AGM normally takes place in a reputed place and at a convenient time. Annual Report is circulated as per the provision of Companies Act 1994. So shareholders get sufficient time to go through the report and freely provide their valuable comments and suggestions in the AGM.

Company's corporate website

The Company's website ***www.premiercement.com*** displays, the Annual Reports, half yearly reports, and quarterly reports and all disclosures required by the Bangladesh Securities and Exchange Commission, Listing Regulations of the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited in the form of Price Sensitive Information (PSI) are made adequately and promptly.

Conclusion

Premier Cement Mills Ltd. ensured highest standards in corporate good governance and strict adherence to the requirements of ethical code of conduct, through close monitoring. Through the code of ethics all levels of staff have been educated and encouraged to report to whistle blowing, when they suspect wrong doings by other employees.

Directors' Declaration

Annexure-II

In addition to the Directors' report, the Directors are declaring following additional statements to the best of their knowledge as complied and maintained for the current financial year under review:

- Appropriate accounting policies have been followed in formulating the Financial Statements and Accounting estimates are reasonable and prudent.
- Proper books of accounts as required by law have been maintained.
- The Financial Statements were prepared and presented in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS).
- The Financial Statements prepared by the management of the Company present a true and fair view of Company's state of affairs, result of its operations, cash flows and changes in equity.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The entire business operation is being conducted in accordance with the laws, rules, regulations, agreements, guidelines and standards governing in the country.
- All the judgments and decisions taken by management are reasonable and prudent.

Sd/-
Mr. Mohammad Mustafa Haider
Chairman

Sd/-
Mr. Mohammed Amirul Haque
Managing Director

Sd/-
Mr. Md. Jahangir Alam
Director

Sd/-
Mr. Md. Alamgir Kabir
Director

Sd/-
Mr. Mohammed Ershadul Hoque
Director

Sd/-
Mr. M. Mahfuzur Rahman
Independent Director

Sd/-
Mr. Tariq Ahmed
Independent Director

AMARSTOCK

Audit Committee Report

Annexure-III

Dear shareholders,

After successful completion of FY 2016-17, as a chairman of the Audit Committee, I am delighted to place its report for the year ended 30 June, 2017 in front of you all. There was five Audit Committee meeting during the year and External Auditors' reports, year-end results, key areas of judgment and complexity; critical accounting policies, provisions and any changes required in these areas or policies were reviewed by the Audit Committee. In addition, the interim results announcement including the interim financial statements and the Company's interim management results were also reviewed by the Audit Committee. It is declared by the Audit Committee that the internal control system including internal audits, financial and operational controls, timely and appropriate accounting systems, recording of purchase and sales, receipts and payments, assets and liabilities and the reporting structures are adequate and effective. The Audit Committee has overseen the interim results and it also has reviewed the point(s) raised by external auditors in their management letter and the responses of the management thereto.

The Audit Committee is consisted of three (3) members including two independent directors and one director namely;

Name	Status with the.....	
	Committee	Board
Mr. M. Mahfuzur Rahman	Chairman	Independent Director
Mr. Tariq Ahmed	Member	Independent Director
Mr. Mohammed Ershadul Hoque	Member	Director

Report of the Committee during the year:

The Committee considered significant issues and judgments in respect of the 2016-17 financial statements and auditing procedures were as follows:

- Compliance of BAS and the disclosure of its financial information under BFRS have been maintained and the interim financial statements are prudent and credible.
- The recurrent related party transactions entered into by the Company during 2016-17 are observed and verified.
- The scope and extent of internal audit has been checked; and the adequacy of resources to maintain vigilant internal audit process has confirmed and appropriately placed thereto.
- The critical accounting policies, significant judgments and practices used by the Company are in compliance with required laws and regulations and recommended by the Board. The audited financial statements of the Company together with consolidated statements with its subsidiary and associate for the year ended 30 June 2017 represent fair and authentic view of the Company's financials.
- The state of compliance with Corporate Governance and other regulations as per the requirements of Bangladesh Securities And Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) were ensured.

The Audit Committee also recommends regarding the appointment of External Auditors, reviews their expression of Interest and auditing fees. In the year under review, the Committee assessed the ongoing effectiveness as well as quality of the external auditor and the audit process. The Committee also recommended M/s. Syful Shamsul Alam & Co., Chartered Accountants, for appointment as the external auditor of the Company for the year ending on 30 June 2018.

On behalf of the Committee



Mr. M. Mahfuzur Rahman
Chairman of Audit Committee

CEO and CFO's Declaration

Annexure-IV

The Board of Directors
Premier Cement Mills Limited

Subject: CEO and CFO's Declaration to the Board

Dear Sirs,

Complying with the condition no. 6, imposed by Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRC-D/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

We do hereby certify to the Board that:

i) We have reviewed the Financial Statements of the Company for the year ended 30 June, 2017 and that to the best of our knowledge and belief-

   a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   b) These statements 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.

Sincerely yours,

Md. Shafiqul Islam Talukder
Chief Financial Officer

Mohammed Amirul Haque
Managing Director

Certificate of Bangladesh Association of Publicly listed Companies (BAPLC):

Annexure-V

As per SEC Notification # SEC/CMRRCD/2006-161/324 dated on April 11, 2010; we hereby present the Certificate of Membership given by Bangladesh Association of Publicly Listed Companies (BAPLC) for the year 2016-2017:



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2017/187

BAPLC

Date of issue : 10th April 2017

Renewed Certificate

This is to certify that

PREMIER CEMENT MILLS LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies *and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2017.

BAPLC

Secretary-General
(Acting)

Certificate on Compliance of Corporate Governance Guidelines

Annexure-VI

(Issued under Condition No. 7(i) of Corporate Governance Guidelines of BSEC vide Notification No.SEC/CMRRC-D/2006-158/134/Admin/44 dated 07 August 2012)

A. K. Mazumdar & Associates
Consultant and Cost Management Accountants
5C Shatabdi Tower, Outer Circular Road, Fakirapool,
Dhaka-1000.Tel: 01919 537 482, mail: connetbd@gmail.com

Certificate of Compliance to the shareholders of Premier Cement Mills Limited

We have examined compliance to the BSEC guidelines on Corporate Governance by Premier Cement Mills Limited for the year ended 30th June, 2017 as per the Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 of Bangladesh Securities and Exchange Commission (BSEC).

The compliance to the codes of above Corporate Governance guidelines is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance. This is a scrutiny and verification only and not an expression of opinion or audit on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the information and explanations provided to us, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by BSEC as on the date of issuance of this certificate.

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

September 12, 2017

For A. K. Mazumdar & Associates

Cost & Management Accountants

Report on Corporate Governance Compliance

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.
(Report under Condition No. 7.00)

Annexure-VII

Condition No.	Title	Status Complied	Remarks
1.1	Board's size: The number of the Board members should not be less than 5 (five) and more than 20 (twenty)	√	The PCML Board is comprised of 7 Directors
1.2	**Independent Directors**		
1.2 (i)	At least one fifth (1/5) of the total number of Directors in the Company's Board shall be Independent Directors.	√	There are two Independent Directors namely Mr. M. Mahfuzur Rahman and Mr. Tariq Ahmed
1.2 (ii) a)	Does not hold any share or holds less than 1% of shares.	√	The Independent Directors have declared their compliances.
1.2 (ii) b)	Not connected with any sponsor/ Director/ shareholder who hold 1% or more shares of the total paid-up shares on the basis of family relationship.	√	Do
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associated companies.	√	Do
1.2 (ii) d)	Not a member, Director or officer of any stock exchange.	√	Do
1.2 (ii) e)	Not a shareholder, exchange or an intermediary of the capital market.	√	Do
1.2 (ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm.	√	Do
1.2 (ii) g)	Not be an independent Director in more than 3 (three) listed companies.	√	Do
1.2 (ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFI.	√	Do
1.2 (ii) i)	Not been convicted for a criminal offense involving moral turpitude.	√	Do
1.2 (iii)	Nominated by the Board of Directors and approved by the shareholders in the AGM.	√	Do
1.2 (iv)	Not remain vacant for more than 90 (ninety) days.	√	There has been no vacancy in the position of Independent Directors
1.2 (v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√	
1.2 (vi)	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.	√	

Condition No.	Title	Status Complied	Remarks
1.3	**Qualification of Independent Directors (ID)**		
1.3 (i)	Knowledge of Independent Directors	√	This compliance has been justified by the two Independent Directors
1.3 (iii)	Background of Independent Directors	√	Do
1.3 (iii)	Special cases for qualifications		Not Applicable
1.4	**Chairman of the Board and Chief Executive Officer**		
	The position of Chairman of the Board and Chief Executive Officer shall be filled by two different individuals.	√	Chairman of the Board and CEO are different individuals. The roles and responsibilities of the Chairman of the Board and CEO are approved in Board meeting.
1.5	**Director's Report to Shareholders**		
1.5 (i)	Industry outlook and possible future development	√	The Directors' report compliance with the guideline.
1.5 (ii)	Segment-wise or product-wise performance	√	Do
1.5 (iii)	Risks and concerns	√	Do
1.5 (iv)	Discussion of Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√	Do
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.		No extraordinary gain or loss experienced during the period.
1.5 (vi)	Basis for related party transactions	√	The Directors' report compliance with the guideline.
1.5 (vii)	Utilization of proceeds from public issues, right issues and/or through any others.	√	Do
1.5 (viii)	Explanation if the financial result deteriorates after the Company goes for IPO, RPO, Rights Offer, and Direct Listing.		Not Applicable
1.5 (ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements.	√	The Directors' report compliance with the guideline
1.5 (x)	Remuneration to Directors including independent Directors.	√	Do
1.5 (xi)	Fairness of Financial Statements.	√	Mentioned at "Directors' Declaration".
1.5 (xii)	Maintenance of proper books of accounts.	√	Do
1.5 (xiii)	Adoption of appropriate accounting policies and estimates.	√	Do
1.5 (xiv)	Followed IAS, BAS, IFRS and BFRS in preparation of Financial Statements.	√	Do
1.5 (xv)	Soundness of internal control system.	√	Do
1.5 (xvi)	Segment-wise or product-wise performance.	√	The Directors' report compliance with the guideline
1.5 (xvii)	Ability to continue as a going concern.	√	Do

Condition No.	Title	Status Complied	Remarks
1.5 (xviii)	Significant deviation from the last year's operating results	√	The Directors' report compliance with the guideline
1.5 (xix)	Reason for not declared dividend		Not Applicable
1.5 (xx)	Number of Board meetings held during the year and attendance.	√	The Directors' report compliance with the guideline
1.5 (xxi)	**Pattern of shareholding.**	√	Do
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties.	√	Do
1.5 (xxi) b)	Directors, CEO, CS, CFO, HOIA and their spouses and minor children	√	Do
1.5 (xxi) c)	Executives	√	Do
1.5 (xxi) d)	10% or more voting interest	√	Do
1.5 (xxii)	**Appointment/re-appointment of Directors.**		
1.5 (xxii) a)	Resume of the Directors	√	The Directors' report compliance with the guideline as stated "Chairman's and Directors' Profile"
1.5 (xxii) b)	Expertise in specific functional areas	√	Do
1.5 (xxii) c)	Holding of Directorship and membership in Committee of the Board other than this Company.	√	Do
2	**Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)**		
2.1	Appointment of CFO, HOIA and CS	√	The Company has appointed CFO, CS and Head of Internal Audit. There are clearly defined roles, responsibilities and duties which have been approved by Board as per requirement of SEC notification.
2.2	Attendance of CFO and CS at the meeting of the Board of Directors.	√	In practice
3	**Audit Committee**		
3 (i)	Constitution of Audit Committee	√	Already in place.
3 (ii)	Assistance of the Audit Committee to the Board of Directors	√	In practice.
3 (iii)	Responsibility of the Audit Committee	√	In practice.
3.1	**Constitution of Audit Committee**		
3.1 (i)	At least 3 (three) members	√	The audit committee is consisted of three members.
3.1 (ii)	Appointment of members of the Audit Committee	√	The members of the Audit Committee are appointed by the Board who are Directors and which includes one Independent Director.

Condition No.	Title	Status Complied	Remarks
3.1 (iii)	Qualification of Audit Committee members	√	All the members are qualified as per BSEC's Guidelines.
3.1 (iv)	Term of Service of Audit Committee Members	√	The Board appointed AC member in due time.
3.1 (v)	Secretary of the Audit Committee	√	In practice.
3.1 (vi)	Quorum of the Audit Committee	√	In practice.
3.2	**Chairman of the Audit Committee**		
3.2 (i)	Board of Directors shall select the Chairman.	√	Mr. M. Mahfuzur Rahman is selected as the chairman of the committee.
3.2 (ii)	Chairman of the Audit Committee shall remain present in the AGM.	√	In practice.
3.3	**Role of Audit Committee**		
3.3 (i)	Oversee the financial reporting process	√	In practice.
3.3 (ii)	Monitor choice of accounting policies and principles	√	In practice.
3.3 (iii)	Monitor internal control risk management process	√	In practice.
3.3 (iv)	Oversee hiring and performance of external Auditors	√	In practice.
3.3 (v)	Review the annual Financial Statements before submission to the Board for approval	√	In practice.
3.3 (vi)	Review the quarterly and half yearly Financial Statements before submission to the Board for approval.	√	In practice.
3.3 (vii)	Review of adequacy of internal audit Function.	√	In practice.
3.3 (viii)	Review statement of significant related party transactions.	√	In practice.
3.3 (ix)	Review management letters/ letter of internal control weakness issued by statutory auditors.	√	In practice.
3.3 (x)	Disclosures about the uses/ applications and funds raised by IPO/RPO/Right issue	√	Stated in "Risk and concern"
3.4	**Reporting of the Audit Committee**		
3.4.1	Reporting to the Board of Directors	√	Audit Committee informs Board periodically through its minutes which are placed at Board Meetings.
3.4.1 (i)	Activities of Audit Committee	√	No Such Incident Occurred
3.4.1 (ii) a)	Conflict of interest	√	
3.4.1 (ii) b)	Material defect in the internal control system	√	
3.4.1 (ii) c)	Infringement of laws, rules and regulations	√	
3.4.1 (ii) d)	Any other matter	√	
3.4.2	Reporting to the Authorities	√	No Such Incident Occurred
3.5	Reporting to the Shareholders and General Investors	√	
4	**Engagement of External/Statutory Auditors:**		
4 (i)	Appraisal or valuation services or fairness options	√	
4 (ii)	Financial information systems design and implementation	√	
4 (iii)	Book–keeping	√	
4 (iv)	Broker-dealer services	√	

Condition No.	Title	Status Complied	Remarks
4 (v)	Actuarial services	√	
4 (vi)	Internal audit services	√	
4 (vii)	Services that the Audit Committee determines	√	
4 (viii)	Audit firm shall not hold any share of the Company they audit.	√	
5	**Subsidiary Company:**		
5 (i)	Composition of the Board of Directors	√	
5 (ii)	At least 1 (one) independent Director to the subsidiary Company	√	
5 (iii)	Submission of Minutes to the holding Company.	√	
5 (iv)	Review of Minutes by the holding Company	√	
5 (v)	Review of Financial Statements by the holding Company	√	
6	**Duties of Chief Executive Officer and Chief Financial Officer:**		
6 (i) a)	Reviewed the materiality untrue of Financial Statements	√	
6 (i) b)	Reviewed about compliance of accounting standard	√	
6 (ii)	Reviewed about fraudulent, illegal or violation of the Company's code of conduct.	√	
7	**Reporting and Compliance of Corporate Governance**		
7 (i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines	√	
7 (ii)	**Annexure** attached in Director's report	√	

Risk Management & Control Environment

We are committed to conducting business in accordance with all applicable laws and regulations and in a manner that is consistent with our values. Risks an integral part of a business and contributes to the loss of the company as well as for the shareholders. The main responsibility of risk management is to establish and oversee the Company's risk management framework. Company risk management policy is established to identify and analyze the risks faced by the Company, set the appropriate risk limits and to control and monitor risks and adhere to limits. Risks management policy and system is monitored regularly to comply with the changing market conditions and company activities. Through its training and management, standard procedures aim to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk management process is a scientific, systematic and structured procedure which involves activities of identifying, analyzing, evaluating, reporting, decision making and mitigation of the different types of risks those are associated with the events. Risk management of PCML involves managing and controlling the risks and also defining numerous strategies to address these risks successfully. This is a key part of our business and this concept is introduced to manage, control, reduce and eliminate the risks.





Key Risks Facing the Company

Risks are defined as uncertainties resulting in adverse variations of profitability or in losses, financial or otherwise. The core risk areas of the business are Industry risk, sourcing cost risk, financial risk, technological risk and environmental risk. Some of these risks and the ways of mitigation are discussed elaborately below:

Industry risk

This type of risk refers to increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc. These could have an adverse impact on the business condition. Major market players in the cement industry took initiative to expand their capacity and most of them will come into operation within the next one year. If economic growth as well as development activities of the country are not at expected level, market will be more competitive due to excess capacity in the industry.

Moreover, some of the competitors in the industry are larger than our Company and have huge financial resources that may enable them to deliver products on more attractive terms or to invest large amounts of capital into their business, including greater expenditure for better and more efficient production capabilities. These competitors may limit the opportunity of the Company to expand its' market share and may compete with it on pricing of products. The business, financial condition and prospects of the Company could be adversely affected if it is unable to compete with its competitors and sell cement at competitive prices. However, if market demand fails to grow due to economic recession or the company fails to increase or maintain its market share due to high competition then production capacity will remain unutilized which could adversely affect the company's business as well as financial conditions.

Mitigation

The expansion of the cement industry is underway due to government's move to materialize its huge plan of infrastructure projects such as Padma Bridge, elevated expressway, cement concrete road, Metro Rail, Rooppur Nuclear Power Plant, LNG Terminal at Maheshkhali, Rampal Power Project, Deep Sea port, Matarbari 1,200 MW Coal Power Project as well as increasing demand in the construction sector. According to the Bangladesh Cement Manufacturers Association, cement industry is growing at an average rate of 10%-12% per annum.

PCML pays careful attention to maintain the quality of its product as well as ensures door-to-door supply to the various markets it serves. To take geographical advantage Premier Cement invested in National Cement Mills Limited (40% owned by Premier Cement) located in Chittagong with production capacity of 264,000 MT per annum. In addition, PCML has already planned to enhance its own production capacity from existing 2,400,000 MT to 5,000,000 MT to intensify its position in the market. Management of PCML is also aware of the risk of economic recession. To enhance its market share, the company has emphasized on promotional activities significantly. The company has also strengthened its distribution channel which is very important to increase as well as maintain the market share.

Potential or Existing Government Regulations

The Company operates under Companies Act, Income Tax Ordinance, Income Tax Rules, Value Added Tax (VAT) Act, Value Added Tax (VAT) Rules. In addition to that, Company operates its activities in compliance with various environmental rules and regulations. Stricter laws and regulations or stricter interpretation of existing laws and regulations may impose new liabilities, which could adversely affect its business, financial condition or results of operation.

Mitigation

Unless there is any drastic change in policy that may bring any adverse effect in the industry, the business of the company is expected not to be affected significantly. As a developing country, economy of Bangladesh is growing consistently over the period and demand of cement is also increasing to meet the demand of rising infrastructure development. Cement being the most important ingredient for the infrastructural development; it is unlikely that the government will initiate any fiscal measure which could adversely affect the growth of the industry.

Potential Change in Global Policy

The company operates its business based on imported raw materials. Financial and operating performance of the company may be adversely affected if there is any unfavorable change in global policy.

Mitigation

All the major market players in cement industry operate based on imported raw materials and in compliance with national as well as global policies/practices. Any changes in policies will affect all the competitors almost equally. PCML's market standing, brand image and reputation of the groups behind the company will put it in a comparatively better position to handle any adverse policy.

Sourcing of Raw Materials

Smooth supply and cost of raw materials is a critical factor for the cement industry in Bangladesh as main raw materials of cement such as clinker, Slag, Fly Ash, Lime Stone and gypsum are imported from different countries. The company's business is dependent upon its ability to source raw materials and make those available at the right time and at a reasonable price.

Mitigation

The Company has bilateral understanding with a group of independent suppliers which ensures timely delivery of raw materials. On the other hand, as fluctuation of raw material price is commonly observed in the worldwide market, we handle the situation efficiently through our extensive storage capacity of Clinker and finished goods. With 5 (five) silos and 3 (three) sheds we protect ourselves from any unfavorable temporary fluctuation in sourcing cost of raw materials. Moreover Premier Cement is enjoying preferential services of ocean going Mother Vessel from Millennium Shipping Ltd BVI to carry raw materials from abroad. On the other hand the company enjoys dedicated service of Lighter Vessels from Roknoor Navigation Limited for carrying raw materials to Factory Jetty. These arrangements give competitive advantage to PCML for sourcing raw material in the timely manner and engaging low amount of working capital.

Supply Chain Management

Supply chain management has traditionally played a vital role within the cement industry for cost reduction and value creation purposes. Many strong producers of cement including multinationals are competing in the domestic market and creating strong market demand through efficient supply chain.

Mitigation

Both inbound and outbound Logistics play a vital role in the cement industry. Considering this factor, Premier Cement has extended its distribution network through dealers and retailers around Bangladesh. The company has a distribution fleet consisting of 192 dedicated covered vans, 60 open Trucks, 34 bulk carriers and 20 lighter vessels to ensure quick and door to door delivery of cement. On the other hand, in order to ensure smooth supply of raw materials, the Company receives dedicated service from Roknoor Navigation Limited for carrying raw materials from Chittagong Outer Anchor to factory jetty.

Non-Availability of Power Could Disrupt Operations for the Production

Power crisis one of the major problems in our country which occurs for technical reasons and also due to inefficiency and corruption in the administration. During the peak hour we have at least four to five hours of load shedding every day and during the summer season the situation is even worse which may hamper smooth production & delivery. Exact figures of the losses incurred is unknown but it is estimated to be 30 percent approximately. The net country-wide load shading in our country is probably among the highest in the developing countries.

Mitigation

Management of PCML is clearly aware of this risk and pays careful attention to it. To facilitate uninterrupted power supply, one 3.51 MW gas fired power generation plant has been setup under a subsidiary company named "Premier Power Generation Limited" synchronized with the line of Dhaka Power Distribution Company Ltd. (DPDC). In addition, PCML has installed two diesel based generators in its own name with 1.83 MW capacities.

However, in case of failure to get any additional load connection, the company will use the 33KV load and captive generation to run the ball mills and other heavy operations. The packing operation will be powered by HFO/diesel based generator since the cost impact of power in bag plant is insignificant.

Credit risk

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

Mitigation

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial conditions, ageing profile etc. Accounts receivable are related to sale of cement & empty cement bag.

Liquidity risk

Liquidity risk is the risk that a company may be unable to meet short-term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital and/or income in the process.

Mitigation

The group'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 group's reputation. Typically, the group ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment.

Interest risk

For working capital, the company has to manage fund from various sources on a regular basis. As it is closely related with variable interest rates, any unfavorable fluctuation might create risk of increased interest expense.

Mitigation

To avoid this risk we always try to emphasize equity based financing to reduce future dependency on borrowed fund.

Exchange rate risk

In the present era of increasing globalization and heightened currency volatility, changes in exchange rate have a substantial influence on companies' operations and profitability. Exchange rate volatility affects not just multinationals and large companies, but small and medium-sized enterprises as well, even those who only operate in their home country.

Mitigation

As we import raw materials and export cement to other countries, exchange rate seems a major concern to us. This provides the Company along with other competitors for favorable adjustment of price in case of adverse exchange rate fluctuations and international price movements. Furthermore, the Company has been minimizing exchange rate risk by boosting export earnings, which contribute around 2.67% of total revenue.

Environmental Risk

It can be defined as the actual or potential threat of adverse effects on living organisms and the environment by effluents, emissions, wastes, resource depletion, etc., arising out of an organization's activities.

Mitigation

For the mitigation of this type of risks, PCML human resource department arranged many training and development programs for employees to increase awareness about the environment.



Integrated Report & Responsibility over the Integrity

Integrated reporting

Integrated report (IR) is enhancing the way organizations think, plan and report the story of business. Organizations are using IR to communicate a clear, concise, integrated story that explains how all of the resources are creating value. IR is helping businesses to think holistically about the strategy and plans, make informed decisions and manage key risks to build investor and stakeholder confidence and improve future performance.

Our 2016-2017 Annual Report has been presented as an 'Integrated Report' with the objective of expressing how Premier Cement Mills Limited has effectively managed its business to deliver consistent value to its stakeholders. This Report covers our financial, environmental and social statements in one integrated report, as well as a management review.

Scope of the Report

In presenting the integrate Report, we have followed to the guidelines issued by the Institute of Chartered Accountants of Bangladesh (ICAB) in the form of "Integrated Reporting Checklist" which is in congruence with the integrated reporting framework prototype issued by International Integrated Reporting Council (IIRC).

In explaining the company's operations and financial performance, financial information so disclosed has been extracted from the Audited Financial Statements for the financial year ended 2016-2017 with relevant comparative information. The financial statements consistently complying with the requirements of

- Bangladesh Accounting Standards (BAS)
- Bangladesh Financial Reporting Standards (BFRS)
- Companies Act 1994
- International Accounting Standards (IAS)
- Securities and Exchange Rules 1987
- The Income Tax ordinance 1984
- And other applicable laws and regulations of the land.

To report our corporate governance practices, we have followed the Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission (BSEC)

Comparability

All the information presented in this report in on the same basis as the 2015-2016 report in terms of the entities covered, the measurement methods applied and time of the frames used. The information provided covers all material matters relating to business strategy, risk and areas of critical importance to our stakeholders. The structure of the report has been further developed as part of our continuous focus on improving communication to our stakeholders.

Available Information

Our Internet address is ***www.premiercement.com***. We make available free of charge a variety of information for investors. Our goal is to maintain the Investor Relations website as a portal through which investors can easily find or navigate to relevant information about us. Including

- Yearly Annual Report

- Information on our business strategies, financial results, and key performance indicators.
- Press releases on quarterly earnings
- Other news and announcements that we may post from time to time that investors might find useful or interesting.

Responsibility over the Integrity of the integrated Report

I acknowledge the responsibility to ensure the integrity of the disclosure contained in the integrated Report presented herewith which comprise the discussion and analysis, disclosures pertaining to stewardship, which should be read in conjunction with the audited financial statement. In the opinion, the integrated report, incorporated in this annual report has been prepared in accordance with the IIRC's International Integrated Reporting framework and addresses the material matter pertaining to the long term sustainability of the group and present fairly the integrated performance Of Premier Cement and impacts thereof.



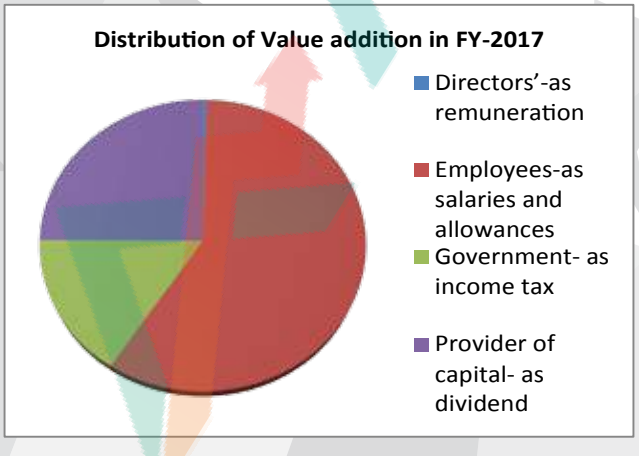
Mohammed Amirul Haque
CEO & Managing Director

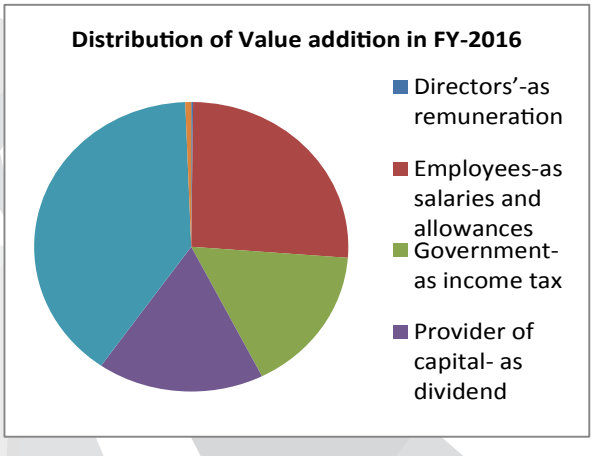


Statement of Value Added and it's Distribution

Our value added statement shows how much value has been created by our Company through utilization of capacity, capital, manpower and other resources and how it is allocated among different stakeholders (employees, lenders, shareholders and government etc.) in an accounting period. The following comparative financial information will let you comprehend the overall value addition by Premier Cement Mills Limited in the financial year 2016-17.

Particulars	2016 -2017	%	2015 -2016	%
Generation of value added				
Sales	10,332,898,832		9,361,935,844	
Income from services	-		-	
Cost of bought in material & services	(8,796,809,276)		(7,780,095,728)	
Gross value added	1,536,089,556		1,581,840,116	
Other income	(144,141,271)		(30,467,058)	
Depreciation	(341,000,874)		(320,163,609)	
Net value added	**1,050,947,411**	100	**1,231,209,449**	100
Distribution of value addition				
To Directors' -as remuneration	2,400,000	0.23	2,400,000	0.19
To employees -as salaries and allowances	373,626,684	35.55	320,320,147	26.02
To government - as income tax	100,376,642	9.55	201,431,872	16.36
To provider of capital - as dividend	158,175,000	15.05	210,900,000	17.13
To retained earning	399,603,973	38.02	488,691,331	39.69
To non -controlling interest	16,765,113	1.60	7,466,101	0.61
Net value added	**1,050,947,411**	**100**	**1,231,209,449**	**100**
Number of Employee	1489		1,143	
Value add ed per employee	705,808		1,077,174	





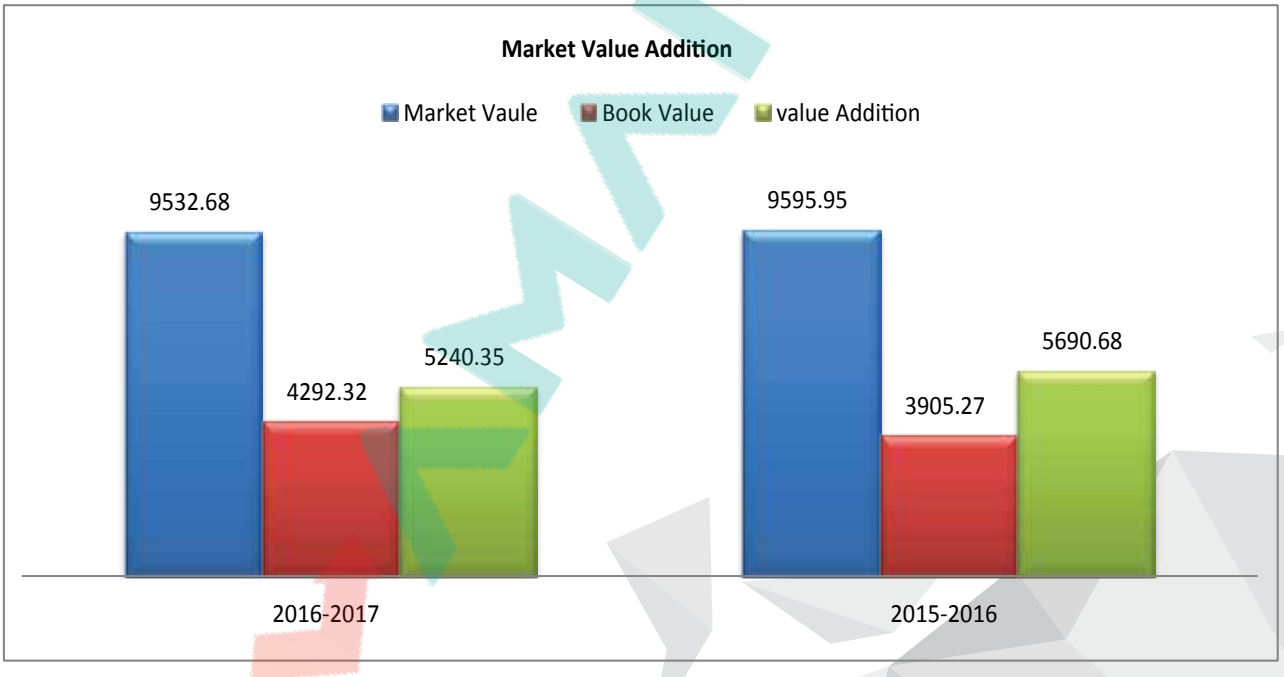
Market value added statement:

Market value added statement reflects the Company's performance evaluated by the market through the share price of the company. This statement shows the difference between the market value of a company and the capital contributed by investors.

'The higher MVA better indication' A high MVA indicates the company has created substantial wealth for the shareholders. A negative MVA 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 (or that wealth and value have been destroyed).

The following statement shows how the MVA has been calculated for the year ended June 30, 2017 and 2016:

	30 June 2017	30 June 2016
Market value of shares outstanding	9,532.68	9,595.95
Book value of shares outstanding	4,292.32	3,905.27
Market value added	5,240.35	5,690.68



Contribution to the Economy of Bangladesh

Premier Cement Mills Limited aspires to be one of the major contributors to the economy of Bangladesh through its contribution to the national exchequer, as well as through creation of employment (both direct and Indirect).

In 2016-2017, PCML deposited Taka 182,547,194 to the government exchequer as corporate income tax. Also Taka 73,059,308 was collected and deposited to the government exchequer as withholding tax, VAT and excise duty.

Economic Value Added (EVA) Statement:

Economic Value-Added is the surplus generated by an entity after meeting an equitable charge towards providers of capital. It is the post-tax return on capital employed (adjusted for the tax shield on debt) less the cost of capital employed. Companies which earn higher returns than cost of capital create value, and companies which earn lower returns than cost of capital are deemed harmful for shareholder value.

The aim of EVA is to provide management with a measure of their success in increasing shareholder's wealth: a better measure than profit of how much the company had made for shareholders.

EVA has been calculated by the following formula:

EVA = Net Operating Profit – Taxes – Cost of Capital

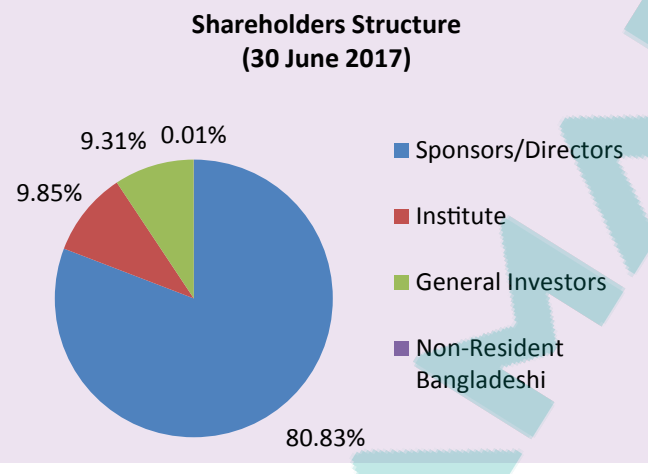
Particulars	30 June 2017	30 June 2016
Net Operating profit	662,385,953	892,578,821
Provision for taxes	(100,376,642)	(201,431,872)
Net Operating Profit after tax (NOPAT)	562,009,311	691,146,949
Charges for capital		
Capital employed	6,474,405,113	6,730,630,775
Cost of equity (%)	5%	7%
Capital Charge	323,720,256	471,144,154
Economic value added	**238,289,055**	**220,002,795**
Capital employed as on June 30		
Shareholders' equity	4,292,343,243	3,905,274,045
Non-controlling interest	306,310,722	289,545,610
Non-current liabilities	1,779,370,215	2,454,689,553
Accumulated provision for doubtful accounts	96,380,933	81,121,567
Average shareholders' equity	6,474,405,113	6,730,630,775

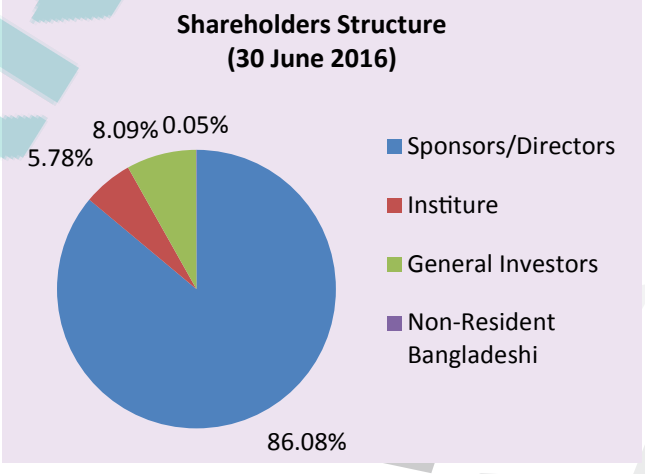
Shareholders & Stakeholders Information

Premier Cement Mills Limited is very much concern of the stakeholders' interest on the Company including the potential investors. PCML with 17 years of financial expertise helps its clients to decide in taking right financial decisions. The following historical information will help our current and potential investors for their decision making:

Share holding Structure

Type of Shareholders	30 June 2017		30 June 2016	
	Percentage	Number of the share	Percentage	Number of the share
Sponsors/Directors	80.83%	85,240,000	86.08%	90,770,000
Institute	9.85%	10,386,986	5.78%	6,088,216
General Investors	9.31%	9,812,143	8.09%	8,535,534
Non-Resident Bangladeshi	0.01%	10,871	0.05%	56,250
Total	**100%**	**105,450,000**	**100%**	**105,450,000**





Stock Performance-Market Price Information

Quarter	2016-2017		2015-2016	
	High price	**Low price**	**High price**	**Low price**
1st Quarter	101.90	87.90	91.10	59.10
2nd Quarter	96.00	82.60	101.20	75.80
3rd Quarter	96.2	88.3	102.10	74.30
4th Quarter	94.2	89.6	98.20	86.30

Redressal of Investors' Complaint

Premier Cement Mills Limited is strongly committed to equitable treatment of every shareholder, whether they are major or minority shareholders, institutional investors, or foreign shareholders. To ensure equal treatment of all shareholders the Company created various mechanisms, such as:

Shareholders who are unable to attend the shareholders' meeting, the Company provide proxy forms which allow shareholders to specify their vote on each agenda. The proxy forms, which are in accordance with the standard format, are sent along with the annual report.

The shareholders' meetings proceed according to the order of the agenda, without adding new and uniformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making a decision. Moreover, there are no changes to the important information in the shareholders' meeting.

The Company sees the importance of the consideration of transactions which may have conflict of interest or may be connected or related transactions, and abides by good corporate governance principles, including the rules and regulations of the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange and the Chittagong Stock Exchange transactions, Directors, management and those who are related persons do not participate in the consideration to approve such transactions.

The Company provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the Company annual general meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of Director. Complaint redressal is supported by a review mechanism, to minimize the recurrence of similar issues in future.

PCML follows the following principles

- Investors must be treated fairly at all times
- PCML employees work in good faith and without prejudice, towards the interests of the investors.
- Investors are informed of avenues to raise their complaints within the organization
- Complaints are treated efficiently and fairly
- Complaints raised by investors must be dealt with courtesy and in a timely manner

Way of Redress Investor Complaints

- Investor can complain through email info@premiercement.com
- An Investor can make a written complaint through letter
- The Company maintains investor grievance file in which full detail of every written complaint shall enter
- We have 2 designated person look after the investor grievances in due time
- The full detail of the written complaint must be passed to the concerned department and inform the compliance officer of the Company as soon as it is received
- A letter or email must be written to all the investor who have submitted written complaints by the designated person or Compliance Officer acknowledging receipt of the complaint and informing them it will be dealt with
- Audit & Compliance Department will obtain all information available on the complaint. which is considered necessary for a proper investigation, look into all the necessary information and resolve these soon as possible;

The Company continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

Investors' inquiries / Complaint

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

Share Department

T.K Bhaban (12th Floor),
13 Kawran Bazar, Dhaka-1215
E-mail: ***info@premiercement.com***
Tel: 02-9144788, 02-9127610
Mobile: 01777-764006, 01755-639090

Key operating and financial highlights

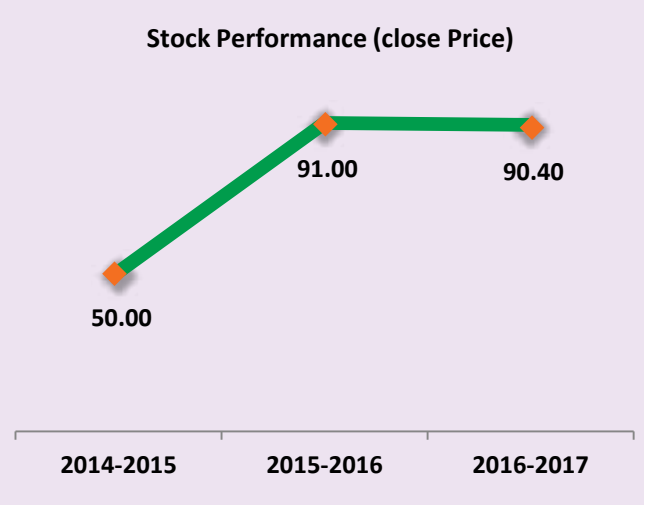
Taka in Mio

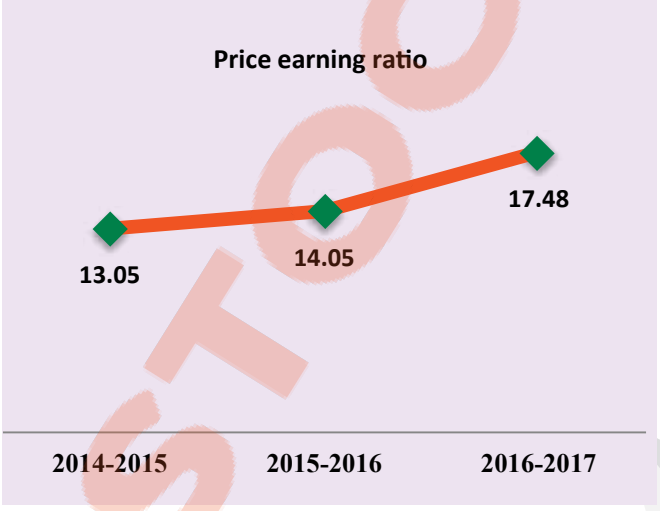
Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Operation Performance					
Revenue	1,0332.89	9,361.94	8,098.70	7,539.57	6,416.66
Gross Profit	1,698.29	1,988.21	1,238.94	1,295.93	1,153.59
Other income/(expense)	(144.14)	(30.47)	111.94	184.72	273.85
Administrative expenses	127.66	131.24	89.85	109.11	106.84
Selling & Distribution Expenses	403.26	454.19	352.99	265.43	194.60
Financial expense	330.03	438.348	456.79	377.79	327.24
Contribution to WPPF	30.81	41.37	19.68	33.53	38.21
Profit before tax	662.38	892.58	431.54	694.78	760.54
Provision for tax	100.37	201.43	22.63	185.67	261.37
Net profit after tax	562.01	691.15	408.92	509.10	499.17
Financial Performance					
Non-Current Liabilities	1,779.37	2,454.68	2,098.65	1,666.16	1,214.27
Current liabilities	6,095.40	4,194.23	4,802.84	5,041.16	4,273.98
Non-Controlling Interest	306.31	289.54	81.93	76.91	71.96
Shareholders' Equity	4292.34	3905.27	3105.91	3018.35	2936.01
Total Liability & Equity	12,473.43	10,843.74	10,089.33	9,803.42	8,496.23
Non Current Asset	7,095.39	6,385.54	5,929.81	5,945.06	5,306.86
Current Asset	5,378.03	4,458.20	4,159.52	3,858.36	3,189.36
Total Asset	12,473.43	10,843.74	10,089.33	9,803.42	8,496.23
Share Information					
Authorize capital	5000.00	5,000.00	5,000.00	5,000.00	5,000.00
Paid up capital	1054.50	1,054.50	1,054.50	1,054.50	1,054.50
No. of shares outstanding	105.45	105.45	105.45	105.45	105.45
No. of shareholders (30 June)	2614	3,456	4,080	5,151	7,100
Net asset value per share (Taka)	40.71	37.03	29.45	28.62	27.84
Dividend	20%	15%	20%	30%	40%
Other Information					
Export	274.92	221.71	246.29	94.28	136.92
Import Raw Materials	6456.14	5,460.41	5,396.95	5,247.64	4,162.22

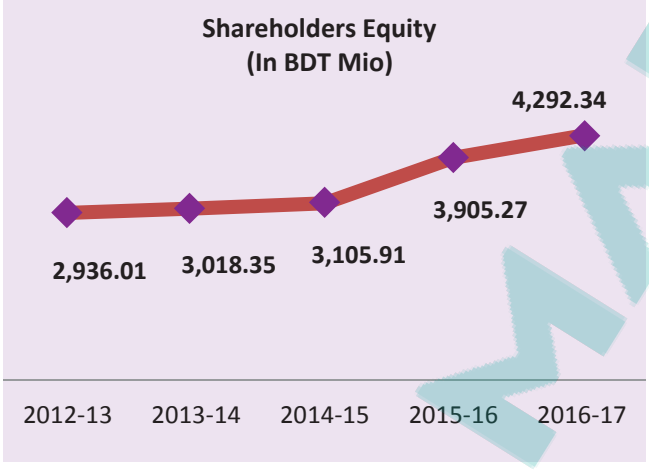
Key Ratios Analysis

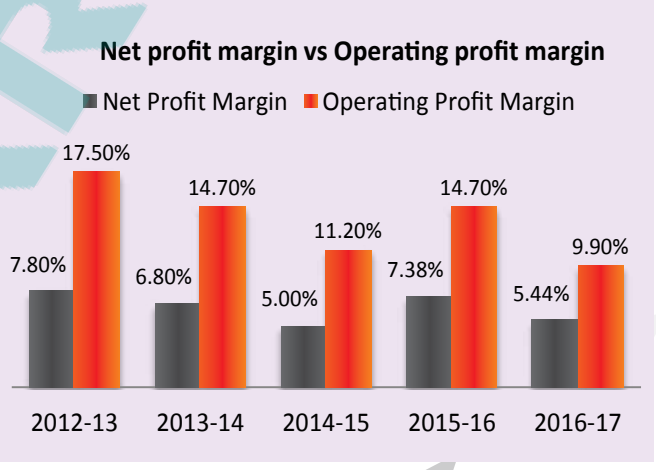
Performance Measure	Indicator Name	2016 -17	2015 -16	2014 -15	2013 -14	2012 -13
Liquidity Ratio	Current Ratio	0.88	1.06	0.87	0.77	0.75
	Quick Ratio	0.72	0.83	0.59	0.51	0.56
Operating Ratio	Inventory Turnover (Times)	8.71	6.44	5.30	6.03	7.94
	Accounts Receivable Turnover (Times)	4.31	5.69	5.82	5.70	6.06
	Total Asset Turnover (Times)	0.83	0.86	0.80	0.77	0.76
Efficiency Ratio	Interest Coverage Ratio	3.10	3.13	1.99	2.93	3.44
	Dividend Cover Ratio	2.59	4.32	1.92	1.59	1.25
	Dividend yield Ratio (%)	2.21	1.65	4.00	-	-
Leverage Ratio	Debt Equity Ratio	1.91	1.78	1.97	1.97	1.64
	Debt to Asset Ratio	0.66	0.64	0.66	0.66	0.62
Profitability	Return on Capital Employed (%)	13	23	19	20	22
	Return of Equity (%)	12.70	17.51	12.03	15.40	15.51
	Return on Assets (%)	4.37	6.30	4.05	5.19	5.88
Others	Gross Profit Margin (%)	16.44	21.16	15.29	17.19	17.98
	Operating Profit Margin (%)	9.90	14.70	11.20	14.70	17.50
	Pretax Profit Margin (%)	6.41	9.53	5.32	9.21	11.85
	Net Profit Margin (%)	5.44	7.38	5.04	6.75	7.78

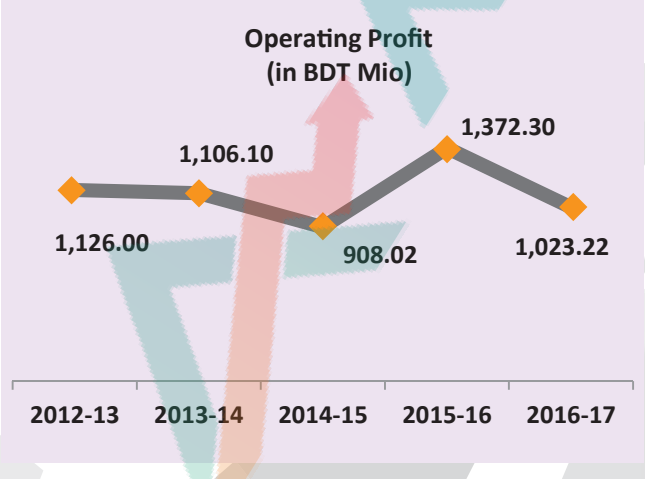
Graphical Presentation

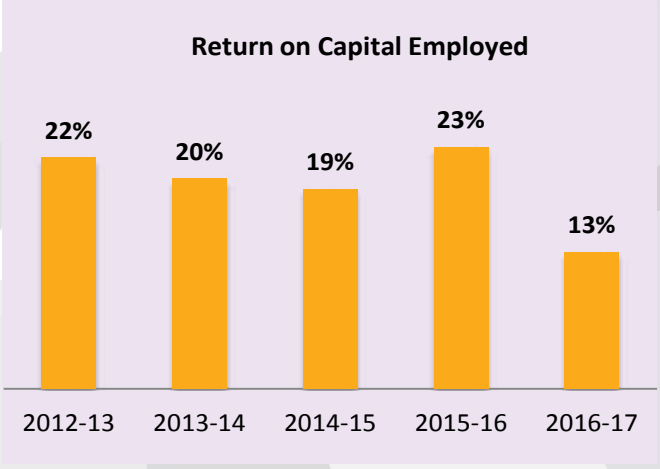


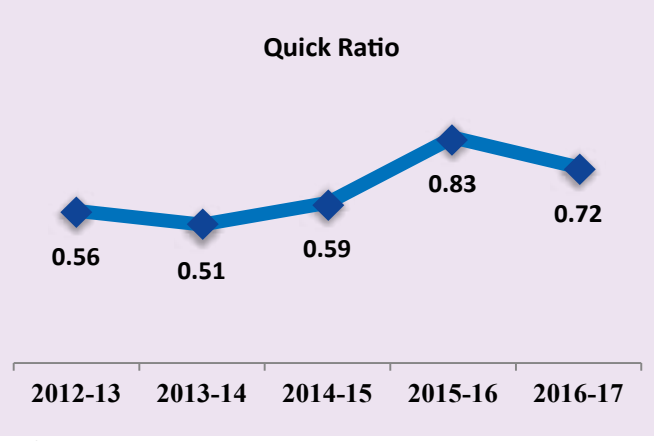


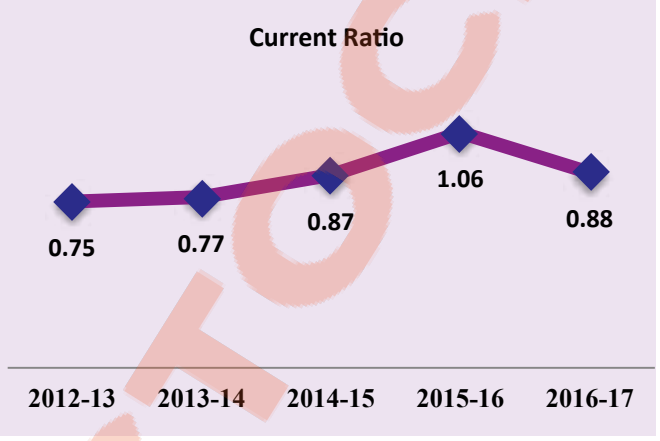


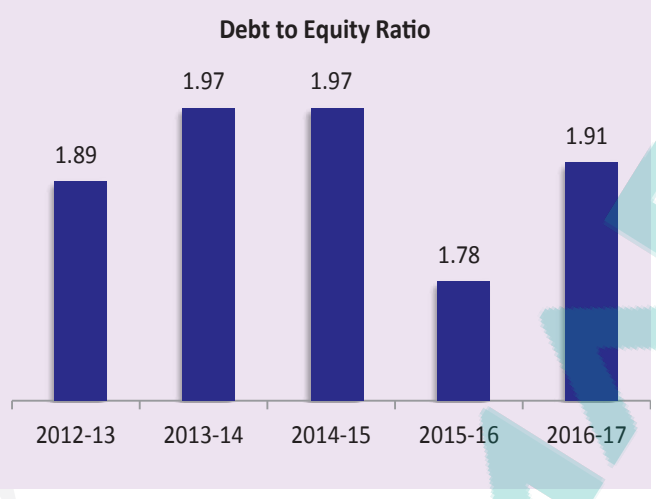


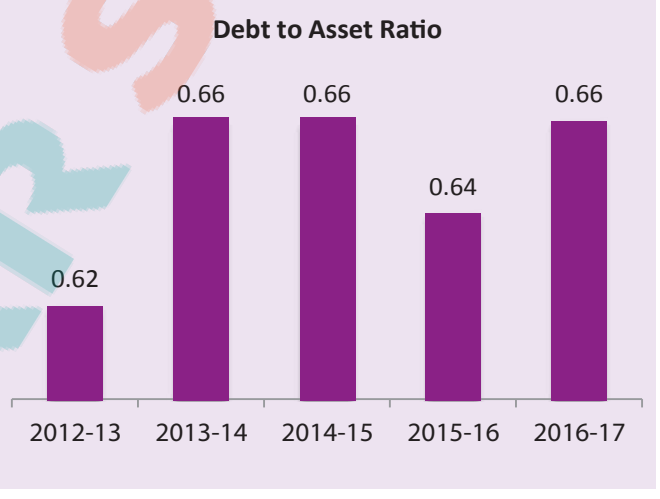


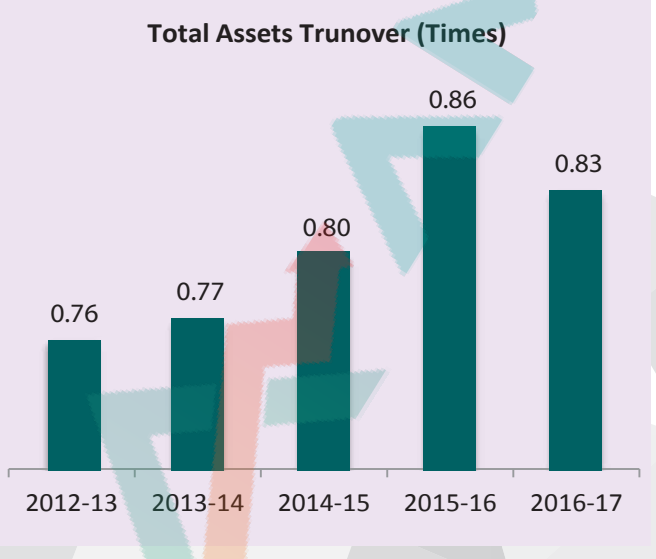


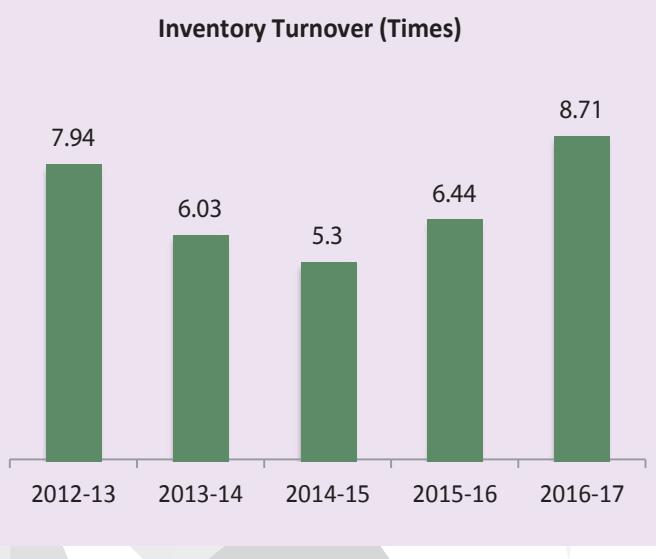

Quick Ratio
0.56
0.51
0.59
0.83
0.72
2012-13
2013-14
2014-15
2015-16
2016-17

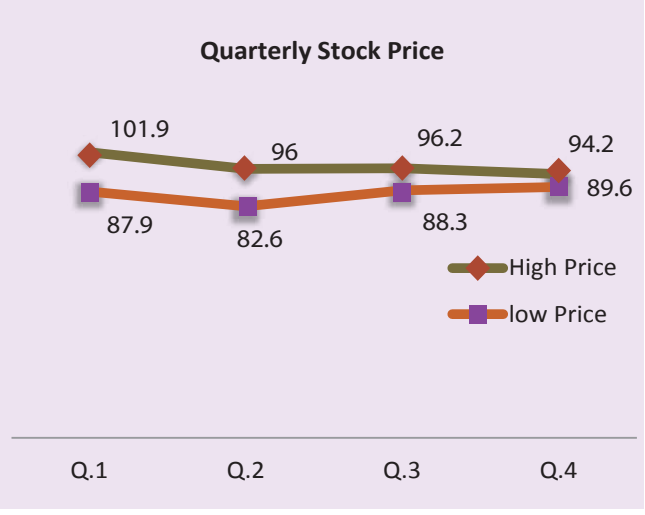

Current Ratio
0.75
0.77
0.87
1.06
0.88
2012-13
2013-14
2014-15
2015-16
2016-17

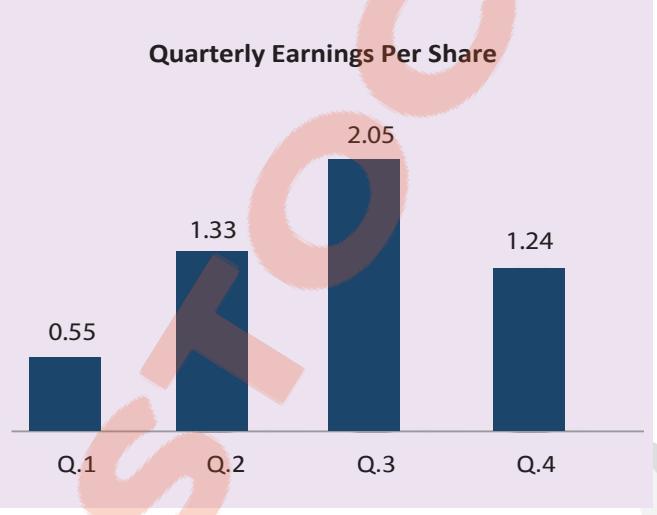

Debt to Equity Ratio
1.89
1.97
1.97
1.78
1.91
2012-13
2013-14
2014-15
2015-16
2016-17

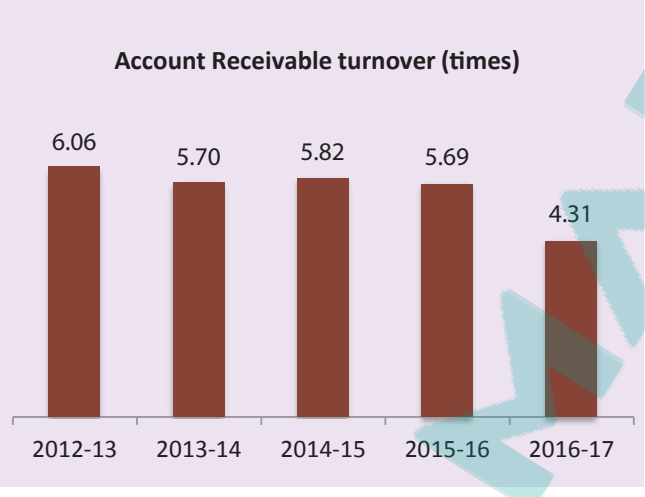

Debt to Asset Ratio
0.62
0.66
0.66
0.64
0.66
2012-13
2013-14
2014-15
2015-16
2016-17

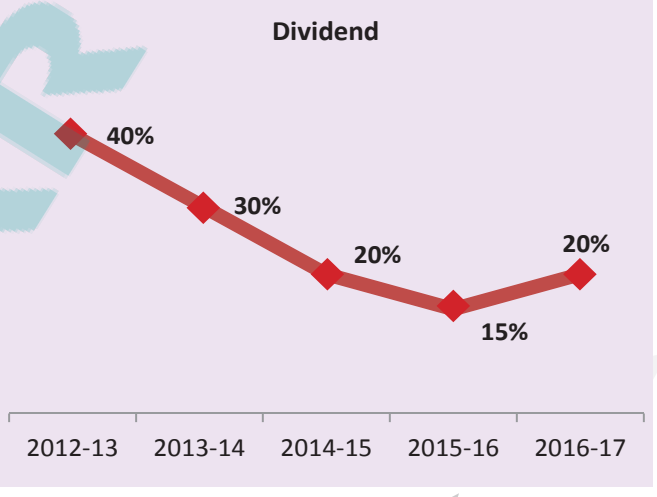

Total Assets Trunover (Times)
0.76
0.77
0.80
0.86
0.83
2012-13
2013-14
2014-15
2015-16
2016-17

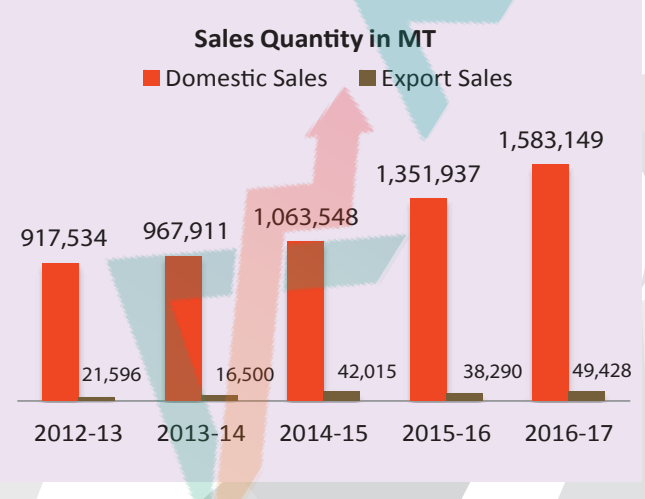

Inventory Turnover (Times)
7.94
6.03
5.3
6.44
8.71
2012-13
2013-14
2014-15
2015-16
2016-17

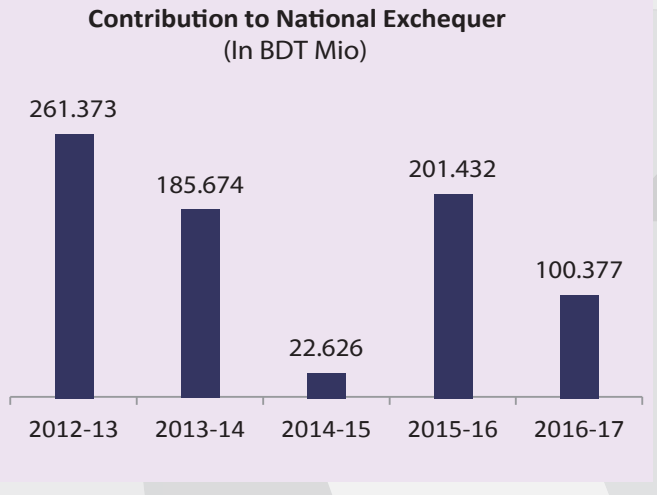

Quarterly Stock Price
101.9
96
96.2
94.2
89.6
87.9
82.6
88.3
High Price
low Price
Q.1
Q.2
Q.3
Q.4

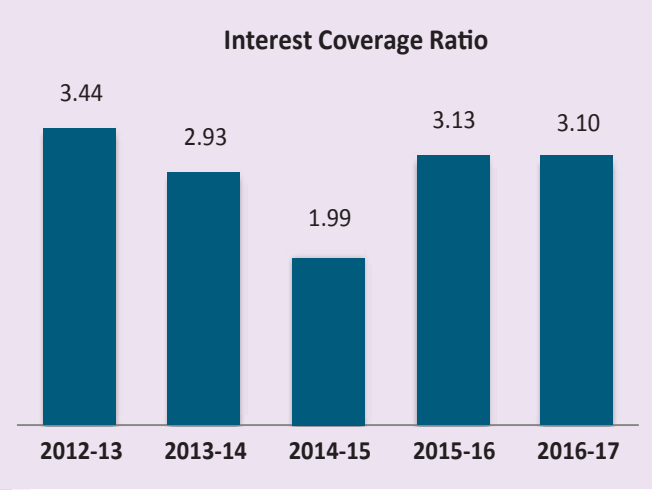

Quarterly Earnings Per Share
0.55
1.33
2.05
1.24
Q.1
Q.2
Q.3
Q.4

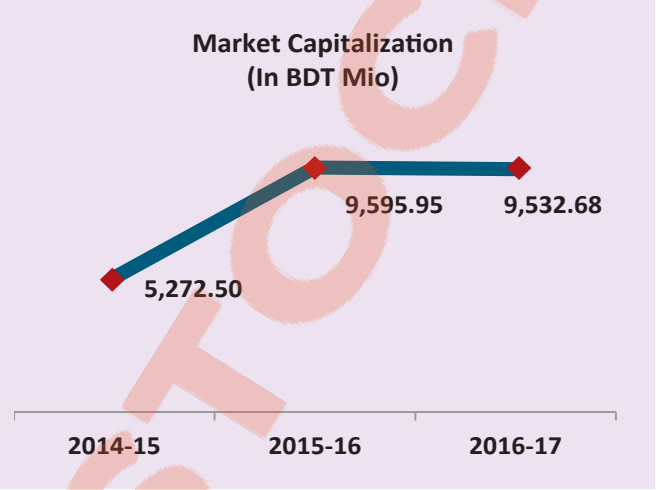

Account Receivable turnover (times)
6.06
5.70
5.82
5.69
4.31
2012-13
2013-14
2014-15
2015-16
2016-17

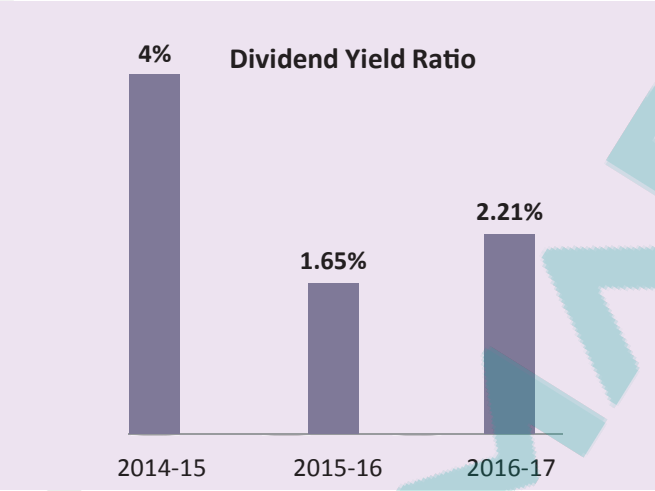

Dividend
40%
30%
20%
15%
20%
2012-13
2013-14
2014-15
2015-16
2016-17

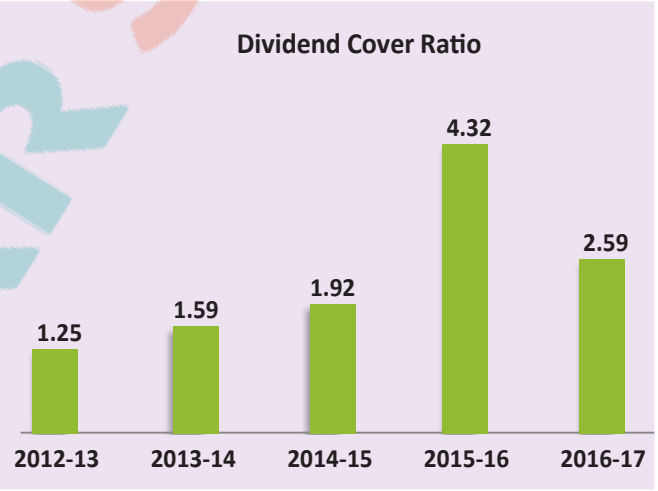

Sales Quantity in MT
Domestic Sales
Export Sales
917,534
967,911
1,063,548
1,351,937
1,583,149
21,596
16,500
42,015
38,290
49,428
2012-13
2013-14
2014-15
2015-16
2016-17


Contribution to National Exchequer
(In BDT Mio)
261.373
185.674
22.626
201.432
100.377
2012-13
2013-14
2014-15
2015-16
2016-17


Interest Coverage Ratio
3.44
2.93
1.99
3.13
3.10
2012-13
2013-14
2014-15
2015-16
2016-17


Market Capitalization
(In BDT Mio)
5,272.50
9,595.95
9,532.68
2014-15
2015-16
2016-17


Dividend Yield Ratio
4%
1.65%
2.21%
2014-15
2015-16
2016-17


Dividend Cover Ratio
1.25
1.59
1.92
4.32
2.59
2012-13
2013-14
2014-15
2015-16
2016-17

5 years-Horizontal Analysis- Financial Position

Particulars	2016-2017		2015-2016		2014-2015		2013-2014		2012-2013	
	Amount	Growth Rate	Amount	Growth Rate	Amount	Growth Rate	Amount	Growth Rate	Amount	Growth Rate
Assets										
Non-Current Assets										
Property, Plant and equipment	6,905,850,606	8.95%	6,338,337,520	7.8%	5,878,662,922	7.5%	5,466,159,025	6.1%	5,150,484,594	114.3%
Capital work-in progress	189,547,734	301.56%	47,202,662	-7.7%	51,150,482	-89.3%	478,898,506	206.2%	156,377,978	-92.2%
Total Non-Current Assets	**7,095,398,340**	**11.12%**	**6,385,540,182**	**7.7%**	**5,929,813,404**	**-0.3%**	**5,945,057,531**	**12.0%**	**5,306,862,572**	**20.6%**
Current Asset										
Inventories	995,614,177	0.86%	987,091,816	-24.3%	1,303,893,963	1.7%	1,282,263,619	62.4%	789,597,607	47.1%
Trade and other receivables	2,399,092,653	26.43%	1,897,552,575	36.4%	1,390,891,206	5.2%	1,322,212,717	25.0%	1,058,028,972	58.6%
Advance, Deposits and Pre-Payme	1,689,044,819	45.83%	1,158,236,505	8.2%	1,070,746,142	14.4%	936,140,233	16.1%	806,594,430	-5.4%
Investment in FDR	184,527,456	-10.85%	206,994,499	-9.9%	229,863,228	25.2%	183,604,362	40.6%	130,571,470	116.8%
Cash and Bank Balance	109,755,023	-47.32%	208,323,198	26.9%	164,121,665	22.3%	134,141,336	-66.8%	404,570,422	367.9%
Total Current Assets	**5,378,034,128**	**20.63%**	**4,458,198,593**	**7.2%**	**4,159,516,204**	**7.8%**	**3,858,362,267**	**21.0%**	**3,189,362,901**	**44.8%**
Total Asset	**12,473,432,468**	**15.03%**	**10,843,738,775**	**7.5%**	**10,089,329,608**	**2.9%**	**9,803,419,798**	**15.4%**	**8,496,225,473**	**28.7%**
Equity and Liabilities										
Equity										
Shareholders Equity	4,292,343,243	9.91%	3,905,274,045	25.7%	3,105,913,589	2.9%	3,018,357,402	2.8%	2,936,008,475	**34.0%**
Non-Controlling Interest	306,310,722	5.8%	289,545,610	253.4%	81,930,666	6.5%	76,919,251	6.9%	71,965,959	**7.8%**
Total	**4,598,653,965**	**9.6%**	**4,194,819,655**	**31.6%**	**3,187,844,255**	**3.0%**	**3,095,276,653**	**2.9%**	**3,007,974,434**	**33.2%**
Non-current Liability										
Loan from shareholder	300,000,000	0.0%	300,000,000	42.9%	210,000,000	0.0%	210,000,000	0.0%	210,000,000	0.0%
Deferred tax liabilities	439,794,176	-6.3%	469,246,917	56.3%	300,142,360	-3.2%	309,978,565	-13.4%	357,981,444	**120.8%**
Long term Loan	919,483,387	-42.0%	1,584,805,906	5.2%	1,506,723,099	38.6%	1,087,215,751	79.5%	605,835,860	**-35.4%**
Defined benefit obligations (Gratuity)	120,092,652	19.3%	100,636,730	23.1%	81,780,538	36.8%	59,788,044	47.8%	40,458,734	**50.8%**
Total Non-Current Liability	**1,779,370,215**	-27.5%	**2,454,689,553**	**17.0%**	**2,098,645,997**	**25.9%**	**1,666,982,360**	**37.3%**	**1,214,276,038**	**7.8%**
Current Liabilities										
Trade and other payables	390,470,587	-25.0%	520,489,332	48.8%	349,797,791	25.1%	279,583,089	-65.7%	814,191,402	**100.3%**
Short term bank loan	4,752,542,474	63.9%	2,899,973,913	-24.0%	3,813,600,695	-11.8%	4,326,192,283	37.7%	3,141,026,180	**26.0%**
Current portion of long term loan	533,529,278	12.3%	475,062,210	-4.0%	494,625,160	162.6%	188,373,392	2.8%	183,211,499	**28.4%**
Liability for other finance	73,820,255	1.2%	72,922,183	-4.9%	76,714,212	8.9%	70,420,750	14.5%	61,515,150	**-12.2%**
Contribution to WPPF	30,810,287	-25.5%	41,375,905	110.2%	19,684,997	-41.3%	33,530,776	-12.3%	38,213,301	**118.7%**
Provision for taxation	314,235,407	70.4%	184,406,024	280.9%	48,416,501	-66.2%	143,060,493	299.4%	35,817,470	**-59.3%**
Total Current Liabilities	6,095,408,288	45.3%	4,194,229,567	-12.7%	4,802,839,356	-4.7%	5,041,160,783	18.0%	4,273,975,002	**32.9%**
Total equity and liabilities	**12,473,432,468**	15.0%	**10,843,738,775**	7.5%	**10,089,329,608**	2.9%	**9,803,419,796**	15.4%	**8,496,225,474**	**28.7%**

5 years-Vertical Analysis- Financial Position

Particulars	2016-2017	%	2015-2016	%	2014-2015	%	2013-2014		2012-2013	%
Assets										
Non-Current Assets										
Property, Plant and equipment	6,905,850,606	55.4%	6,338,337,520	58.5%	5,878,662,922	58.3%	5,466,159,025	55.8%	5,150,484,594	60.6%
Capital work-in progress	189,547,734	1.5%	47,202,662	0.4%	51,150,482	0.5%	478,898,506	4.9%	156,377,978	1.8%
Total Non-Current Assets	**7,095,398,340**	56.9%	**6,385,540,182**	0.0%	**5,929,813,404**	0.0%	**5,945,057,531**	0.0%	**5,306,862,572**	7481.2%
Current Asset										
Inventories	995,614,177	8.0%	987,091,816	9.1%	1,303,893,963	12.9%	1,282,263,619	13.1%	789,597,607	9.3%
Trade and other receivables	2,399,092,653	19.2%	1,897,552,575	17.5%	1,390,891,206	13.8%	1,322,212,717	13.5%	1,058,028,972	12.5%
Advance, Deposits and Pre-Payments	1,689,044,819	13.5%	1,158,236,505	10.7%	1,070,746,142	10.6%	936,140,233	9.5%	806,594,430	9.5%
Investment in FDR	184,527,456	1.5%	206,994,499		229,863,228		183,604,362		130,571,470	4.4%
Cash and Bank Balance	109,755,023	0.9%	208,323,198	1.9%	164,121,665	1.6%	134,141,336	1.4%	404,570,422	4.8%
Total Current Assets	**5,378,034,128**	43.1%	**4,458,198,593**	41.1%	**4,159,516,204**	41.2%	**3,858,362,267**	39.4%	**3,189,362,901**	37.5%
Total Asset	**12,473,432,468**	100.0%	**10,843,738,775**	100.0%	**10,089,329,608**	100.0%	**9,803,419,798**	100.0%	**8,496,225,473**	100.0%
Equity and Liabilities										
Equity										
Shareholders Equity	4,292,343,243	34.4%	3,905,274,045	36.0%	3,105,913,589	30.8%	3,018,357,402	30.8%	2,936,008,475	34.6%
Non-Controlling Interest	306,310,722	2.5%	289,545,610	2.7%	81,930,666	0.8%	76,919,251	0.8%	71,965,958	0.8%
Total	**4,598,653,965**	36.9%	**4,194,819,655**	38.7%	3,187,844,255	31.6%	3,095,276,653	31.6%	3,007,974,433	35.4%
Non-current Liability										
Loan from shareholder	300,000,000	2.4%	300,000,000	2.8%	210,000,000	2.1%	210,000,000	2.1%	210,000,000	2.5%
Deferred tax liabilities	439,794,176	3.5%	469,246,917	4.3%	300,142,360	3.0%	309,978,565	3.2%	357,981,444	4.2%
Long term Loan	919,483,387	7.4%	1,584,805,906	14.6%	1,506,723,099	14.9%	1,087,215,751	11.1%	605,835,860	7.1%
Defined benefit obligations (Gratuity)	120,092,652	1.0%	100,636,730	0.9%	81,780,538	0.8%	59,788,044	0.6%	40,458,734	0.5%
Total Non-Current Liability	**1,779,370,215**	**14.3%**	**2,454,689,553**	**22.6%**	**2,098,645,997**	**20.8%**	**1,666,982,360**	**17.0%**	**1,214,276,038**	**14.3%**
Current Liabilities										
Trade and other payables	390,470,587	3.1%	520,489,332	4.8%	349,797,791	3.5%	279,583,089	2.9%	814,191,402	9.6%
Short term bank loan	4,752,542,474	38.1%	2,899,973,913	26.7%	3,813,600,695	37.8%	4,326,192,283	44.1%	3,141,026,180	37.0%
Current portion of long term loan	533,529,278	4.3%	475,062,210	4.4%	494,625,160	4.9%	188,373,392	1.9%	183,211,499	2.2%
Liability for other finance	73,820,255	0.6%	72,922,183	0.7%	76,714,212	0.8%	70,420,750	0.7%	61,515,150	0.7%
Contribution to WPPF	30,810,287	0.2%	41,375,905	0.4%	19,684,997	0.2%	33,530,776	0.3%	38,213,301	0.4%
Provision for taxation	314,235,407	2.5%	184,406,024	1.7%	48,416,501	0.5%	143,060,493	1.5%	35,817,470	0.4%
Total Current Liabilities	6,095,408,288	48.9%	4,194,229,567	38.7%	4,802,839,356	47.6%	5,041,160,783	51.4%	4,273,975,002	50.3%
Total equity and liabilities	**12,473,432,468**	**100.0%**	**10,843,738,775**	**100.0%**	**10,089,329,608**	**100.0%**	**9,803,419,796**	**100.0%**	**8,496,225,473**	**100.0%**

5 years-Horizontal Analysis- Income statement

Particulars	2016-2017		2015-2016		2014-2015		2013-2014		2012-2013	
	Amount	Growth Rate	Amount	Growth Rate	Amount	Growth Rate	Amount	Growth Rate	Amount	Growth Rate
Revenue	10,332,898,832	10.37%	9,361,935,844	15.6%	8,098,701,152	7.4%	7,539,574,982	17.5%	6,416,662,323	49.6%
Cost of Sales	(8,634,603,931)	17.10%	(7,373,725,823)	7.5%	(6,859,763,360)	9.9%	(6,243,640,861)	18.6%	(5,263,071,062)	40.1%
Gross profit	**1,698,294,901**	-14.58%	**1,988,210,021**	**60.5%**	**1,238,937,792**	**-4.4%**	**1,295,934,121**	**12.3%**	**1,153,591,261**	**117.1%**
Other income/(expense)	(144,141,270)	373.11%	(30,467,058)	-127.2%	111,936,424	-39.4%	184,719,720	-32.5%	273,854,481	77.5%
Administrative expenses	(127,666,122)	-2.73%	(131,246,981)	46.1%	(89,854,024)	-17.7%	(109,112,854)	2.1%	(106,844,868)	67.0%
Selling & distribution expenses	(403,260,975)	-11.21%	(454,192,683)	28.7%	(352,998,095)	33.0%	(265,439,660)	36.4%	(194,605,691)	40.2%
Profit before interest and tax	**1,023,226,534**	-25.44%	**1,372,303,299**	**51.1%**	**908,022,097**	**-17.9%**	**1,106,101,327**	**-1.8%**	**1,125,995,183**	**133.2%**
Financial expense	(330,030,294)	-24.71%	(438,348,575)	-4.0%	(456,793,609)	20.9%	(377,794,346)	15.4%	(327,241,033)	129.4%
Contribution to WPPF	(30,810,287)	-25.54%	(41,375,904)	110.2%	(19,684,997)	-41.3%	(33,530,776)	-12.3%	(38,213,300)	118.7%
Profit before tax	**662,385,953**	-25.79%	**892,578,820**	**106.8%**	**431,543,491**	**-37.9%**	**694,776,205**	**-8.6%**	**760,540,850**	**135.7%**
Current tax expenses	(129,829,383)	-30.11%	(185,768,370)	472.3%	(32,462,095)	-86.1%	(233,676,866)	256.8%	(65,490,826)	-38.4%
Deferred tax income/expenses	29,452,741	-288.03%	(15,663,502)	-259.2%	9,836,205	-79.5%	48,002,879	-124.5%	(195,882,457)	364.9%
Profit for the year	**562,009,311**	-18.68%	**691,146,948**	**69.0%**	**408,917,601**	**-19.7%**	**509,102,218**	**2.0%**	**499,167,567**	**186.3%**

5 years-Vertical Analysis- Income statement

Particulars	2016-2017	%	2015-2016	%	2014-2015	%	2013-2014	%	2012-2013	%
Revenue	**10,332,898,832**	**100.00%**	**9,361,935,844**	**100.00%**	**8,098,701,152**	**100.00%**	**7,539,574,982**	**100.00%**	**6,416,662,323**	**100.00%**
Cost of Sales	(8,634,603,931)	83.56%	(7,373,725,823)	78.76%	(6,859,763,360)	84.70%	(6,243,640,861)	82.81%	(5,263,071,062)	82.02%
Gross profit	**1,698,294,901**	**16.44%**	**1,988,210,021**	**21.24%**	**1,238,937,792**	**15.30%**	**1,295,934,121**	**17.19%**	**1,153,591,261**	**17.98%**
Other income/(expense)	(144,141,270)	(1.39%)	(30,467,058)	(0.33%)	111,936,424	1.38%	184,719,720	2.45%	273,854,481	4.27%
Administrative expenses	(127,666,122)	1.24%	(131,246,981)	1.40%	(89,854,024)	1.11%	(109,112,854)	1.45%	(106,844,868)	1.67%
Selling & distribution expenses	(403,260,975)	3.90%	(454,192,683)	4.85%	(352,998,095)	4.36%	(265,439,660)	3.52%	(194,605,691)	3.03%
Profit before interest and tax	**1,023,226,534**	**9.90%**	**1,372,303,299**	**14.66%**	**908,022,097**	**11.21%**	**1,106,101,327**	**14.67%**	**1,125,995,183**	**17.55%**
Financial expense	(330,030,294)	3.19%	(438,348,575)	4.68%	(456,793,609)	5.64%	(377,794,346)	5.01%	(327,241,033)	5.10%
Contribution to WPPF	(30,810,287)	0.30%	(41,375,904)	0.44%	(19,684,997)	0.24%	(33,530,776)	0.44%	(38,213,300)	0.60%
Profit before tax	**662,385,953**	**6.41%**	**892,578,820**	**9.53%**	**431,543,491**	**5.33%**	**694,776,205**	**9.22%**	**760,540,850**	**11.85%**
Current tax expenses	(129,829,383)	1.26%	(185,768,370)	1.98%	(32,462,095)	0.40%	(233,676,866)	3.10%	(65,490,826)	1.02%
Deferred tax income/expenses	29,452,741	0.29%	(15,663,502)	0.17%	9,836,205	0.12%	48,002,879	0.64%	(195,882,457)	-3.05%
Profit for the year	**562,009,311**	**5.44%**	**691,146,948**	**7.38%**	**408,917,601**	**5.05%**	**509,102,218**	**6.75%**	**499,167,567**	**7.78%**

Corporate Compliance Calendar to the Shareholders:

Events of the years	2017-2018	2015-2016
Publication of Financial Statements for the 1st Quarter	November 10, 2016	November 11, 2015
Publication of Financial Statements for the Half-year	January 28, 2017	January 27, 2016
Publication of Financial Statements for the 3rd Quarter	April 29, 2017	April 26, 2016
Annual Financial statements approved by the Board	August 27, 2017	October 20, 2016
Date of Record	September 21, 2017	November 09, 2016
Dispatching notice for the Annual General meeting	September 28, 2017	November 06, 2016
Dispatching of Annual Report	September 28, 2017	November 10, 2016
Holding of Annual General Meeting	October 14, 2017	November 26, 2016
Transfer/ payment of Dividend	N/A	December 21, 2016

Sustainable Development Report

Sustainable Development:

Sustainable Development has great worth to us and we strongly believe that our profitability greatly depends on healthy communities, growing economies as well as the optimum use of scarce natural resources. At Premier Cement Mills Limited, we don't accept any negligence in adding something by doing our day to day business that would be an extra achievement in respect of both our society as well as our country. According to our realization, we have developed long term Sustainable Development Policies that help us to operate our business for the well-being of the environment and for the healthiness and safeties of people. Our sustainable development Principles draw our attention towards operational efficiency and innovation, healthy environment issues, waste management, welfare of society, quality improvement & cost reduction and creating values for the stakeholders.

The Sustainable Development is complementary to our process and progress. We are performing Corporate Social Responsibility (CSR) as a prime tool of Sustainable Development because we are not here only for making profit; we are here also for the welfare of communities and a healthy environment. We have devised a robust sustainable development process which has initiated by our management team. The process itself exhibits an elaborated procedure's layout as well as



engagement with stakeholders and feeding their insight back into the process so that it can help business to prioritize concerns that ask for greater attention.

Sustainable development initiatives:

It has opened up a new window for companies to achieve competitive advantage over others through the adoption of sustainable practices. There is no need to explain that sustainability practices help a Company to achieve greater market share in the total market size and to robust higher shareholder value. Considering various opinions and feedbacks of the stakeholders, we have implemented several action plans and drives so that their impacts would be beneficial to environment and communities. The followings are the main focused actions which are the part of our sustainable practices:

Encouraging environment-friendly behavior

We are committed to safe guarding, protecting and preserving our physical environment for present and future generations to use and enjoy. We will develop and implement business practices consistent with sound environmental management and encourage and influence others to do the same. We will not engage in activities or develop products that have any significant negative impact on the environment.

We are responsible stewards of our natural and physical environment and natural resources including our soil, trees and plants, water, air, wild life and farm animals. We recognize that they are essential to the perpetuation of our communities and generations, and we commit to care for and protect them.

⇒ **Air quality and noise:**

The production of cement generally releases various pollutants into the environment. Our production processes mainly release dust, nitrogen oxides and sulfur compounds which are often subject to local regulation. Other pollutants such as dioxins, furans, volatile organic compounds and heavy metals are found in very small quantities in emissions from our cement plants. In addition we have purchased two compressors for fly ash suction. We have comprehensive continuous and discontinuous systems in place to monitor the release of major and minor emissions.

⇒ **Waste management:**

To minimize the waste products released from our production process, we have integrated waste management system into our operation in several respects. The rest of our operations produce comparatively little waste. We reuse many of the by-products of our operation into the production again. We continuously monitor our production process to ensure that waste products are kept to a minimal level.

⇒ **Carbon footprint:**

Climate change is getting paramount importance nowadays and it is one of the most critical global challenges in our time. We are committed to apply our skills, technologies and experiences to reduce the harmful effects of our operations to climate change. As a result the company is trying to maintain its production process in an eco-friendly and efficient way. At the same time the company is striving to limit the fossil fuels consumption for combustion in its cement grinding plants by adopting prudent strategies. Further, real time monitoring in every stages of production gives us the optimum level outcome of our fuels, utilities and natural resources consumption.

⇒ **Adequate dust collectors**

We are aware about the fact that suspended particles and dust emissions from our production process can affect the environment and local health severely. But as we never compromise on any issue related to the environment, our whole production units are equipped with adequate number of dust collectors to keep the amount of suspended particles in the air far below the acceptable limit. Thus Department of Environment, Government of People's Republic of Bangladesh has certified us by its environmental clearance and our aim is to remain constantly as one of the most complied companies in the industry regarding bio-diversity maintenance and environmental preservation.

Selection, implementation and monitoring of our CSR initiative.

- **Selection:**

  Step-1: Obtain proposals for CSR initiative to be undertaken throughout the country from the various sources. In choosing a program the following points are kept in mind:

  I. The benefit that will be derived from the program
  II. The financial involvement
  III. The geographical location

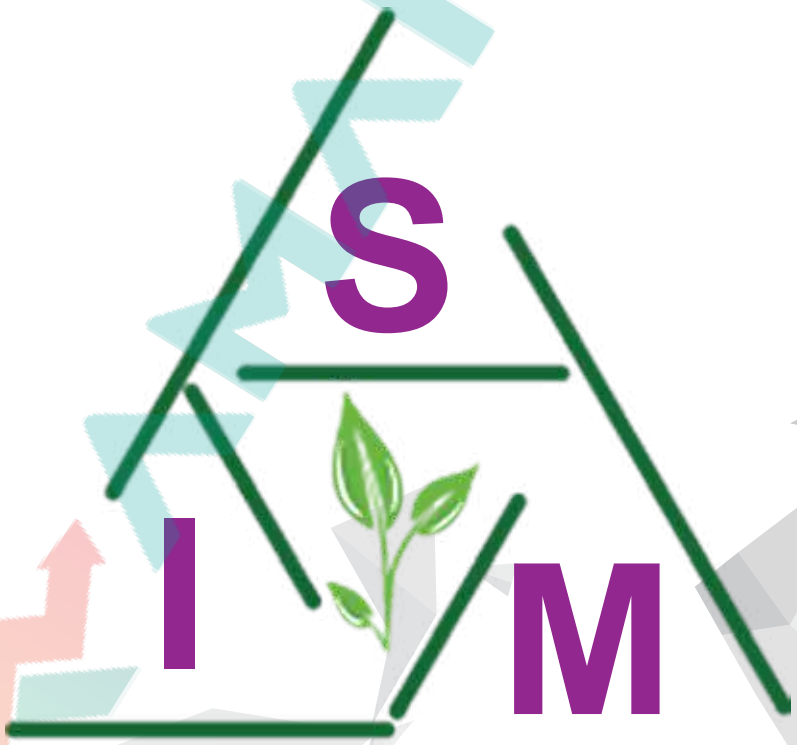
  We also follow the rules & regulations of Ministry of Finance published in 05 July 2011 in this respect.

  Step-2: Evaluating the proposal by a committee formed with the heads of different departments.

  Step-3: Getting the short-listed proposals approved from the Chairman/MD of the company who is empowered by the Board of Directors to accord approval.

- **Implementation:** After selection of CSR program, we formulate action plan, set the timeline & target based on the respective theme to implement the CSR initiative.

- **Monitoring:** Finally we try to find out the social impact of our CSR initiative.



Corporate Social Responsibilities toward Social & Community

Tree plantation and awareness program:

To contribute to the society through various activities based on the aspects of creativity and culture is aimed by Premier Cement and stands at the core of our corporate philosophy. As a good corporate citizen, we encourage all of our employees to participate in creative activities nationally with an awareness of the importance of making a contribution to the society mainly in the area of environmental conservation. Thus to maintain ecological balance and to protect our environment we are continuously arranging numerous tree planting programs and awareness programs to create environmental consciousness amongst the local habitants. With the help of the Company's employees and stakeholders, we intend to offset the carbon emissions associated with the industrial revolution in the country. Our Corporate tree planting program is a part of our Sustainable Development process that helps us to bring communities together and make a positive contribution to the environment as well. Every year, the Company plants substantial number of saplings at road side and rural parts of the country. During the period under review the Company planted thousands of saplings in rural, coastal and flood affected areas. Furthermore we arranged several awareness programs this year to educate, motivate and to create a sense of environmental responsibility among the local people.

Reason for consideration

To maintain eco-logical balance by protecting our environment and to create awareness among the local habitants, Premier Cement undertakes this program every year.

Beautification Project:

Premier Cement is committed to safe guarding, protecting and preserving our physical environment for present and future generations to use and enjoy. As per our commitment we regularly conduct beautification activities across the country. In 2017 we sponsored a beautification project where more than 2000 various flower saplings were planted under Kadamtoly Fly over, Chittagong.



Reason for consideration

As a demonstration of green environment and encouragement for the city dwellers to gardening in the lands near by their houses or even at the roof top and make our city more livable.

Advisory support:

We provide exclusive advisory support to our clients and other land owners on how they can build eco-friendly buildings. We are aware that due to land shortage and higher demand for individual house units it has become very difficult for individual home makers and apartment builders to give up an inch of space from their construction for environment purpose. Thus our numerous trained technical support team members visit different sites in various locations, and plants in-house plantation, green decoration and eco-friendly construction for free.

Reason for consideration

Due to increased urbanization and scarcity of land the house builders would need to utilize their lands. So advisory services are provided free of cost to enable them make their houses eco-friendly and comfortable.

PCML Assists Rajshahi University Readers' Forum (RURF)

RURF is currently one of the largest Forums among other University Forums in our country. It's a career oriented and voluntary organization at the University of Rajshahi. The organization is always dedicated to provide those programs which are mostly needed to build a bright career. The mission and vision of this organization is to help the students of Rajshahi University in acquiring extra-curriculum skills along with the academic knowledge. RURF includes job preparation courses, Computer courses, English Language courses, etc as its regular activities. At this point of time due to the lack of physical facilities and other equipment many students are attending their classes under open sky, stated Professor Dr. Muhammad Mizanuddin,, Vice-Chancellor of the University. We always encourage the organizers in these types of activities and feel proud when we can participate in these kinds of initiatives. As part of our CSR initiative, we have provided them with some quantities of cement at free of cost & are selling cement to them without making any profit for the construction of new buildings at RURF.

Reason for consideration

To help the readers forum have their own physical facility and also to help them acquire extra-curricular skill availing the facility provided by the Forum beside the academic knowledge.

Contribution to Bangladesh Network office for Urban Safety (BUNS), BUET

Dhaka is one of the most densely populated cities in the world. More than 18.237 million people live in this region. According to Earthquake Disaster Risk Index (EDRI) parameters, Dhaka is one of the top twenty cities in the world which are prone to high earthquake risks. (Cardonaet al ., 1999). The hazard that is inferred from tectonic analysis is backed by historic evidences. Bangladesh, a country of multiple natural disaster vulnerabilities, and its capital Dhaka are under the looming threat of cataclysmic earthquakes. Records show that large earthquakes have previously ravaged the country and the neighboring region several times over the last 450 years. Bangladesh Network Office for Urban Safety, BUET is taking a courageous attempt. This is the first time they are performing research for SHAKETABLE demonstration of Earthquake Resistance Capacity Reinforced Cement Concrete(RCC) Building. As a part of our commitment we have donatedTk.1,260,000 to Prof. Dr. Mehedi Ahmed Ansary, Director, BUNS for conducting this research.

Reason for consideration:

It is impossible to stop the earthquakes but it's possible to reduce the risk of damages by innovation of earthquake resistant building technology. It is also our aim to create awareness for constructing earthquake resistant building and to reduce the risk of damages.

Warm clothes distribution drive:

Despite of a reduction in the poverty rate, a significant number of total population's sufferings are not reduced. In winter season, due to excessive cold people of some rural parts of our country go through a lot of sufferings. According to ADB, around 30 percent of our total population is living below the poverty line. Because of lack of employment they migrate to towns and cities and live as refugees or in slums. Most of the ultra-poor people don't have enough money to buy warm clothes to get rid of the excessive cold.



In most of the cases, infant and old people sufferings know no bounds. Having no warm clothes, they are affected by various cold borne diseases and the rate of death is very alarming. As member of the society we stand beside these poor people. Every year we donate warm clothes to reduce their sufferings to our best ability.

Reason for consideration:

These needy and poor people suffer the most during the winter season. They are in desperate need of warm clothes which they cannot afford to buy. Since we feel their sufferings, we are arranging numerous winter clothes giving drives. We intend to help them reduce their sufferings from the curse of excessive coldness specially the elderly people and the infants.

Donation to Ministry of Shipping-Government of the People's Republic of Bangladesh for observance of Annual Nou Nirapattah Saptaha 2016:

We all that know every year a large number of passengers travelling through water transports are succumbed to accidents while travelling through passengers' vessel especially during Eid festivals. We welcome the awareness program conducted for Training & skill development for the riverine safety organized by the Ministry of Shipping every year. We are happy to be a part of this program by actively participating in organizing the program.

Reason for consideration:

For educating the passenger the fact that "Life is much more precious than the time" and not to take unnecessary risk of accidents by being a passenger of an overload vessel. The purpose of the program was also to educate the owner and operators of the vessels the importance of keeping sufficient life jackets in their boat and about over all travel safety techniques.

Skill Development Program:

Unemployment is one of the major problems in our country. This rate is increasing day by day due to lack of skilled& knowledgeable personnel and also due to shortage of job opportunity. As part of our commitment to sustainable development, Premier Cement signed an agreement with Advancing Public Interest Trust to deploy its resources in developing new entrants/job seekers in different parts of the country for the job market through residential training and learning sessions. This initiative is called "Shikkha 2 Employment Programme". According to the agreement Premier Cement has contributed Tk 15,00,000 from its CSR fund. Initially this residential skill development program is designed for 50 entrants /job seekers in the Khulna Division.

Reason for consideration:

The main objective of "Shikkha 2 Employment Programme" is to reduce the percentage of unemployment rate of our country by enhancing skill & knowledge of new entrants/job seekers thereby attaining vision 2021 and Sustainable Development Goal.

Donation to Bangladesh Tennis Federation-BTF

Sports play a very important role in shaping up our individual as well as our collective life. It builds our body and gives us more energy in work. But space and opportunity of sports are reducing day by day due to lack of empty spaces. As part of our commitment towards the society, PCML in partnership with Bangladesh Tennis Federation-BTF has organized the "2nd Diplomat Cup Tennis Tournament 2017" at the national Tennis Complex, Ramna Green, Dhaka from 26-27 May 2017. Respected diplomats from embassies and consulates of the country were present in the program while president of the BTF Mr. Shahriar Alam, MP, Hon'ble State Minister, and Ministry of Foreign Affairs was present as a chief guest.



Reason for consideration:

To encourage people to led life with good physic and energy, games and sport plays a vital role. That is why we have chosen sponsorship of this tournament.

Setting up of roadside directions and cautionary signs:

To avoid unexpected occurrences in risky turnings especially in the highway, the importance of cautionary and directional signs cannot be neglected. Taking that into consideration, during the last two years we have placed many road side cautionary and directional signs in many tourist places and on the risky turnings of the highways. This would reduce the number of accidents and ensure a much safer journey for the travelers.

Reason for consideration:

To make the drivers drive cautiously through the risky turnings for their own safety and safety of the passengers and to avoid unwanted accidents due to negligence and rough driving.

Donation and construction

In a capitalistic world, a major portion of the total population is becoming poor day by day. The inequality between the needy and the rich people are widening. Needy people are deprived from their basic human needs and at the same time the

rich people are enjoying all modern amenities. We are donating a significant amount of money and our products over the years to different mosques, schools and madrashas for construction purposes in the view of eliminating illiteracy and for socio-economic development of our country.

Reason for consideration:

To reduce the percentage of illiteracy through Mosque/Madrasha based literacy program and to enhance the socio-economic development of our country, this donation program has been undertaken by us.

Blood Donation Program

We all know that blood has no substitute. Poor people suffer a lot due to the shortage of blood at times of necessity. As parts of our commitment towards the society, we organize blood donation program on various occasions (International Mother Language Day, Independence Dayand Victory Day) at our corporate office as well as in our factory premises. Our PCML staff donates blood to various hospitals for the treatment of poor patients suffering from various diseases during the donation program. Moreover we have blood group-wise complete data base of our employees who voluntarily donate blood to other employees, their relatives, friends and families in case of emergency.

Reason for consideration

To reduce dependency on various blood banks like Sandhani, Quantum Foundation etc. and to reduce the risk of contaminated blood transmission from professional donor, we encourage/involve our employees of all levels to participate in this program.

PCML stands by worse flood victims of Kurigram:

As Part of CSR activities Premier Cement distributed emergency relief among 1000 flood-hit families of Kurigram. Each of the beneficiary familiy received Rice, oil, salt, Potato, garlic, onion as well as dry food.



Corporate Social Responsibilities: Workplace

We are well aware that employee engagement, training and retention are vital to achieve the goals of a company. We are enough proactive in implementing wide-reaching CSR program whether it be to increase our profit margin, to secure our marketing position or to increase our employee satisfaction. We are enough careful to ensure security and safety equally to every employee of the Company. The CSR programs are conducted in such a way that every employee can take pride in being a member of the company.

The working conditions, employees' health, workplace safety and their benefits are the major workplace CSR issues. Ensuring these aspects would result in the overall stability, reduce accidents and increase employee satisfaction. Premier Cement is incessantly contributing in the following matters to ensure a better and more suitable workplace equally to every employee in the organization.

Health & safety in the workplace:

Quality of work is mostly dependent on the overall health of the employees. So the health and safety of our employees have paramount importance to us. We make necessary investments in equipment and training to ensure that accidents and injuries are avoided. At Premier Cement, we engage ourselves to encourage every employee to maintain or improve his or her health and enable them to work with happiness and vigor. These include highly subsidized hygienic in-house catering support, pure drinking water supply, in-house gymnasium and the scope of regular medical checkups domestically. Thus we are able to provide a safe and pleasant working environment equally to all. We provide our employees with enough opportunities to play football, volleyball on the Company's playground at the factory premise and they can also play table tennis at the workers' common room throughout the year. We arrange friendly football, volleyball, badminton, table tennis, chess competition on a regular basis as a part of recreation and to boost up mental health of our employees.

Reason for consideration:

We believe that workplace safety can maximize production, minimize injuries and illnesses of employees and can also help to reduce risk of migration and boost up mental health of our employees.

Training facilities:

We provide on the job training for two or more months to the fresher joining our company. This is because no one is well tailored in every aspect of a given job and a newly recruited employee needs time to cope with the new environment and to understand his/her responsibilities and the organizational culture. That is why we made basic orientation training compulsory for all new recruits which encompass every aspects of the Company. Besides that, some on the job need based technical trainings are also provided by internal trainers as well as external experts so that every employee can perform his or her job in a skilled and efficient way.

Reason for consideration:

We perceive that an employee who is provided with the necessary training can perform his tasks in a skilled and efficient manner. He becomes more aware of the safety practices and proper procedures for basic tasks. The training may also build the employee's confidence because he has a stronger understanding of the organization and the responsibilities of his job.

Apprenticeship opportunities:

It is known to all that only theoretical knowledge is not enough to work efficiently and effectively unless the work is done practically. So we provide temporary apprenticeship opportunity to enthusiastic local youths who are trying to realize a link between theoretical knowledge and practical experience. They are also provided with a lump sum apprenticeship fees on a monthly basis. This opportunity helps the youths to flourish themselves with practical knowledge at work. Moreover, many of them are offered permanent job at the end of their apprenticeship tenure based on vacancies. It is mentionable that many apprentices are now working successfully as permanent employees at both of our corporate office and factory.

Reason for consideration:

Employment generation and to establish a link between theoretical knowledge and practical experience of the job seekers.

Hepatitis B vaccination drive:

Hepatitis B & C viruses are called "Silent Killers" because most times significant symptoms are not visible in the victim's body. The main reason of liver cancer is Hepatitis B & C virus. Due to this virus more than 1.4 million people die every year worldwide & approximately 4 thousand people die in a day. The number of people in our country getting affected by this virus is not negligible although it can be prevented. Only a vaccine can save their lives.

To protect our employees and make the population immune to this disease, PCML organized "Free Hepatitis B Tikadan Kormosuchi-2017" May 10, 2017 onwards for 7 days at the corporate office of PCML for its employees and their families in collaboration with National Liver Foundation. Mr. Prof. Mohammad Ali, Fellow Hepato-Biliary-Pancreatic Surgery and Liver Transplant, BIRDEM Hospital was present as the Chief Guest and gave a brief about the eradication of Hepatitis B & C and the need for vaccination of the virus and treatment of the disease.



Reason for consideration:

To save our employees and make the population immune to Hepatitis B, we organize free Hepatitis B tasting & vaccination program for our employee and their families.

Other benefits:

Other benefits are also provided by the Company in the form of financial obligations in case of emergency and for humanitarian reasons to every employee regardless of his designation. For instance we have been offering free of cost medical support to deadly & fatal diseases and to workers injured due to accident till their full recovery even if they need to set for overseas treatment. Premier Cement also grants exemption of financial obligations (such as loans, IOU etc) of deceased employees and offers the bereaved family the maximum possible after service benefits by contravening the generally applied rules.

Reason for consideration:

We believe extending helping hands to the distressed employee is a moral responsibility of the Company and the sense of belongingness of the employee can also be achieved by doing so.

Few snapshot of Premier Cement Employees.

There is no chance of ignoring our employees' tireless efforts to achieve present position in the cement industry. They are really passionate about what they do. Not only they are doing assigned jobs but also do more of that for the betterment of the Company when required.







Human Resource Accounting

Success of any entity, in today's competitive business world, comprehensively depends upon the quality of human resource. It can be said with great emphasis that human element is the most important input in any business enterprise. Since no other thing is as effective as human resource to achieve corporate goals within short period. As a result, a great attention should be paid on investment on human resource and return of investment on it. To evaluate costs and benefits of human resource, proper accounting is badly needed. Realizing that Premier Cement has introduced "Human Resource Accounting" as a paramount part of its accounting. At Premier Cement, Very few resources are as important as human resource. Generally all employees' attributes, life experience, knowledge, innovativeness, energy and enthusiasm are treated as human capital asset by the Company. There are many functions which are executed by Human Resource Management (HRM) but among them recruiting people, training, performance appraisals, motivating employees as well as workplace communication, safety are the key functions. Premier Cement is highly interested to measure the collective investment on human resource and consider its ROI towards the organizational goal.

It is very obvious that Human Resource Accounting helps a Company to realize its inner strength as well as weakness as it related with human. A Company's long term investment is mostly dependent on its human resource. A group of skilled and experienced employees can convert the investment into heavy return. Employees level of skill, bargaining power, experience, effectiveness affect human resource of a Company. Though it has paramount importance, it is not able to draw attention of management thinkers and professional accountants. As a result it is hardly seen that most of the companies include human resource accounting in their financial statements around the world. In case of Bangladesh, the same thing is going on here. But at Premier Cement we are adopting "Human Resource Accounting" as a part and parcel of accounting.

Demographic segmentation of our permanent Human Resources (Till June 30, 2017)

Age	Corporate Office	Factory	Total
18-25	78	186	264
26-35	398	535	933
36-45	112	120	232
46-55	12	35	47
56 and above	6	7	13
Total	**606**	**883**	**1489**

Brief and approximate outlay of our HR development for the year ended 2016-2017

Particulars	Amount in Taka
Total cost of hiring	1,444,551
Average cost of hiring incumbent	3631.11
Total Cost of Training	9,565,200
Average cost of training (for both existing and new employees)	**6424**

Employee's benefits outlay for the year ended 2016-2017

Particulars	Amount in Taka
Salary	342,816,397
Directors Remuneration	2,400,000
Labor Charges	25,213,177
Provident Fund	8,153,321
Workers Profit Participatory Fund (WPPF)	28,546,313

Financial Statements



AUDITORS' REPORT

to the Shareholders of Premier Cement Mills Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Premier Cement Mills Limited and its subsidiaries (the "Group") as well as the separate financial statements of Premier Cement Mills Limited (the "Company"), which comprise the consolidated and separate statement of financial position as at 30 June 2017, the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and separate 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 consolidated financial statements and separate 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 consolidated financial statements and the separate 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 accompanying consolidated financial statements present fairly, in all material respects, (or give a true and fair view of) the consolidated financial position of the Group as at 30 June 2017, and of its consolidated and separate financial performance and its consolidated cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the Companies Act, 1994 and other applicable Laws and Regulations.

Other Matter

The consolidated financial statements of Premier Cement Mills Limited and its subsidiaries (the "Group") as well as the separate financial statements of the Company for the period ended 30 June 2016 were audited by Hussain Farhad & Co., Chartered Accountants who expressed an unmodified opinion on those statements on 20 October 2016.

Financial statements of the subsidiary, National Cement Mills Limited (NCML) for the year ended 30 June 2017 were audited by MRH DEA & CO., Chartered Accountants who expressed an unmodified opinion on 10 August 2017.

Report on Other Legal and Regulatory Requirements

In accordance with the Company Act, 1994 and the Securities and Exchange Rules, 1987, we also report the following:

(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 account as required by law have been kept by the Company and its subsidiary so far as it appeared from our examination of these books;

(c) the consolidated and separate statement of financial position and the consolidated and separate statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;

(d) the expenditure incurred was for the purposes of the companie's/ group's business.

Place : Dhaka
Dated : 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Consolidated Statement of Financial Position

As at 30 June 2017

Particulars	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,905,850,606	6,338,337,520
Capital work -in - progress	5	189,547,734	47,202,662
		7,095,398,340	**6,385,540,182**
Current assets			
Inventories	6	995,614,178	987,091,817
Trade and other receivables	7	2,399,092,653	1,897,552,575
Advances, deposits and pre-payments	8	1,689,044,819	1,158,236,505
Investment in FDR	9	184,527,456	206,994,499
Cash and bank balances	10	109,755,023	208,323,198
		5,378,034,129	**4,458,198,593**
Total assets		**12,473,432,468**	**10,843,738,775**
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1,054,500,000	1,054,500,000
Revaluation reserve*	39	662,540,409	675,075,184
Tax holiday reserve*	40	909,754	909,754
Share premium		441,835,000	441,835,000
Retained earnings*		2,132,558,080	1,732,954,107
		4,292,343,243	**3,905,274,045**
Non-controlling interest*	12	306,310,722	289,545,610
		4,598,653,965	**4,194,819,655**
Non-current liabilities			
Loan from shareholder	13	300,000,000	300,000,000
Deferred tax liabilities*	14	439,794,176	469,246,917
Long term loan	15.03	919,483,387	1,584,805,906
Defined contribution obligations (Gratuity)	16	120,092,652	100,636,730
		1,779,370,215	**2,454,689,553**
Current liabilities			
Trade and other payables	17	390,470,587	520,489,331
Short term bank loan	18	4,752,542,474	2,899,973,913
Current portion of long term loan	15.03	533,529,278	475,062,210
Liability for other finance	19	73,820,255	72,922,183
Contribution to WPPF		30,810,287	41,375,905
Provision for taxation	20	314,235,407	184,406,024
		6,095,408,288	**4,194,229,567**
Total equity and liabilities		**12,473,432,468**	**10,843,738,775**
Net assets value per share		**40.71**	**37.03**

The annexed notes from 01 to 40 form an integral part of these financial statements.
The separate financial statements of the Company are attached herewith from page 154 to 178.

Company Secretary **Director** **Managing Director**

As per our report of same date

Syful Shamsul Alam & Co.
Chartered Accountants

Place: Dhaka
Dated: 27 August 2017

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

Particulars	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
Revenue	21	10,332,898,832	9,361,935,844
Cost of sales	22	(8,634,603,931)	(7,373,725,823)
Gross profit		**1,698,294,901**	**1,988,210,021**
Other income / (expenses)	23	(144,141,271)	(30,467,058)
Administrative expenses*	24	(127,666,122)	(131,246,981)
Selling & distribution expenses	25	(403,260,975)	(454,192,683)
Profit before interest and tax		**1,023,226,534**	**1,372,303,300**
Finance costs*	26	(330,030,294)	(438,348,575)
Contribution to WPPF		(30,810,287)	(41,375,904)
Profit before tax		**662,385,953**	**892,578,821**
Current tax expenses	20	(129,829,383)	(185,768,370)
Deferred tax income/(expenses)	14	29,452,741	(15,663,502)
Profit for the year		**562,009,311**	**691,146,949**
Other comprehensive income			
Revaluation of property, plant & equipment		-	680,512,953
Income tax on other comprehensive income*		-	(83,673,661)
Total comprehensive income for the year		**562,009,311**	**1,287,986,241**
Profit attributable to:			
Owners of the company		545,244,198	683,680,848
Non-controlling interest	12	16,765,113	7,466,101
		562,009,311	**691,146,949**
Total comprehensive income attributable to:			
Owners of the company*		545,244,198	1,042,978,699
Non-controlling interest*		16,765,113	245,007,542
Total comprehensive income for the period		**562,009,311**	**1,287,986,241**
Basic earnings per share (par value of Tk. 10)	27	**5.17**	**6.48**

The annexed notes from 01 to 40 form an integral part of these financial statements.

The separate financial statements of the Company are attached herewith from page 154 to 178.

Company Secretary | **Director** | **Managing Director**

As per our report of same date

Syful Shamsul Alam & Co.
Chartered Accountants

Place: Dhaka
Dated: 27 August 2017

Consolidated Statement of Changes in Equity

For the year ended 30 June 2017

Amount in Taka

Particulars	Share capital	Share Premium	Revaluation reserve	Tax holiday Reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 30 June 2015	**1,054,500,000**	**441,835,000**	**351,893,242**	**2,274,386**	**1,255,410,961**	**3,105,913,589**	**81,930,666**	**3,187,844,255**
Net profit for the year	-	-	-	-	683,680,847	683,680,847	7,466,100	691,146,947
Dividend paid	-	-	-	-	(210,900,000)	(210,900,000)	-	(210,900,000)
Depreciation on revalued assets	-	-	(15,910,483)	-	15,910,483	-	-	-
Revaluation reserve during the year	-	-	680,169,507	-	-	680,169,507	-	680,169,507
Deferred tax on revalation reserve	-	-	(24,619,325)	-	24,619,325	-	-	-
Balance at 30 June 2016	**1,054,500,000**	**441,835,000**	**991,532,941**	**2,274,386**	**1,768,721,616**	**4,258,863,943**	**89,396,766**	**4,348,260,709**
Prior year error	-	-	-	-	(24,619,325)	(24,619,325)	-	(24,619,325)
Prior year adjustment	-	-	(316,457,758)	(1,364,632)	(11,148,183)	(328,970,573)	200,148,844	(128,821,729)
Balance at 01 July 2016	**1,054,500,000**	**441,835,000**	**675,075,184**	**909,754**	**1,732,954,107**	**3,905,274,045**	**289,545,610**	**4,194,819,655**
Net profit for the year	-	-	-	-	545,244,198	545,244,198	16,765,112	562,009,310
Dividend paid	-	-	-	-	(158,175,000)	(158,175,000)	-	(158,175,000)
Depreciation on revalued assets	-	-	(12,534,775)	-	12,534,775	-	-	-
Receipt against right issue	-	-	-	-	-	-	-	-
Share money deposit	-	-	-	-	-	-	-	-
Balance at 30 June 2017	**1,054,500,000**	**441,835,000**	**662,540,409**	**909,754**	**2,132,558,080**	**4,292,343,243**	**306,310,722**	**4,598,653,965**

Revaluation surplus amounting to Tk. 12,534,775 has been transferred to retained earnings for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the assets original cost. The amount has been netted off for tax.

Company Secretary **Director** **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Consolidated Statement of Cash Flows

For the year ended 30 June 2017

Particulars		30 June 2017 Taka	30 June 2016 (Restated)* Taka
Cash flows from operating activities			
	Receipt from customers	9,829,879,336	8,855,274,472
	Payment to employees	(365,862,098)	(291,567,022)
	Payment to suppliers*	(7,989,867,852)	(6,586,402,987)
	Cash generated from operating activities	**1,474,149,387**	**1,977,304,463**
	Other income	(142,661,853)	(13,085,185)
	Interest paid	(335,375,848)	(412,368,162)
	Dividend Paid	(158,625,087)	(211,209,185)
	Advance income tax refund	181,131,652	-
	Tax paid	(330,062,034)	(151,656,566)
A.	**Net cash from operating activities**	**688,556,217**	**1,188,985,365**
Cash flows from investing activities			
	Purchase of property, plant & equipment	(887,221,581)	(365,669,530)
	Capital work-in-progress (WIP)	(168,297,789)	3,947,820
	Sale of property, plant & equipment	-	212,082,182
	Investment in FDR	22,467,043	22,868,729
B.	**Net cash used in investing activities**	**(1,033,052,327)**	**(126,770,799)**
Cash flows from financing activities			
	Receipt/(payment) from long term borrowings* (Note: 38.06)	(601,664,343)	116,958,853
	Receipt/(payment) from short term borrowings*(Note: 38.06)	905,817,707	(1,108,509,356)
	Loan from Shareholder	-	90,000,000
	Proceeds against Share Money Payable	-	(44,000)
	From other finance	898,072	(3,792,029)
	From lease finance	-	20,000,000
	Repayment of lease finance	(59,123,501)	(132,626,501)
C.	**Net cash from financing activities**	**245,927,935**	**(1,018,013,033)**
Net increase in cash and bank balances (A+B+C)		**(98,568,175)**	**44,201,533**
Cash and bank balances at the beginning of the year		**208,323,198**	**164,121,665**
Cash and bank balances at the end of the year		**109,755,023**	**208,323,198**
Net operating cash flow per share (NOCFPS)		**6.53**	**11.28**

Company Secretary | **Director** | **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

1.00 REPORTING ENTITY

1.01 Formation and legal status

Premier Cement Mills Limited, (hereinafter referred to as PCML or the holding Company) a Public Limited Company was incorporated on 14 October 2001 under the Companies Act XVIII of 1994 having its registered office in Chittagong. Presently the Company has a subsidiary namely "Premier Power Generation Limited" where PCML holds 96% of its shares and PCML also holds 40% shares of "National Cement Mills Limited" and exerts control on NCML with remaining 60% voting rights through common directorships.

Premier Power Generation Limited, (hereinafter referred to as PPGL or the subsidiary company) a private limited company was incorporated on 07 September 2006 under the Companies Act 1994 having its registered office in Chittagong with an installed capacity of 5.34 MW run by Natural Gas from TGTDCL.

National Cement Mills Limited, (hereinafter referred to as NCML or the associate company) a public limited company was incorporated on 10 September 1996 with an installed capacity of 1400 MT per day at Issa Nagar, Karnafully, Chittagong.

1.02 Nature of business

The Company is manufacturing cement from various raw materials i.e. Clinker, Gypsum, Slag, Lime Stone, Fly Ash etc. at its manufacturing plant located at West Muktarpur, Munshigonj and marketing the same in local as well as foreign markets.

2.00 Basis of preparation, presentation and disclosures of financial statements

2.01 Statement of compliance

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

2.02 Other regulatory compliances

The Companies are also required to comply with the following major laws and regulation in addition to the Companies Act 1994:
The Securities and Exchange Rules, 1987
The Securities & Exchange Ordinance, 1969
The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax Act, 1991
The Value Added Tax Rules, 1991
The Customs Act, 1969

2.03 Basis of measurement

These financial statements have been prepared on a historical cost basis except for property, plant and equipment which are measured at revalued amount.

2.04 Functional and presentation currency

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

2.05 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.
Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:
Note 4 Property, plant and equipment
Note 6 Inventories
Note 7 Trade and other receivables
Note 14 Deferred tax liability
Note 16 Defined contribution obligations (Gratuity)
Note 17 Trade and other payable
Note 20 Provision for taxation
Note 30 Contingent liabilities

2.06 Changes in accounting policy

The company has applied the following BASs/BFRSs from the year 2013-14

BFRS 10 Consolidated Financial Statements
BFRS 12 Disclosure of interests in other entities
BFRS 13 Fair Value Measurement
These standards have been applied prospectively and are applicable to companies from 1 January 2013.

2.07 Going concern

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities of the company provide sufficient fund to meet the present obligations of its existing businesses and operations.

2.08 Applicable accounting standards

The following BASs and BFRSs are applicable for the financial statements for the year under review:
BAS - 1 Presentation of Financial Statements
BAS - 2 Inventories
BAS - 7 Statements of Cash Flows
BAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10 Events after the Reporting Period
BAS - 12 Income Taxes
BAS - 16 Property, Plant and Equipment
BAS - 17 Leases
BAS - 18 Revenue
BAS - 19 Employee Benefits
BAS - 21 The Effects of Changes in Foreign Exchange Rates
BAS - 23 Borrowing Costs
BAS - 24 Related Party Disclosures
BAS - 27 Separate Financial Statements (Revised 2011)
BAS - 28 Investment in Associate
BAS - 32 Financial Instruments: Presentation
BAS - 33 Earnings Per Share
BAS - 34 Interim Financial Reporting, Comparative information
BAS - 36 Impairment of Assets
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Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

BFRS - 7 Financial Instruments: Disclosures
BFRS - 10 Consolidated Financial Statements
BFRS - 12 Disclosure of interest in other entities
BFRS - 13 Fair value measurement

2.09 Reporting period

The accounting period of the company covers one financial year from 1st July to 30th June consistently.

2.10 Principles of consolidation and disclosure of interest in other entities

Subsidiary is an enterprise controlled by the parent entity. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those re-turns through its power over the investee. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements have been prepared in accordance with BFRS 10 Consolidated Financial Statements.

The group eliminates in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Non-controlling interests

The group presents non-controlling interests in its consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

The group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. The proportion allocated to the parent and non-controlling interests are determined on the basis of present ownership interests.

Premier Power Generation Limited is a subsidiary company of PCML. The Company has made 96% investments in its subsidiary. PCML is exposed to and has rights, to variable returns from the subsidiary and also has the ability to affect those returns through its power over PPGL.

National Cement Mills Limited is subsidiary of PCML. The company owns 40% of the equity share capital in NCML and also exerts control on NCML with remaining 60% voting rights through common directorships. Hence, management has decided to consolidate the financial statements of NCML in accordance with BFRS 10 for reporting purpose.

3.00 Summary of significant accounting policies

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

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

3.01 Consistency

The accounting policies and methods of computation used in preparation of financial statements for the year ended 30 June 2017 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2016.

3.02 Transactions in foreign currencies

Foreign currency transactions are recorded at the applicable rates of exchange ruling on the date of transactions. Other monetary assets & liabilities, if any, denominated in foreign currencies at the Balance Sheet date are translated at the applicable rates of exchange ruling at that date and the related exchange differences are charged off as revenue expenditure.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

3.03 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.03.01 Financial assets

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

The group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.Financial assets include cash and bank balances, trade and other receivable, advances, deposits and prepayments, etc.

3.03.01.01 Cash and bank balances

This comprises cash in hand, deposits held at call with banks, and bank overdrafts are shown in current liabilities on the balance sheet which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.03.01.02 Trade and other receivables

Trade and other receivables represent the amounts due from local and foreign customers etc. Trade receivables are stated at net.

Provision for doubtful debts is made based on the company policy. Bad debts are written off on consideration of the status of individual debtors.

3.03.02 Financial liabilities

The group recognizes all financial liabilities on the trade date which is the date the group becomes a party to the contractual provisions of the instrument.

The group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise trade and other creditors only.

3.03.02.01 Trade and other payables

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

3.04 Property, plant and equipment

3.04.01 Recognition and measurement

Items of property, plant and equipment are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any

Subsequent costs

The cost of replacing a part of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they incurred.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

Depreciation

In respect of fixed assets other than freehold land, depreciation is provided on reducing balance method over their expected useful life and day basis depreciation charged in addition to fixed assets during the year. No depreciation is charged on freehold land considering its unlimited life.. The annual depreciation rates for different category of assets are are as follows:

Category of assets	Rate		
	PCML	NCML	PPGL
Land and land development	0%	0%	0%
Factory Building	3%	5%	0%
Jetty Construction	3%	10%	0%
Electric Installation	8%	0%	0%
Plant & Machinery	8%	8%	6%
Boundary Wall & Fencing	5%	0%	0%
Furniture & Fixtures	10%	10%	10%
Telephone & Fax Installation	15%	0%	0%
Loose Tools	15%	10%	0%
Motor Vehicles	15%	10%	0%
Office Building & Shed	3%	5%	0%
Office Equipment	15%	10%	20%
Tube-Well	15%	0%	0%
Air Compressor	15%	0%	0%
Grinding Media	33%	25%	0%
Lab Equipment	10%	0%	0%
Vessel	10%	0%	0%
Portable Cement Silo	3%	0%	0%
Office Decoration	15%	0%	15%
Generator Building	0%	0%	10%
Software	10%	0%	0%
Wheel Loader	0%	8%	0%

Depreciation charged during the year is allocated to cost of sales, administrative expenses, carrying income / (loss) and selling & distribution expenses based on usage/consumption of economic benefits.

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

Leasehold assets

Assets held under finance leases are recognised as assets of the Company at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

3.04.02 Capital work-in-progress (with valuation method)

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

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

3.05 Inventories

Nature of inventories

Inventories comprise Raw Materials (Clinker, Gypsum, Lime Stone, Fly Ash, Slag), Packing Materials, Consumable Stores, Raw Materials of Bag Plant, Goods in Transit & Finished Goods (Cement) etc.

Valuation of the inventories

Inventories are stated at the lower of cost or net realizable value in accordance with BAS 2 "Inventories" after making due allowances for any obsolete or slow moving items, if any.

The cost is determined using the Weighted Average Method consistently. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing such inventories to its present location and condition. Net realizable value is based on estimated selling price less VAT in the ordinary course of business less any further costs expected to be incurred to make the sale (applicable variable selling expenses).

Category	Basis of valuation
Finished goods	At the lower of weighted average cost or net realizable value.
Raw materials	At the lower of weighted average cost or net realizable value.
Goods-in-transit	At the lower of weighted average cost or net realizable value.

3.06 Cash flow statement

Statement of Cash Flows is prepared principally in accordance with BAS 7 (Cash Flow Statement) and the cash flow from operating activities have been presented under direct method.

3.07 Impairment

3.07.01 Non-derivative financial assets

Financial assets not carried at fair value through profit or loss, loans and receivables are assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

3.07.02 Non-financial assets

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

3.08 Provisions, contingent liabilities and contingent assets

A provision is recognized in the balance sheet when the Company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent assets are not recognized.

3.09 Borrowing costs

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

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

3.10 Taxation

3.10.1 Current tax

PCML has been maintaining provision for taxation @ 25% as per Income Tax Ordinance, 1984. Company also enjoys tax exemption on export sales as per Sixth Schedule (Section 28) of ITO 1984.

3.10.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised 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 of changes on the account in the deferred tax assets and liabilities has also been recognised in the profit and loss account as per BAS-12 ''Income Taxes''.

3.11 Share capital

Paid up capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders and creditors are fully entitled to any residual proceeds of liquidation.

3.12 Employee benefits

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

3.13.01 Defined contribution plan

The company maintains a recognized provided fund @ 7% of basic pay (Equally contributed by employee & employer) for all eligible permanent employees from 1st day of July 2010. The said fund is managed by a duly constituted five member board of trustees.

3.13.02 Defined cotribution plan (Gratuity)

The company maintains an unfunded gratuity scheme, provision in respect of which is made annually for the employees. Gratuity payable at the end of each year are determined on the basis of two (2) times of last month basic salary and payment is to be made on the basis of following rules and regulations of the company.

Service length	Payment basis
Less than Five (5) years	Nil Amount. In case of deceased person & terminated by employer - One (1) times of last month basic salary x year of service(s)
For Five (5) years only	One (1) times of last month basic salary x year of services
Above Five (5) years but below Ten (10) years	One & half (1.5) times of last month basic salary x year of service(s)
Ten (10) years & above	Two (2) times of last month basic salary x year of service(s)

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

3.13.03 Other benefits

The company also making a provision for Workers' Profit Participation and Welfare funds @ 5% of net profit before tax as per Labour Act 2006.

3.14 Revenue recognition

In compliance with the requirements of BAS 18 : Revenue from the sale of goods (Cement) is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Specific policies regarding the recognition of revenue are as follows:

i. In case of local sales as well as export sales revenue is recognized when the goods are delivered.
ii. Interest income on bank deposits is recognized when income has been accrued.

3.15 Earnings per share

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

Basis of earnings

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

Basis of earnings per share

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

Diluted earnings per share

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

3.16 Duty drawback

Duty drawback claimed on export sales is adjusted against cost of imported raw materials.

3.17 Events after the reporting period

Events after the Reporting period that provide additional information about the company's positions at the balance sheet date are reflected in the financial statements if any.

3.18 Comparative information and re-arrangement thereof

In accordance with the provisions of BAS-1: Presentation of Financial Statements, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
4.00	**Property, plant and equipment**		
	Freehold (Note: 4.01)	6,723,875,122	6,127,966,179
	Leasehold (Note: 4.02)	181,975,484	210,371,341
		6,905,850,606	**6,338,337,520**

4.01 Freehold :

Cost :

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2017
Land & Land Development	841,138,417	560,162,232	-	1,401,300,649	-	-	-	-	-	1,401,300,649
Factory Building	1,037,966,323	25,531,608	-	1,063,497,931	3%	38,052,476	37,159,203	-	75,211,679	988,286,252
Jetty Construction	141,705,077	4,697,293	-	146,402,370	3%	8,897,233	9,216,543	-	18,113,776	128,288,594
Electric Installation	123,956,982	5,145,745	-	129,102,727	8%	8,888,788	8,807,448	-	17,696,236	111,406,491
Plant & Machinery	2,684,331,883	129,458,798	-	2,813,790,681	7.5%, 6%	207,181,135	199,515,193	-	406,696,328	2,407,094,353
Boundary Wall & Fencing	4,988,881	-	-	4,988,881	5%	397,276	229,580	-	626,856	4,362,025
Furniture & Fixtures	6,475,988	627,359	-	7,103,347	10%	637,273	614,884	-	1,252,157	5,851,190
Telephone & Fax Installation	560,344	-	-	560,344	15%	84,052	71,444	-	155,496	404,848
Loose Tools	3,828,713	136,842	-	3,965,555	15%	385,018	362,259	-	747,277	3,218,278
Motor Vehicles	306,175,637	160,200,609	-	466,376,246	15%	29,193,346	51,605,122	-	80,798,468	385,577,778
Office Building & Shed	40,040,862	568,222	-	40,609,084	3%	1,768,851	1,761,387	-	3,530,238	37,078,846
Office Equipment	18,382,981	3,658,241	-	22,041,222	15%, 20%	1,982,580	2,581,977	-	4,564,557	17,476,665
Tube-Well	543,338	-	-	543,338	15%	81,501	69,275	-	150,776	392,562
Air Compressor	4,329,696	2,709,170	-	7,038,866	15%	649,455	686,654	-	1,336,109	5,702,757
Grinding Media	54,585,256	32,932,456	-	87,517,712	33%	13,128,168	17,183,866	-	30,312,034	57,205,678
Lab Equipment	1,205,106	433,768	-	1,638,874	10%	120,511	115,495	-	236,006	1,402,868
Vessel	82,172,836	16,583,755	-	98,756,591	10%	8,206,277	8,068,999	-	16,275,276	82,481,315
Portable Cement Silo	16,810,097	7,537,020	-	24,347,117	3%	407,230	601,666		1,008,896	23,338,221
Office Decoration	2,829,559	52,225	-	2,881,784	15%	423,410	364,592	-	788,002	2,093,782
Wheel Loader	13,416,831	6,185,804	-	19,602,635	8%	1,006,262	1,162,760	-	2,169,022	17,433,613
Generator Building	2,454,401	-	-	2,454,401	10%	245,440	220,896	-	466,336	1,988,065
Software	876,563	-	-	876,563	10%	86,542	79,002	-	165,544	711,019
30 June 2017	**5,388,775,771**	**956,621,147**	**-**	**6,345,396,918**		**321,822,824**	**340,478,246**	**-**	**662,301,071**	**5,683,095,847**
30 June 2016	**5,270,559,649**	**351,170,709**	**(232,954,587)**	**5,388,775,771**		**-**	**322,537,346**	**(714,524)**	**321,822,822**	**5,066,952,949**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
Allocation of depreciation :		
Cost of Goods Sold	252,556,208	254,377,501
Carrying income / (loss)	2,137,350	2,351,001
Administrative Expenses	5,350,470	3,876,496
Selling & Distribution Expenses	54,413,592	34,154,652
Bag plant	26,020,626	27,777,697
TOTAL	**340,478,246**	**322,537,346**

Revaluation:

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value As at 30 June 2017
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	
Land & Land Development	754,905,054	-	-	754,905,054	-	-	-	-	-	754,905,054
Factory Building	73,823,288	-	-	73,823,288	3%	3,044,860	2,912,006	-	5,956,865	67,866,423
Jetty Construction	6,609,802	-	-	6,609,802	3%	441,735	404,139	-	845,875	5,763,927
Electric Installation	-	-	-	-	8%	-	-	-	-	-
Plant & Machinery	245,306,853	-	-	245,306,853	7.5%, 6%	18,157,271	16,809,920	-	34,967,192	210,339,661
Boundary Wall & Fencing	245,141	-	-	245,141	5%	12,257	11,644	-	23,901	221,240
Furniture & Fixtures	-	-	-	-	10%	-	-	-	-	-
Telephone & Fax Installation	-	-	-	-	15%	-	-	-	-	-
Loose Tools	-	-	-	-	15%	-	-	-	-	-
Motor Vehicles	-	-	-	-	15%	-	-	-	-	-
Office Building & Shed	1,030,264	-	-	1,030,264	3%	30,908	29,981	-	60,889	969,375
Office Equipment	227	-	-	227	15%, 20%	45	36	-	81	146
Tube-Well	-	-	-	-	15%	-	-	-	-	-
Air Compressor	-	-	-	-	15%	-	-	-	-	-
Grinding Media	-	-	-	-	33%	-	-	-	-	-
Lab Equipment	-	-	-	-	10%	-	-	-	-	-
Vessel	-	-	-	-	10%	-	-	-	-	-
Portable Cement Silo	-	-	-	-	3%	-	-	-	-	-
Office Decoration	121,614	-	-	121,614	15%	18,242	15,506	-	33,748	87,866
Wheel Loader	731,141	-	-	731,141	8%	54,836	50,723	-	105,558	625,583
Generator Building	-	-	-	-	10%	-	-	-	-	-
Software	-	-	-			-	-	-	-	-
30 June 2017	**1,082,773,384**	**-**	**-**	**1,082,773,384**		**21,760,154**	**20,233,955**	**-**	**41,994,109**	**1,040,779,275**
30 June 2016	**797,084,742**	**285,688,642**	**-**	**1,082,773,384**		**6,206,029**	**15,554,126**	**-**	**21,760,155**	**1,061,013,229**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
Allocation of depreciation :		
Cost of Goods Sold	18,059,244	19,416,417
Administrative Expenses	12,434	14,630
Bag Plant	2,162,277	2,329,107
TOTAL	**20,233,955**	**21,760,155**

Cost and Revaluation:

Amount in Taka

Category of Assets	Cost				Rate	Depreciation				Written Down Value as at 30 June 2017
	Balance as on 1 July 2016	Addition During the Year	Disposal/ Adjustment During the period	Balance as on 30 June 2017		Balance as on 1 July 2016	Charged During the Year	Disposal/ Adjustment During the period	Balance as on 30 June 2017	
Land & Land Development	1,596,043,471	560,162,232	-	2,156,205,703	-	-	-	-	-	2,156,205,703
Factory Building	1,111,789,611	25,531,608	-	1,137,321,219	3%	41,097,336	40,071,209	-	81,168,544	1,056,152,675
Jetty Construction	148,314,879	4,697,293	-	153,012,172	3%	9,338,968	9,620,682	-	18,959,651	134,052,521
Electric Installation	123,956,982	5,145,745	-	129,102,727	8%	8,888,788	8,807,448	-	17,696,236	111,406,491
Plant & Machinery	2,929,638,736	129,458,798	-	3,059,097,534	7.5%, 6%	225,338,407	216,325,113	-	441,663,520	2,617,434,014
Boundary Wall & Fencing	5,234,022	-	-	5,234,022	5%	409,533	241,224	-	650,757	4,583,265
Furniture & Fixtures	6,475,988	627,359	-	7,103,347	10%	637,273	614,884	-	1,252,157	5,851,190
Telephone & Fax Installation	560,344	-	-	560,344	15%	84,052	71,444	-	155,496	404,848
Loose Tools	3,828,713	136,842	-	3,965,555	15%	385,018	362,259	-	747,277	3,218,278
Motor Vehicles	306,175,637	160,200,609	-	466,376,246	15%	29,193,346	51,605,122	-	80,798,468	385,577,778
Office Building & Shed	41,071,126	568,222	-	41,639,348	3%	1,799,759	1,791,368	-	3,591,127	38,048,221
Office Equipment	18,383,208	3,658,241	-	22,041,449	15%, 20%	1,982,625	2,582,013	-	4,564,639	17,476,810
Tube-Well	543,338	-	-	543,338	15%	81,501	69,275	-	150,776	392,562
Air Compressor	4,329,696	2,709,170	-	7,038,866	15%	649,455	686,654	-	1,336,109	5,702,757
Grinding Media	54,585,256	32,932,456	-	87,517,712	33%	13,128,168	17,183,866	-	30,312,034	57,205,678
Lab Equipment	1,205,106	433,768	-	1,638,874	10%	120,511	115,495	-	236,006	1,402,868
Vessel	82,172,836	16,583,755	-	98,756,591	10%	8,206,277	8,068,999	-	16,275,276	82,481,315
Portable Cement Silo	16,810,097	7,537,020	-	24,347,117	3%	407,230	601,666	-	1,008,896	23,338,221
Office Decoration	2,951,173	52,225	-	3,003,398	15%	441,652	380,098	-	821,750	2,181,648
Wheel Loader	14,147,972	6,185,804	-	20,333,776	8%	1,061,098	1,213,483	-	2,274,581	18,059,195
Generator Building	2,454,401	-	-	2,454,401	10%	245,440	220,896	-	466,336	1,988,065
Software	876,563	-	-	876,563	10%	86,542	79,002	-	165,544	711,019
Grand Total at 30 June 2017	**6,471,549,155**	**956,621,147**	**-**	**7,428,170,302**		**343,582,979**	**360,712,201**	**-**	**704,295,180**	**6,723,875,122**
Grand Total as on 30 June 2016	**6,067,644,391**	**636,859,351**	**(232,954,587)**	**6,471,549,155**		**6,206,029**	**338,091,472**	**(714,524)**	**343,582,977**	**6,127,966,179**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
Depreciation charge has been allocated to:		
Cost of Goods Sold	270,615,452	273,793,918
Administrative Expenses	5,362,904	3,891,126
Carrying income/(loss)	2,137,350	2,351,001
Selling & Distribution Expenses	54,413,592	34,154,652
Bag plant	28,182,903	30,106,805
TOTAL	**360,712,201**	**344,297,501**

Note:

i) Name of Valuer : M/S S. F. Ahmed & Co., Chartered Accountants.

ii) Valuation method : Net asset value method.

iii) Date of Capitalization: Revaluation surplus capitalized on 01 July 2015.

4.02 Leasehold:

Cost:

Amount in Taka

	Cost				Rate	Depreciation				Written down value
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2017
Motor Vehicles	316,094,494	-	-	316,094,494	15%	112,840,023	27,862,092	-	140,702,115	175,392,379
Plant & Machinery	10,100,000	-	-	10,100,000	8%	2,983,130	533,765	-	3,516,895	6,583,105
30 June 2017	**326,194,494**	**-**	**-**	**326,194,494**		**115,823,153**	**28,395,858**	**-**	**144,219,010**	**181,975,484**
30 June 2016	**281,220,891**	**44,973,603**	**-**	**326,194,494**		**87,815,828**	**28,007,325**	**-**	**115,823,153**	**210,371,341**

Depreciation charge has been allocated to:

Cost of production	533,765	577,044
Carrying Income/(Loss)	5,252,157	3,772,929
Selling & distribution expenses	22,609,936	23,657,353
TOTAL	**28,395,858**	**28,007,326**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
5.00	**Capital work-in-progress (WIP)**		
	Opening capital work-in-progress	47,202,662	51,150,482
	Add: Expenditure incurred during the year (Note 5.01)	168,297,789	13,230,108
	Total capital work-in-progress	**215,500,451**	**64,380,590**
	Capitalized during the year (Note 5.01)	(25,952,717)	(17,177,928)
	Closing capital work -in - progress	**189,547,734**	**47,202,662**

5.01

Particulars	Opening	Expenditure incurred during the year	Capitalized/ transferred during the year	Closing
Godown- Mongla	4,799,244	1,185,200	-	5,984,444
Project - Roller press	85,836	42,206	-	128,042
Cement Silo	-	39,194,956	19,450,830	19,744,126
Fly Ash Silo	-	130,000	-	130,000
Project New	-	62,518,144	6,501,887	56,016,257
Boundary Wall & Fencing	42,317,582	9,330,447	-	51,648,029
New Ball Mill Inst. & Dist. Work	-	41,997,851	-	41,997,851
New Automobile Workshop	-	5,690,864	-	5,690,864
New Ball Mill VRM Project	-	8,208,121	-	8,208,121
Total	**47,202,662**	**168,297,789**	**25,952,717**	**189,547,734**

6.00 Inventories

Inventories	Unit measurement	30 June 2017		30 June 2016	
		Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Clinker	MT	116,124	511,793,917	76,551	306,638,413
Gypsum	MT	14,267	30,570,165	49,774	114,783,955
Fly Ash	MT	57,508	115,659,738	18,601	40,202,309
Slag	MT	7,245	16,376,461	50,951	101,575,932
Lime Stone	MT	16,180	30,461,194	50,826	100,426,820
Packing materials (P.P. & Paper Bag)	Pcs	502,573	9,079,580	938,578	14,832,018
Finished goods and WIP	MT	4,846	4,362,750	12,805	55,762,330
WIP- Bag Plant	KG	62,456	5,484,450	82,821	7,939,404
Stock at ghat	MT	12,237	69,254,707	9,580	55,305,149
Stock at ghat- Others	Bag	68	18,860	-	-
Stock in transit	MT	-	-	500	3,475,300
Raw material stock for Bag Plant	KG	1,162,432	118,977,653	1,303,984	132,590,896
Consumable stores	Various	-	83,574,702	-	53,559,291
Total		**-**	**995,614,178**	**-**	**987,091,817**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

6.01 Raw materials reconciliation

For 30 June 2017

Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
			Import		Local purchase							
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	76,551	306,638,413	1,310,520	5,545,888,857	-	-	-	-	116,124	511,793,917	1,270,947	5,340,733,353
Gypsum	49,774	114,783,956	49,600	109,898,733	-	-	-	-	14,267	30,570,165	85,107	194,112,524
Fly Ash	18,601	40,202,309	159,372	318,201,134	-	-	-	-	57,508	115,659,738	120,465	242,743,705
Slag	50,951	101,575,932	129,907	284,696,655	-	-	-	-	7,245	16,376,461	173,613	369,896,126
Lime Stone	50,826	100,426,820	87,930	171,143,850	6,050	21,199,683	-	-	16,180	30,461,194	128,626	262,309,159
Grinding Aid	-	-	-	26,312,475	-	-	-	-	-	10,524,991	-	15,787,484
Total	**246,703**	**663,627,430**	**1,737,329**	**6,456,141,704**	**6,050**	**21,199,683**	**-**	**-**	**211,324**	**715,386,466**	**1,778,758**	**6,425,582,351**
									Duty draw back & VAT loss			500,903
												6,426,083,254

Raw materials reconciliation

For 30 June 2016

Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
			Import		Local purchase							
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	96,581	431,497,372	1,098,043	4,611,927,880	-	-	-	-	76,551	306,638,413	1,118,073	4,736,786,839
Gypsum	54,641	136,892,938	69,350	159,612,372	-	-	-	-	49,774	114,783,955	74,217	181,721,355
Fly Ash	51,434	108,487,094	115,683	248,764,769	-	-	-	-	18,601	40,202,309	148,516	317,049,554
Slag	68,952	171,506,698	153,138	321,821,358	-	-	-	-	50,951	101,575,932	171,139	391,752,124
Lime Stone	63,306	126,303,780	57,900	116,647,527	-	-	-	-	50,826	100,426,820	70,380	142,524,487
Grinding Aid	-	-	-	1,632,799					-	-	-	1,632,799.00
Total	**334,914**	**974,687,882**	**1,494,114**	**5,460,406,705**	**-**	**-**	**-**	**-**	**246,703**	**663,627,429**	**1,582,325**	**5,771,467,158**
									Duty draw back & VAT loss			(11,663,676)
									Total raw materials consumption			**5,759,803,482**

6.02 Packing materials reconciliation

Particulars	Opening balances		Local purchase		Received from own factory		Closing balances		Consumption internal		Consumption external	
	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)
30 June 2017	938,578	14,832,018	13,684,785	247,259,168	21,264,360	257,626,150	502,573	9,079,580	34,384,150	498,774,964	1,001,000	11,862,791
30 June 2016	1,649,020	26,184,823	11,100,391	207,223,296	16,748,300	251,892,348	938,578	14,832,018	26,165,093	435,362,344	2,394,040	35,106,105.00

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

			30 June 2017 Taka	30 June 2016 Taka
7.00	**Trade & other receivable**			
	Trade receivables:			
	Trade receivables (local)		2,449,913,646	1,945,381,453
	Trade receivables (foreign)		38,519,949	25,243,030
			2,488,433,595	**1,970,624,483**
	Other receivables:			
	Receivable - Bag plant		2,570,550	2,100,800
			2,491,004,145	**1,972,725,283**
	Interest receivable on FDR		4,469,441	5,948,859
	Total receivables:		**2,495,473,586**	**1,978,674,142**
	Provision for Bad & Doubtful expenses		(96,380,933)	(81,121,567)
			2,399,092,653	**1,897,552,575**
7.01	a) Dues within 3 months		1,943,524,579	1,859,006,973
	Dues over 3 months but within 6 months		239,314,733	19,779,331
	Dues over 6 months		308,164,833	93,938,979
			2,491,004,144	**1,972,725,283**
	b) Provision for bad debts			
	Opening balance		81,121,567	54,706,574
	Add :Provision for the year		15,376,030	26,414,993
			96,497,597	**81,121,567**
	Less: Write off		116,665	-
	Closing balance		**96,380,932**	**81,121,567**
8.00	**Advances, deposits & pre-payments:**			
	Advances		1,629,501,366	1,102,023,205
	Deposits		56,502,533	50,324,508
	Prepayment		3,040,920	5,888,792
			1,689,044,819	**1,158,236,505**
8.01	**Advances**			
	Advance income tax (Note- 8.04)		762,458,323	579,911,129
	VAT current account		7,615,890	20,131,344
	Advance for office space purchase	Note 8(b)	125,000,000	125,000,000
	Advance against land	Note 8(c)	148,527,592	52,636,829
	LC Advances		161,077,085	81,808,929
	Advance against expenses		399,679,597	225,520,471
	Advance to employees		18,188,570	17,014,503
	Advance against motor cycle		6,954,309	-
			1,629,501,366	**1,102,023,205**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
8.02	**Deposits**		
	BOC Bangladesh Ltd.	20,000	20,000
	Bangladesh telecommunications company ltd.	65,800	65,800
	Central Dipository BD Ltd - CDBL	500,000	500,000
	Dhaka electric supply authority	4,200,000	4,200,000
	Munshigonj Palli Bidyut Samity	21,339,000	21,339,000
	ICAB-Advance against Office Rent	1,986,138	1,805,580
	Ranks telecom Limited	6,900	6,900
	Bank Guarantee margin-LC Deposit	2,221,000	-
	Tender Deposit	15,672,978	11,896,511
	Zela Commandant & BDP Munshigong	547,078	547,078
	Deposit to TGTDCL	4,418,000	4,418,000
	Bank guarantee margin to TGTDCL	836,050	836,050
	TGSL	10,532	10,532
	PDB	4,529,057	4,529,057
	CPA	150,000	150,000
		56,502,533	**50,324,508**
8.03	**Pre-payments**		
	Store rent advance	50,000	50,000
	BSTI license fee	2,990,920	-
	VAT on Closing Stock	-	5,838,792
		3,040,920	**5,888,792**
8.04	**Movement of advance income tax:**		
	Opening balance	579,911,129	452,836,638
	Add : Payment during the year	363,678,846	176,733,676
		943,589,975	**629,570,314**
	Less : Advance Income Tax refund	(181,131,652)	-
	Less : Adjustment during the year	-	(49,659,185)
	Closing balance	**762,458,323**	**579,911,129**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

a) All the advances & deposits amount is considered good and recoverable.

b) The advance was paid to Rupayan Housing Estate Ltd. against purchase of 21,507 sft office space at 11th floor of Rupayan Trade Centre, 114 Kazi Nazrul Islam Avenue, Dhaka 1215.The total contract value was Tk. 179,407,400 against which Tk. 125,000,000 was paid in advance.

c) i) Initially PCML purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 dt 31 October 2001. Subsequently PCML came to know that the land is khass and accordingly PCML applied to the competent authority for long term lease with recommendation from Prime Minister office (Investment Wing). Being satisfied, Ministry of Land directed Deputy Commissioner (DC), Narayangonj to give 350 Shatak land under long term lease in favor of PCML on 16.10.2006 vide letter no. Bhu:Ma:/Sha-8/Khajob/315/ 2002/1072/1. PCML communicated with DC, Narayangonj on many occasions to complete the process but DC, Narayangonj was reluctant to comply with the order of the Ministry of Land. PCML filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayangonj (petition no. 7194 of 2009) which is currently under process. Considering the circumstances, the management has decided to transfer an amount of Tk. 20,259,493 from land and land development.

ii) Registration deed no. 84 dt. 06.01.05, 179 dt. 17.01.05 and 1468 dt. 14.04.05 comprise 189 shatak land out of which mutation of 76.50 Shatak Land are yet to be completed. Hence proportionate amount of Tk. 5,235,405 has been transferred from land and land development.

iii) Advance against land includes Tk. 4,701,931 paid to Mr. Nur Mohammed against purchase of Land, PCML filed suits as the seller was reluctant to give registration of the lands. The case against Nur Mohammed is yet to be disposed off.

IV) Details of advance against land & land development has given below:

Name of Seller	30 June 2017 Taka	30 June 2016 Taka
Abul Bashar Bepari Gong	6,343,124	-
Abu Toeb Gong	11,646,000	5,312,000
Amiron	2,543,000	-
Kamal Madber	11,914,903	-
Makbul Hossain Gong	1,680,000	-
Md.Dudu Mia	43,957	-
Md.Nur Uddin	4,315,500	-
Moslem Awal Gong	43,710,908	-
Nazrul Islam Gong	15,605,280	-
Nur Mohammed	4,701,931	4,701,931
Nuru Miah Gong	573,083	-
Samad Miah Gonh	2,097,008	-
Wazuddin Gong	25,494,898	25,494,898
Badsha & Reja	10,200,000	10,200,000
Harun Estate Dept.	1,160,000	1,060,000
Achia Khatun & Chaman Ara Land	-	1,265,000
Abdur Rahim	1,220,000	1,220,000
Sheikh Ahmed Land	1,058,000	1,058,000
Advance Against Nur-Uddin Land	2,825,000	2,325,000
Advance Against Abdul Khaleque Land	1,395,000	-
	148,527,592	**52,636,829**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

			30 June 2017 Taka	30 June 2016 Taka
9.00	**Investment in FDR**			
	The City Bank Ltd		-	26,102,311
	Standard Chartered Bank		125,302,679	121,071,536
	Standard Bank Limited		2,236,150	2,119,906
	Pubali Bank Ltd		3,189,000	2,923,796
	Social Islami Bank Ltd		4,390,530	2,600,984
	State Bank of India		2,322,140	2,236,590
	Midland Bank FDR		45,000,000	45,000,000
	NCC Bank		2,086,957	4,939,376
			184,527,456	**206,994,499**
10.00	**Cash and bank balances:**			
	Cash at bank	Note: 10.01	83,066,317	165,420,321
	Cash in hand	Note: 10.02	26,688,706	42,902,877
			109,755,023	**208,323,198**
10.01	**Cash at bank:**			
	Share Money Deposit - NCCBL		5,404,082	5,278,520
	Current accounts		64,947,002	124,224,745
	STD accounts		10,634,856	25,657,274
	EFC accounts		2,080,377	10,259,782
			83,066,317	**165,420,321**
10.02	**Cash in hand:**			
	PCML			
	Corporate office		6,868,287	9,215,557
	Factory		6,416,943	16,620,637
	Cash in Factory Logistics		9,197,349	13,378,499
	Registered office		580,661	430,889
			23,063,240	**39,645,582**
	NCML			
	Corporate office		1,622,425	1,480,015
	Factory		2,003,041	1,777,280
			3,625,466	**3,257,295**
			26,688,706	**42,902,877**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
11.00 Ordinary share capital		
Authorized:		
500,000,000 Ordinary shares of Tk. 10 each	5,000,000,000	5,000,000,000
	5,000,000,000	**5,000,000,000**
Issued, subscribed and paid up:		
105,450,000 Ordinary shares of Tk.10 each fully paid-up in cash	**1,054,500,000**	**1,054,500,000**

Share holding position:

The composition of share holders at balance sheet date was as follows:

Sl.	Name of shareholders	30 June 2017			30 June 2016
		Percentage	Number	Face value	Face value
01.	Mr. Mohammed Abul Kalam	2.39%	2,525,200	25,252,000	25,252,000
02.	Mr. Mohammed Amirul Haque	11.00%	11,599,500	115,995,000	115,995,000
03.	Mr. Md. Jahangir Alam	9.89%	10,425,313	104,253,130	104,253,130
04.	Mr. Md. Alamgir Kabir	4.19%	4,416,562	44,165,620	44,165,620
05.	Mr. Mohammed Ershadul Hoque	2.00%	2,113,500	21,135,000	21,135,000
06.	Mr. Mohammad Mustafa Haider	19.76%	20,837,300	208,373,000	208,373,000
07.	Mr. Mohammed Zahurul Haque	2.71%	2,856,000	28,560,000	28,560,000
08.	Mr. Hasnat Mohd. Abu Obida	17.39%	18,332,500	183,325,000	233,625,000
09.	Mrs. Nashira Sultana	3.45%	3,643,080	36,430,800	36,430,800
10.	Mr. Md. Almas Shimul	3.32%	3,504,375	35,043,750	35,043,750
11.	Mr. Md. A. Rouf	1.11%	1,168,125	11,681,250	11,681,250
12.	Mr. Md. Ashrafuzzaman	1.11%	1,168,125	11,681,250	11,681,250
14.	Mr. Md. Zahur Ahmed	2.05%	2,156,920	21,569,200	26,569,200
15.	Mr. Mohammed Raquibul Haque	0.47%	493,500	4,935,000	4,935,000
16.	Institute	9.85%	10,386,986	103,869,860	60,882,160
17.	General Investor	9.31%	9,812,143	98,121,430	85,355,340
18.	Non-Resident Bangladeshi	0.01%	10,871	108,710	562,500
	Total	**100%**	**105,450,000**	**1,054,500,000**	**1,054,500,000**

The company increased its paid-up capital from 934,500,000 to 1,054,500,000 through issuance of 12,000,000 ordinary shares of Tk. 10.00 each to general public as per special resolution at its Extra-ordinary General Meeting held on May 06, 2010 and subsequent resolution of the Board of Directors' meeting held on April 12, 2012.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

11.01 Classification of shareholders by holdings

Shareholding Range	No. of Holders 30 06.2017	Holdings Share 30.06.2017	No. of Holders 30.06.2016	Holdings Share 30.16.2016
Less than 500 Shares	1,969	391,447	2,379	482,841
501 to 5,000 Shares	447	809,951	742	1,438,639
5,001 to 10,000 Shares	73	549,988	133	974,235
10,001 to 20,000 Shares	36	520,542	79	1,163,553
20,001 to 30,000 Shares	19	468,119	30	778,387
30,001 to 40,000 Shares	5	187,966	16	557,860
40,001 to 50,000 Shares	2	89,025	12	565,174
50,001 to 100,000 Shares	16	1,182,775	25	1,943,867
100,001 to 1,000,000 Shares	31	9,927,378	27	7,268,944
Over 1,000,000 shares	16	91,322,809	13	90,276,500
Total	**2,614**	**105,450,000**	**3,456**	**105,450,000**

		30 June 2017 Taka	30 June 2016 Taka
12.00	**Non-controlling interest**		
	Opening balance	289,545,610	81,930,665
	Add: 4% Shares of profit of PPGL	1,847,208	2,531,690
	Add: 60% Shares of profit of NCML	14,917,904	4,934,411
	Closing balance	**306,310,722**	**89,396,766**
	Restated non-controlling interest*		
	As per Audited balance sheet as on 30 June 2016		89,396,766
	Less: 60% share of NCML restated deferred tax expenses		(16,258,624)
			73,138,142
	Add: 60 % share of revaluation reserve of NCML		214,435,232
	Add: 4 % share of revaluation reserve of PPGL		607,604
	Add: 60 % share of tax holiday reserve of NCML		1,364,632
	Closing balance		**289,545,610**
13.00	**Loan from shareholder**		
	Mr. Mohammed Amirul Haque	150,000,000	150,000,000
	Mr Mohammed Mustafa Haider	150,000,000	150,000,000
		300,000,000	**300,000,000**
14.00	**Deferred tax liabilities**		
	The tax effect of temporary differences that resulted in deferred tax assets or liabilities		
			(*Restated)
	Opening balance	469,246,917	315,805,862
	Add: Deferred tax expense/(income) during the year	(29,452,741)	110,771,368
	Prior year adjustment	-	42,669,687
	Closing balance	**439,794,176**	**469,246,917**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

14.01 Reconciliation of deferred tax liabilities/(assets)

(a) As at 30 June 2017

	Carrying amount	Tax base	Temporary difference
	Taka	Taka	Taka
Property, plant and equipment	4,785,435,419	2,884,144,601	1,901,290,819
Provision for gratuity	(120,092,653)	-	(120,092,653)
Provision for bad and doubtful debts	(96,380,932)	-	(96,380,932)
Net taxable temporary difference	**4,568,961,834**	**2,884,144,601**	**1,684,817,233**
Deferred tax liability			**439,794,176**

(b) As at 30 June 2016

Property, plant and equipment	4,775,437,291	3,059,132,403	1,716,304,888
Provision for gratuity	(100,636,731)	-	(100,636,731)
Provision for bad and doubtful debts	(81,121,567)	-	(81,121,567)
Net taxable temporary difference	**4,593,678,993**	**3,059,132,403**	**1,534,546,590**
Deferred tax liability			**400,921,232**
Add: Deferred tax on land (restated)			25,655,998
Prior year adjustment on hand revaluation			42,669,687
			469,246,917

	Notes	30 June 2017	30 June 2016
		Taka	Taka
15.00 Long term loan			
BRAC Bank Ltd.		109,420,792	209,044,329
City Bank Ltd .		215,271,264	413,164,961
HSBC		126,945,000	177,940,462
IDLC Finance Ltd.		276,266,831	354,344,359
Dutch-Bangla Bank Limited		609,134,750	723,050,594
Jamuna Bank Limited		45,432,528	65,763,291
United Finance Limited.		70,541,500	116,560,120
		1,453,012,665	**2,059,868,116**

15.01 USD Foreign Loan from BRAC Bank Ltd. is repayable in 05 quarterly installments. Rate of interest is 3 Month LIBOR + 4.00%. Security details: (a) Registered mortgage over property (b) Personal guarantee of selected directors.

15.02 USD Foreign Loan from HSBC Ltd. is repayable in 08 quarterly installments. Rate of interest is 3Month LIBOR + 4.5%. Security details: (a) Registered mortgage over property (b) Personal guarantee of selected directors.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
15.03	**Allocation of long term loan**		
	Long term portion	919,483,387	1,584,805,906
	Current portion	533,529,278	475,062,210
		1,453,012,665	**2,059,868,116**
16.00	**Defined benefit obligations (Gratuity)**		
	Opening balance	100,636,730	81,780,539
	Add :Provision for the year	24,818,610	26,819,807
		125,455,340	108,600,346
	Less: Payment made	5,362,688	7,963,615
	Closing balance	**120,092,652**	**100,636,730**
17.00	**Trade & other payables**		
	Raw materials & other suppliers	8,807,933	730,557
	Packing materials	21,752,566	14,492,224
	Marketing expenses	3,033,923	1,552,304
	Liabilities for expenses	230,400,203	310,344,886
	Provision for Utility- HO	-	350,000
	Provision for Body Making Motor Vehicles	-	3,270,000
	Provision for Brand & Promotional Expenses	37,000,000	97,000,000
	Payable on audit fee including VAT	521,624	448,312
	Provision for electric charge	200,000	-
	Provision for PF	1,310,138	1,194,166
	Dividend Payable	1,695,646	1,962,333
	Provision for Stevedoring charges	654,000	426,000
	Provision for Exchange Gain/loss	387,021	387,021
	Provision for C&F Charges	-	36,000
	VAT Payable	512,242	240,721
	TDS payable	3,445,450	1,324,015
	Provision and other payable	80,749,841	86,730,792
		390,470,587	**520,489,331**

All trade & other payables were incurred as usual in business operation & paid regularly.

18.00	**Short term bank loan**		
	The City Bank Limited	682,974,517	276,729,976
	Dutch-Bangla Bank Ltd.	154,098,203	502,188,419
	Standard Bank Limited	264,714,480	269,224,488
	Standard Chartered Bank	1,218,289,618	1,117,295,700
	HSBC	652,076,411	322,304,752
	Prime Bank Limited	-	302,523,769
	NCC Bank Limited	359,786,727	49,578,910
	Social Islami Bank Limited	14,007,195	726,282
	Jamuna Bank -Loan	253,802,083	-
	Pubali Bank Ltd	902,033,240	47,434,052
	Brac Bank Ltd	250,760,000	11,967,566
		4,752,542,474	**2,899,973,913**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

18.01 Bank / Financial Institution loan facilities

The company is currently availing the following facilities from banks:

Bank name	Limit (Taka in crore)			
	Invoice Financing / Import Duty Loan	L/C	OD/CC	LATR / LTR
The City Bank Ltd.	35	80	4	38
Dutch-Bangla Bank Ltd.	0	120	15	60
Standard Bank Ltd.	8	51	3	-
Standard Chartered Bank	50	125	3	75
HSBC	60	80	5	1
NCC Bank Limited	3	30	15	20
Prime Bank Ltd.	12	60	5	5
BRAC Bank Ltd.	20	48	2	48
Jamuna Bank Ltd.	20	50	8	10
Social Islami Bank Ltd	0	50	2	10
Pubali Bank Ltd	20	50	5	-
Trust Bank Ltd	0	45	3	15
Midland bank Ltd.	0	0	5	-
United Finance Limited	0	0	-	21
IDLC	0	0	-	40
Total	**228**	**789**	**75**	**343**

18.02 Securities against bank loan facilities

* Personal guarantee from all directors.
* Hypothecation over stock.
* First ranking pari passu charges over fixed assets.

	30 June 2017 Taka	30 June 2016 Taka
19.00 Liability for other finance		
Security deposit - Customers	73,820,255	72,922,183
	73,820,255	**72,922,183**
20.00 Provision for taxation		
Opening balance	184,406,024	48,416,501
Add : Current tax expenses		
Current year	129,829,383	179,383,910
Prior year	-	6,384,460
	129,829,383	**185,768,370**
	314,235,407	**234,184,871**
Less : Payment made	-	(119,662)
Less : AIT adjustment (Note-8.04)	-	(49,659,185)
Closing balance	**314,235,407**	**184,406,024**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
20.01	**Reconciliation of effective tax rate of PCML**		
	Profit before tax	662,385,953	892,578,821
	Total income tax expense	19.60% 129,829,383	185,768,370
	Profit excluding income tax	**532,556,570**	**706,810,451**
	Factors affecting the tax charge for current period:		
	Income tax using the Company's domestic tax rate	25.00% 165,596,488	223,144,705
	Non-deductible expenses	1.42% 9,405,484	21,406,871
	Excess of tax depreciation over accounting depreciation	-5.5% (36,460,123)	(49,357,252)
	Exempted for export	(0.00) (1,695,364)	(2,418,019)
	Under/(over) provided in prior year	- -	6,384,460
	Exempted income-PPGL	-1.7% (11,545,051)	(15,733,317)
	Tax / Rate adjustment for Associate	0.01 4,527,949	2,340,923
		19.60% 129,829,383	**185,768,371**

21.00	**Revenue**	**30 June 2017**			**30 June 2016**		
	From Cement:	**Unit**	**Quantity**	**Amount**	**Unit**	**Quantity**	**Amount**
	Revenue from local sales	MT	1,766,201	10,043,243,992	MT	1,515,274	9,103,646,549
	Revenue from export	MT	49,428	274,921,840	MT	38,290	221,710,434
			1,815,629	**10,318,165,832**		**1,553,564**	**9,325,356,983**
	Other revenue:						
	Revenue from empty bag sales	Pcs	1,001,000	14,733,000	Pcs	2,394,040	36,578,861
				10,332,898,832			**9,361,935,844**

			30 June 2017 Taka	30 June 2016 Taka
22.00	**Cost of sales**			
	Opening stock of finished goods & WIP		114,542,779	158,243,906
	Add : Cost of production	Note: 22.01	8,593,678,609	7,330,024,696
	Goods available for sale		**8,708,221,388**	**7,488,268,602**
	Less: Closing stock of finished goods, ghat & in transit	(Note: 6.00)	(73,617,457)	(114,542,779)
			8,634,603,931	**7,373,725,823**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		Notes	30 June 2017 Taka	30 June 2016 Taka
22.01	**Cost of production**			
	Raw materials consumption	6.01	6,426,083,254	5,759,803,482
	Packing materials consumption	6.02	498,774,964	435,362,344
	Contribution to PF		4,453,535	3,551,327
	Depreciation	4.00	271,149,217	274,370,962
	Electric Charges		556,513,111	494,621,865
	Cost of Cement from SKS		435,866,960	-
	Entertainment		2,860,560	1,778,836
	Repairs & maintenance		78,079,695	58,695,181
	Lab expenses		1,461,121	909,916
	Computer expenses		68,090	424,400
	Legal & Professional Fee		1,222,549	2,560,893
	Fuel, oil & lubricants		12,586,875	12,085,217
	Gas bill		32,484,149	32,067,583
	Gratuity		13,304,374	14,081,781
	Labour charges		25,213,177	26,104,096
	Medical expenses		415,005	879,954
	Misc. expenses		3,109,197	1,420,210
	Paper & periodicals		10,754	7,640
	Pay loader expenses		6,139,009	3,810,647
	Internet expenses		266,724	125,044
	Postage & Stamp		10,750	2,610
	Gift & presentations		149,600	40,980
	Canteen & food expenses		14,507,867	10,648,665
	Salary & wages		181,221,750	145,991,550
	Stationery		3,981,117	2,221,401
	Telephone charges		1,259,902	1,292,147
	Travelling & conveyance		2,815,501	2,882,768
	Cost of bag sale-outward		11,862,791	35,106,105
	Accommodation Expenses		76,064	85,200
	Fire insurance		3,435,812	-
	Land Revenue, Rate & Insurance		505,000	489
	Uniform		115,000	-
	Donation & Subscription		703,200	845,200
	Impairment loss		-	3,050,070
	VAT loss		2,661,333	3,303,703
	Training expenses		30,000	48,100
	Carrying Charges		280,601	1,844,330
			8,593,678,609	**7,330,024,696**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
23.00	**Other income /(loss) / expenses:**		
	Bank interest income	8,650,431	6,223,802
	Exchange gain (loss)	(67,728,364)	(32,064,849)
	Gain/loss on sales of motor vehicle	-	(3,055,742)
	Misc income - H/O	98,951	4,800
	Misc. income - Factory	12,945,026	752,342
	Rental Income from GP	126,000	-
	Interest charged on Rupsha Tank Terminal	-	(2,065,734)
	Income from scrap sales	-	1,741,500
	Loss on sales of fixed assets	-	(3,487,980)
	Income/(loss) from carrying	(98,233,315)	1,484,803
		(144,141,271)	**(30,467,058)**

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Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
24.00	**Administrative expenses**		
	Audit fee	626,750	488,750
	Bank charges	1,691,374	2,017,680
	Advertisement	1,619,326	592,600
	Bad & doubtful expenses	15,376,030	26,451,926
	Contribution to PF	1,124,325	1,274,698
	Directors' remuneration	2,400,000	2,400,000
	Donation & subscription	556,000	1,204,000
	Electric charges	1,997,599	2,455,236
	Canteen & food expenses	3,716,857	3,051,224
	Entertainment	100,487	15,375
	Gratuity	2,972,155	6,343,070
	Training expenses	7,200	119,253
	Office rent	9,439,302	8,594,004
	Computer expenses	690,709	588,845
	Medical expenses	53,050	50,730
	Paper & periodicals	18,630	17,720
	Postage & stamp	135,179	169,697
	Internet expenses	642,433	792,094
	Renewal, legal & professional fee	7,817,119	5,144,892
	Repairs & maintenance	1,377,305	971,975
	Salary & allowances	45,420,429	38,267,510
	Stationery	2,001,020	960,154
	Telephone charges	1,051,707	1,564,009
	Travelling & conveyance	3,520,044	4,916,756
	Vehicle maintenance	3,271,255	2,901,772
	Water charges	204,325	216,673
	Guest House Expense	370,229	429,293
	Misc Expenses	4,977,856	2,551,216
	AGM Expenses	163,628	957,401
	BIWTA License fee	6,902,018	4,783,495
	BSTI License fee	1,741,089	1,240,400
	Board meeting expenses	276,000	287,500
	Fuel & Lubricant	41,788	51,716
	Incidental loss (Robbery)	-	2,847,769
	Impairment loss	-	2,636,422
	Depreciation (Note - 4.00)	5,362,904	3,891,126
		127,666,122	**131,246,981**

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Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

			30 June 2017 Taka	30 June 2016 Taka
25.00	**Selling & distribution expenses**			
	Advertisement		12,791,075	5,312,360
	Car maintenance		4,774,678	4,729,709
	Contribution to PF		2,575,461	2,105,462
	Entertainment		938,167	291,624
	Export expenses		915,474	1,645,185
	Godown expenses		726,000	552,500
	Gratuity		8,542,081	6,394,955
	Legal & professional fee		1,020,499	475,924
	Medical expenses		8,450	207,504
	Internet Expenses		85,096	111,715
	Postage & stamp		396,166	487,493
	Promotional expenses		118,244,513	220,690,997
	Salaries & allowances		116,174,218	94,685,182
	Cement test expenses		1,177,430	979,280
	Stationery		1,785,607	317,523
	Telephone charges		4,616,056	3,825,720
	Travelling & conveyance		31,328,632	27,646,064
	Vehicle Licence Renewal & Insurance		1,374,629	449,465
	Labour Charge		12,332,037	10,544,233
	CSR Activities		1,647,450	780,000
	Tender expenses		2,506,028	5,293,834
	Computer expenses		4,000	31,680
	Miscellaneous expenses		2,273,700	1,238,047
	Impairment loss		-	7,584,223
	Depreciation	Note: 4.00	77,023,528	57,812,004
			403,260,975	**454,192,683**
26.00	**Finance costs**			
	Bank charge		1,019,810	1,625,189
	Interest on WPPF		16,333,086	12,491,798
	Finance charges on lease		42,110,671	60,501,426
	Bank loan interest		270,566,727	363,730,162
			330,030,294	**438,348,575**

Note: Bank charges Tk. 2,017,680/- bas been rearranged to administrative expenses which was included in financial expenses during the year 2015-16.

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Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
27.00 Basic earnings per share (EPS):		
The computation of EPS is given below :		
Earnings attributable to the ordinary shareholders (NPAT)	545,244,198	683,680,848
Number of shares outstanding during the year	105,450,000	105,450,000
Basic earnings per share (par value of Tk. 10)	**5.17**	**6.48**

Diluted EPS

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

28.00 Related party disclosure

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of BAS-24: Related Party Disclosures.

Name of related party	Nature of relationship	Nature of transaction	Outstanding as on 01 July 2016 Taka	Transaction during the year (net) Taka	Outstanding as on 30 June 2017 Taka	Terms and conditions
Asia Insurance Ltd.	Common directorship	Providing insurance	(3,140,326)	-	(3,140,326)	Arm length transaction
Seacom Shipping Ltd	Common directorship	C & F	(288,343)	(3,478,581)	(3,766,924)	Arm length transaction
T K Oil Refinery Ltd.	Common directorship	Utility service	(10,349)	-	(10,349)	Arm length transaction
Aryan Stevedore Ltd.	Common directorship	Stevedoring service	2,698,439	(3,628,283)	(929,844)	Arm length transaction
G P H Ispat Ltd.	Common directorship	Materials supply	(480)	1,324,800	1,324,320	Arm length transaction
M I Cement Factory Ltd.	Common directorship	Materials supply	32,967,912	(24,696,731)	8,271,181	Arm length transaction
Samuda Chemical Complex Ltd.	Common directorship	Materials supply	15,936	(21,199,683)	(21,183,747)	Arm length transaction
Rupsha Tank Terminal & Refinery Ltd	Common directorship	Loan taken to meet short term finance	(2,177,734)	2,177,734	-	Arm length transaction

Note : Figures in bracket at closing date represent payables.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

29.00 Events after the reporting period

The Board of Directors of the company in its meeting held on 27 August 2017 recommended 20% cash dividend for the year 2016-2017 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

		30 June 2017 Taka	30 June 2016 Taka
30.00	**Contingent liabilities**		
	There are contingent liabilities in respect of outstanding letters of credit for Tk. 2,242 million & bank guarantee Tk. 40.34 million		
	Letter of Credit		
	The City Bank Limited	91,431,028	89,082,000
	Brac Bank Ltd	17,177,472	-
	Dutch Bangla Bank Limited	30,465,793	95,583,869
	The Hongkong and Shanghai Banking Corporation Limited	82,928,534	107,961,504
	NCC Bank Ltd	50,778,000	-
	Prime Bank Limited	50,778,000	29,792,000
	Social Islami Bank Ltd	21,373,681	30,552,000
	Pubali Bank Ltd	10,209,924	2,729,850
	Standard Chartered Bank	1,887,190,767	-
		2,242,333,199	**355,701,223**
	Bank Guarantee		
	Pubali bank Ltd	19,989,000	-
	Social Islami Bank Ltd	11,515,662	-
	Standard bank limited	8,836,000	8,836,000
		40,340,662	**8,836,000**
		2,282,673,861	**364,537,223**

31.00 Capital expenditure commitment

There is no unprovided committed expenditure as at 30 June 2017

32.00 Remittance of foreign currency:

No foreign currency was remitted during the year.

33.00 Earnings in foreign currency:

Export of 49,428 MT Cement were made in July 2016 to June 2017 to Indian state of Tripura & Assam and as deemed export in Bangladesh for US$ 34,10,941 equivalent to BDT. 27,49,21,840.

34.00 Claims against the company not acknowledged as debt

There is no claim against the company acknowledged as debt.

35.00 Capacity utilization:

35.01 Cement :

Actual average monthly production 1,45,289 MT against average monthly capacity of 260,000 MT i.e. capacity utilization is 56.00%.

36.00 Number of employees	**Persons**	**Persons**
Management	95	86
Staff	1394	1188
Total number of employees	**1489**	**1274**

All employees received salary more than Tk. 5,000 per month.

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

37.00 Financial risk management

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

The management has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, 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 group's activities. This note presents information about the group's exposure to each of the following risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. The company has exposure to the following risks from its use of financial instruments.

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

37.01 Credit risk

Credit risk is the risk of a financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from distributors, institutional and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of cement & empty cement bag.

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

a) Exposure to credit risk

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

	30 June 2017 Taka	30 June 2016 Taka
Trade receivable		
Local customers	2,452,484,196	1,947,482,253
Foreign customers	38,519,949	25,243,030
Advance, deposit and prepayments	1,629,501,366	1,102,023,205
Cash and bank balances	109,755,023	208,323,198
	4,230,260,534	**3,283,071,686**
The maximum exposure to credit risk for accounts receivable as at 30 June by geographic regions was:		
Bangladesh	2,452,484,196	1,947,482,253
Asia	38,519,949	25,243,030
	2,491,004,145	**1,972,725,283**
b) Impairment losses		
Opening balance	81,121,567	54,706,574
Provision during the year	15,376,030	26,414,993
Reversal/Adjustment during the year	-	-
Closing balance	**96,497,597**	**81,121,567**

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

c) Credit exposure by credit rating as on 30 June 2017

Particulars	Credit rating	Amount	Percentage (%)
Trade receivable	NR	2,491,004,145	59%
Advance, deposit and prepayments	NR	1,629,501,366	39%
Cash and bank balances			
Cash in hand		26,688,706	1%
Cash at bank		**83,066,317**	**2%**
AB Bank Ltd	AA3	4,600,864	6%
Al-Arafah Islami Bank Ltd.	AA	566,539	1%
Bank Asia Ltd.	AA2	352,778	0.4%
Brac Bank LTD	AA2	2,144,564	3%
City Bank Ltd	AAA	99,839	0.1%
Dutch Bangla Bank Ltd	AA1	541,703	1%
Eastern Bank Ltd	AA+	1,399,510	2%
Hongkong Shanghai Banking Corp.	AAA	177,750	0%
IFIC Bank Ltd.	AA2	384,938	0%
Islami Bank Bangladesh Ltd	AA+	5,905,525	7%
Jamuna Bank Ltd.	AA3	5,132,561	6%
Mercantile Bank Ltd.	AA	4,076,126	5%
Midland Bank Ltd	A	2,708	0%
Mutual Trust bank Ltd.	AA-	1,325,828	2%
National Bank Ltd.	AA	3,819,470	5%
NCC Bank Ltd.	AA	5,613,890	7%
One Bank Limited.	AA	904,703	1%
Premier Bank Ltd.	AA+	1,315,813	2%
Prime Bank Limited.	AA	5,031,836	6%
Pubali Bank Ltd.	AA	4,134,782	5%
Shahjalal Islami Bank Ltd	AA3	6,798,429	8%
Social Islami Bank Ltd.	AA-	13,047,823	16%
Sonali Bank Ltd.	AAA	2,750,610	3%
Southeast Bank Ltd	AA	921,069	1%
Standard Bank Ltd.	AA	5,835,403	7%
State Bank of India	AA+	61,784	0%
Trust Bank Ltd.	AA2	567,201	1%
United Commercial Bank Ltd.	AA	1,415,527	2%
Uttara Bank Ltd.	AA3	4,136,744	5%

37.02 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group'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 group's reputation. Typically, the group ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

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

The following are the contractual maturities of financial liabilities:

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

Category of Liabilities	Carrying amount	Maturity period	Nominal Interest rate	Contractual cash flows	Within 6 months or less	Within 6-12 months
	Taka			Taka	Taka	Taka
Trade and other payables	390,470,587	Dec. 2017	N/A	390,470,587	390,470,587	-
Short term bank loan	4,752,542,474	December' 2017	7%~11%	4,752,542,474	4,752,542,474	-
Current portion of long term loan	533,529,278	June 2018	4.5%~11.5%	533,529,278	266,764,639	266,764,639
Liability for other finance	73,820,255	June 2018	N/A	73,820,255	36,910,128	36,910,128
Contribution to WPPF	30,810,287	March 2018	N/A	30,810,287	-	30,810,287

37.03 Market risk

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

a) Currency risk

The group is exposed to currency risk on certain revenues and purchases such as clinker, gypsum, slag, fly ash, lime stone and equipment purchases. Majority of the group's foreign currency transactions are denominated in USD and relate to procurement of capital items from abroad. The group maintains USD bank accounts where 50% of export proceeds are deposited and certain import payments and foreign currency loan installment & interest theiron are made there from.

i) Exposure to currency risk

Foreign currency monetary assets and liabilities

	30 June 2017 (USD)	30 June 2016 (USD)
Assets		
Trade receivables	477,915	321,977
Cash at bank	25,811	130,865
	503,726	**452,842**
Liabilities		
Trade and other payables	Nil	Nil
Net exposure		
The following significant exchange rates are applied during the year:		
Exchange rate of US Dollar	80.60	78.40

(ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A strengthening or weakening of the Taka, as indicated below, against the USD at 30 June 2017 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 30 June 2016 albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

Sensitivity for foreign currency expenditures	Strengthering profit/(loss)	Weakering profit/(loss)
	Taka	Taka
At 30 June 2017 USD	(503,726)	503,726

b) Interest rate risk

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

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

(i) Profile

As at 30 June 2017, the interest rate risk profile of the group's interest bearing financial instruments was:

	30 June 2017	30 June 2016
	Carrying amount	
Fixed rate instrument		
Financial asset	200,130,562	271,296,999
Financial liability	6,205,555,139	4,959,842,030
Variable rate instrument		
Financial asset	Nil	Nil
Financial liability	Nil	Nil

(ii) Cash flow sensitivity analysis for variable rate instruments

There being no variable rate instruments, sensitivity analysis has not presented.

37.04 Accounting classification and fair value

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

	Carrying amount	Fair value
	Taka	Taka
Assets carried at fair value through profit and loss	Nil	Nil
Held to maturity assets		
Short term investment	15,603,106	15,603,106
Loans and receivables		
Trade and other receivable	2,399,092,653	2,399,092,653
Advances, deposits & pre-payments	1,689,044,819	1,689,044,819
Cash and bank balances	109,755,023	109,755,023
Available for sale financial assets	Nil	Nil
Liabilities carried at fair value through profit and loss	Nil	Nil
Liabilities carried at amortised cost		
Trade and other payables	390,470,587	*N/A
Short term bank loan	4,752,542,474	*N/A
Long term loan	919,483,387	*N/A
Current portion of long term loan	533,529,278	*N/A
Liability for other finance	73,820,255	*N/A
Contribution to WPPF	30,810,287	*N/A

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

Notes to the Consolidated Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
38.00	**Others**		
38.01	**Directors' remuneration**		
	Salary, allowances and benefits	2,400,000	2,400,000
		2,400,000	**2,400,000**
38.02	**Directors' fees for attending board meeting**		
	Tk. 10,000 paid to each director for attending board meetings.		
38.03	**Receivable from director**		
	No amount is lying as receivable from the directors.		
38.04	**Net asset value(NAV) per share**		
	Net Assets	4,292,343,243	3,905,274,045
	Number of ordinary shares outstanding	105,450,000	105,450,000
	Net asset value (NAV) per share	**40.71**	**37.68***
	NAV before restatement	**-**	**40.39**

* The NAV has been restated due to the value of revaluation reserve, tax holiday reserve & deferred tax liability/assets which has not been considered for calculating NAV.

38.05 **Interests in subsidiaries**

The group does not have any unconsolidated structured entity.
There has been no changes in ownership interest in a subsidiary which may have resulted in loss of control.

38.06 Cash flows from financing activities has been rearranged during the year 2015-16 due to netted off receipt and (payment) the amount 7,337,816,409 & (8,329,366,912) under the head receipt /(payment) from long term borrowings & Receipt/(payment) from short term borrowings respectively.

39.00 **Revaluation Reserve Restated***

As Per Audited Balance Sheet as on 30 June 2016			991,532,941
Less:Deferred Tax on Revaluation Gain of NCML (NCML note 11.00)			33,398,338
			958,134,603
Less: 60% share of revaluation reserve of NCML			214,435,232
Less: 4% share of revaluation reserve of PPGL			607,604
Deferred tax attributable on Land (2015-2016)	15%	171,039,986	(25,655,998)
Add : PPGL-Revaluation reserve			309,101
Deferred tax attributable on Land (2010-2011)	15%	284,464,580	(42,669,687)
Restated Balance			**675,075,183**

40.00 **Tax Holiday Reserve Restated***

As per Audited Balance Sheet as on 30 June 2016	2,274,386
Less: 60% share tax holiday reserve of NCML	(1,364,632)
Restated Balance	**909,754**

Company Secretary **Director** **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Statement of Financial Position

As at 30 June 2017

Particulars	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
ASSETS			
Non-current assets			
Property, plant and equipment	1.00	5,113,886,138	4,596,007,640
Capital work -in - progress	2.00	82,002,869	4,885,080
Investment in subsidiary	3.01	48,000,000	48,000,000
Investment in associate	4.01	70,000,000	350,000,000
		5,313,889,007	**4,998,892,720**
Current Assets			
Inventories	5.00	899,312,614	825,535,471
Trade and other receivables	6.00	2,117,932,451	1,659,672,321
Advances, deposits and pre-payments	7.00	1,383,617,838	997,566,548
Current account with subsidiary (NCML)	4.02	377,703,843	160,618,360
Investment in FDR	8.00	184,527,456	205,115,703
Cash and bank balances	9.00	102,016,880	194,348,218
		5,065,111,082	**4,042,856,622**
Total assets		**10,379,000,089**	**9,041,749,342**
EQUITY AND LIABILITIES			
Equity			
Share capital	10.00	1,054,500,000	1,054,500,000
Revaluation reserve*		507,388,777	517,535,867
Share Premium		441,835,000	441,835,000
Retained earnings*		2,074,167,159	1,731,229,138
Total Equity		**4,077,890,936**	**3,745,100,005**
Non-current liabilities			
Deferred tax liabilities/(assets)*	11.00	374,729,639	408,750,872
Long term loan	12.03	408,559,455	932,760,337
Defined contribution obligations (Gratuity)	13.00	120,092,653	100,636,731
		903,381,747	**1,442,147,940**
Current-liabilities			
Trade and other payables	14.00	348,248,373	398,789,291
Short term bank loan	15.00	4,087,693,289	2,687,303,821
Current portion of long term loan	12.03	394,937,545	351,508,511
Current account with subsidiary (PPGL)	3.02	177,098,390	129,200,007
Liability for other finance	16.00	73,820,255	72,922,183
Contribution to WPPF		28,546,313	41,375,905
Provision for taxation	17.00	287,383,240	173,401,678
		5,397,727,405	**3,854,501,396**
Total liabilities		**6,301,109,153**	**5,296,649,336**
Total equity and liabilities		**10,379,000,089**	**9,041,749,342**
Net assets value per share		**38.67**	**35.52**

The annexed notes from 01 to 34 form an integral part of these financial statements.

Company Secretary | **Director** | **Managing Director**

As per our report of same date

Syful Shamsul Alam & Co.
Chartered Accountants

Place: Dhaka
Dated: 27 August 2017

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

Particulars	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
Revenue	18	9,280,420,526	8,405,992,543
Cost of sales	19	(7,757,675,988)	(6,583,235,528)
Gross profit		**1,522,744,538**	**1,822,757,015**
Other income/(loss)	20	(150,133,301)	(35,644,453)
Administrative expenses*	21	(109,330,068)	(116,588,941)
Selling & distribution expenses	22	(385,747,505)	(439,886,965)
Profit before interest and tax		**877,533,665**	**1,230,636,656**
Finance costs*	23	(278,061,092)	(361,742,655)
Contribution to WPPF		(28,546,313)	(41,375,905)
Profit before tax		**570,926,260**	**827,518,096**
Current tax expenses	17	(113,981,562)	(179,786,138)
Deferred tax income/(expenses)	11	34,021,233	(15,663,502)
Profit for the year		**490,965,931**	**632,068,457**
Other comprehensive income			
Revaluation of property, plant & equipment		-	269,517,286
Income tax on other comprehensive income*		-	(50,275,323)
		-	219,241,963
Total comprehensive income for the year		**490,965,931**	**851,310,420**
Basic earnings per share (par value of Taka 10)	**24**	**4.66**	**5.99**

The annexed notes from 01 to 34 form an integral part of these financial statements.

Company Secretary **Director** **Managing Director**

As per our report of same date

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Changes in Equity

For the year ended 30 June 2017

Amount in Taka

Particulars	Share capital	Share premium	Revaluation Reserve	Retained earnings	Total equity
Balance at 01 July 2015	**1,054,500,000**	**441,835,000**	**351,893,241**	**1,299,131,032**	**3,147,359,273**
Net profit for the year	-	-	-	632,068,456	632,068,456
Revaluation reserve during the year	-	-	269,517,286	-	269,517,286
Depreciation on revalued assets	-	-	(10,929,650)	10,929,650	-
Deferred tax on revaluation surplus	-	-	(24,619,325)	24,619,325	-
Dividend Paid	-	-	-	(210,900,000)	(210,900,000)
Balance as at 30 June 2016	**1,054,500,000**	**441,835,000**	**585,861,552**	**1,755,848,463**	**3,838,045,015**
Prior period error	-	-	-	(24,619,325)	(24,619,325)
Prior period adjustment	-	-	**(68,325,685)**	-	(68,325,685)
Restated balance as at 01 July 2016	**1,054,500,000**	**441,835,000**	**517,535,867**	**1,731,229,138**	**3,745,100,005**
Net profit for the year	-	-	-	490,965,931	490,965,931
Depreciation on revalued assets	-	-	(10,147,090)	10,147,090	-
Dividend Paid	-	-	-	(158,175,000)	(158,175,000)
Balance as at 30 June 2017	**1,054,500,000**	**441,835,000**	**507,388,777**	**2,074,167,159**	**4,077,890,936**

Revaluation surplus amounting to Tk. 10,147,090 has been transferred to retained earnings for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the assets original cost. The amount has been netted off for tax.

Company Secretary | **Director** | **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Cash Flows

For the year ended 30 June 2017

Particulars		30 June 2017 Taka	30 June 2016 (Restated)* Taka
Cash flows from operating activities			
Receipt from customers		8,820,680,978	7,947,630,113
Payment to employees		(359,205,351)	(285,429,235)
Payment to suppliers & others		(7,331,178,214)	(5,983,643,533)
Cash generated from operating activities		**1,130,297,414**	**1,678,557,345**
Other income		(148,653,883)	(34,188,341)
Bank charge & interest paid		(283,061,092)	(335,760,535)
Dividend Paid		(158,625,087)	(211,209,185)
Advance income tax refund		181,131,652	-
Tax paid		(330,062,034)	(151,536,904)
A. Net cash from operating activities		**391,026,970**	**945,862,380**
Cash flows from investing activities			
Purchase of property, plant & equipment		(728,473,208)	(254,707,565)
Sale of property, plant & equipment		-	1,920,287
Capital work-in-progress (WIP)		(103,070,506)	(4,885,080)
Loan from subsidiary		47,898,383	73,297,727
Advance to Associate		62,914,517	-
Increase/(decrease) in loans & others		-	(2,185,578)
Investment in FDR		20,588,247	8,392,196
B. Net cash used in investing activities		**(700,142,567)**	**(178,168,013)**
Cash flows from financing activities			
Proceeds against Share Money Payable		-	(44,000)
Receipt/(payment) from long term borrowings	(Note: 34.05)	(475,580,739)	(271,680,674)
Receipt/(payment) from short term borrowings	(Note: 34.05)	750,590,427	(344,830,004)
From other finance		898,072	407,971
From Leasing Finance		-	20,000,000
Repayment of lease finance		(59,123,501)	(132,626,501)
C. Net cash from financing activities		**216,784,259**	**(728,773,208)**
Net Increase in cash and bank balances		**(92,331,338)**	**38,921,159**
Cash and bank balances at the beginning of the year		**194,348,218**	**155,427,059**
Cash and bank balances at the end of the year		**102,016,880**	**194,348,218**
Net Operating cash flow per share		**3.71**	**8.97**

Company Secretary **Director** **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Notes to the Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
1.00 Property, plant and equipment:		
Freehold (Note - 1.01)	4,979,180,063	4,438,157,863
Leasehold (Note - 1.02)	134,706,075	157,849,776
	5,113,886,138	**4,596,007,640**

1.01 Freehold :

Cost :

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value
	Opening	Addition	Disposal/ Adjustment	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2017
Land & Land Development	750,077,404	450,361,677	-	1,200,439,081	0%	-	-	-	-	1,200,439,081
Factory Building	677,933,299	24,026,626	-	701,959,925	3%	20,232,604	20,010,921	-	40,243,525	661,716,400
Jetty Construction	61,927,635	1,255,000	-	63,182,635	3%	1,334,585	1,822,949	-	3,157,534	60,025,101
Electric Installation	123,956,982	5,145,745	-	129,102,727	8%	8,888,788	8,807,448	-	17,696,236	111,406,491
Plant & Machinery	1,924,809,698	92,981,941	-	2,017,791,639	8%	142,616,966	135,805,879	-	278,422,845	1,739,368,794
Boundary Wall & Fencing	4,988,881	-	-	4,988,881	5%	397,276	229,580	-	626,856	4,362,025
Furniture & Fixtures	5,722,178	600,269	-	6,322,447	10%	564,191	545,457	-	1,109,648	5,212,799
Telephone & Fax Installation	560,344	-	-	560,344	15%	84,052	71,444	-	155,496	404,848
Loose Tools	259,932	-	-	259,932	15%	38,990	33,141	-	72,131	187,801
Motor Vehicles	282,665,632	159,771,609	-	442,437,241	15%	26,842,345	49,467,772	-	76,310,117	366,127,124
Office Building & Shed	8,544,711	77,622	-	8,622,333	3%	248,743	250,320	-	499,063	8,123,270
Office Equipment	14,734,925	3,403,891	-	18,138,816	15%	1,637,387	2,199,411	-	3,836,798	14,302,018
Tube-Well	543,338	-	-	543,338	15%	81,501	69,275	-	150,776	392,562
Air Compressor	4,329,696	2,709,170	-	7,038,866	15%	649,455	686,654	-	1,336,109	5,702,757
Grinding Media	38,532,648	32,932,456	-	71,465,104	33%	9,115,016	14,174,002	-	23,289,018	48,176,086
Lab Equipment	1,205,106	433,768	-	1,638,874	10%	120,511	115,495	-	236,006	1,402,868
Vessel	82,172,836	16,583,755		98,756,591	10%	8,206,277	8,068,999	-	16,275,276	82,481,315
Portable Cement Silo	16,810,097	7,537,020	-	24,347,117	3%	407,230	601,666	-	1,008,896	23,338,221
Office Decoration	2,179,461	52,225	-	2,231,686	15%	325,895	281,705	-	607,600	1,624,086
Software	876,563	-	-	876,563	10%	86,542	79,002		165,544	711,019
30 June 2017	**4,002,831,366**	**797,872,774**	**-**	**4,800,704,140**		**221,878,354**	**243,321,121**	**-**	**465,199,475**	**4,335,504,665**
30 June 2016	**3,756,830,286**	**264,962,347**	**(18,961,267)**	**4,002,831,366**		**-**	**222,592,877**	**(714,524)**	**221,878,353**	**3,780,953,013**

Depreciation charge has been allocated to:

	30 June 2017	30 June 2016
Cost of Goods Sold	157,914,473	157,146,717
Administrative Expenses	5,096,645	3,638,186
Selling & Distribution Expenses	54,289,377	34,030,277
Bag plant	26,020,626	27,777,697
TOTAL	**243,321,121**	**222,592,877**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

Revaluation:

Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2017
Land & Land Development	455,504,566	-	-	455,504,566	0%	-	-	-	-	455,504,566
Factory Building	32,315,251	-	-	32,315,251	3%	969,458	940,374	-	1,909,832	30,405,419
Jetty Construction	3,132,068	-	-	3,132,068	3%	93,962	91,143	-	185,105	2,946,963
Electric Installation	-	-	-	-	8%	-	-	-	-	-
Plant & Machinery	179,550,427	-	-	179,550,427	8%	13,466,282	12,456,311	-	25,922,593	153,627,834
Boundary Wall & Fencing	245,141	-	-	245,141	5%	12,257	11,644	-	23,901	221,240
Furniture & Fixtures	-	-	-	-	10%	-	-	-	-	-
Telephone & Fax Installation	-	-	-	-	15%	-	-	-	-	-
Loose Tools	-	-	-	-	15%	-	-	-	-	-
Motor Vehicles	-	-	-	-	15%	-	-	-	-	-
Office Building & Shed	1,030,264	-	-	1,030,264	3%	30,908	29,981	-	60,889	969,375
Office Equipment	-	-	-	-	15%	-	-	-	-	-
Tube-Well	-	-	-	-	15%	-	-	-	-	-
Air Compressor	-	-	-	-	15%	-	-	-	-	-
Grinding Media	-	-	-	-	33%	-	-	-	-	-
Lab Equipment	-	-	-	-	10%	-	-	-	-	-
Vessel	-	-	-	-	10%	-	-	-	-	-
Portable Cement Silo		-		-	3%		-		-	-
Office Decoration	-	-	-	-	15%	-	-	-	-	-
Software	-	-	-	-	10%	-	-	-	-	-
30 June 2017	**671,777,717**	**-**	**-**	**671,777,717**		**14,572,867**	**13,529,453**	**-**	**28,102,320**	**643,675,397**
30 June 2016	**402,260,431**	**269,517,286**	**-**	**671,777,717**		**-**	**14,572,867**	**-**	**14,572,867**	**657,204,850**

Depreciation charge has been allocated to:

	30 June 2017	30 June 2016
	Taka	Taka
Cost of Goods Sold	11,367,176	**12,243,759**
Bag Plant	2,162,277	2,329,107
TOTAL	**13,529,453**	**14,572,867**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

Cost and revaluation: Amount in Taka

Category of assets	Cost				Rate	Depreciation				Written down value
	Opening	Addition	Disposal	Closing		Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2017
Land & Land Develop. (Note 4.01)	1,205,581,970	450,361,677	-	1,655,943,647	0%	-	-	-	-	1,655,943,647
Factory Building	710,248,550	24,026,626	-	734,275,176	3%	21,202,062	20,951,295	-	42,153,357	692,121,819
Jetty Construction	65,059,703	1,255,000	-	66,314,703	3%	1,428,547	1,914,092	-	3,342,639	62,972,064
Electric Installation	123,956,982	5,145,745	-	129,102,727	8%	8,888,788	8,807,448	-	17,696,236	111,406,491
Plant & Machinery	2,104,360,125	92,981,941	-	2,197,342,066	8%	156,083,248	148,262,190	-	304,345,438	1,892,996,628
Boundary Wall & Fencing	5,234,022	-	-	5,234,022	5%	409,533	241,224	-	650,757	4,583,265
Furniture & Fixtures	5,722,178	600,269	-	6,322,447	10%	564,191	545,457	-	1,109,648	5,212,799
Telephone & Fax Installation	560,344	-	-	560,344	15%	84,052	71,444	-	155,496	404,848
Loose Tools	259,932	-	-	259,932	15%	38,990	33,141	-	72,131	187,801
Motor Vehicles	282,665,632	159,771,609	-	442,437,241	15%	26,842,345	49,467,772	-	76,310,117	366,127,124
Office Building & Shed	9,574,975	77,622	-	9,652,597	3%	279,651	280,301	-	559,952	9,092,645
Office Equipment	14,734,925	3,403,891	-	18,138,816	15%	1,637,387	2,199,411	-	3,836,798	14,302,018
Tube-Well	543,338	-	-	543,338	15%	81,501	69,275	-	150,776	392,562
Air Compressor	4,329,696	2,709,170	-	7,038,866	15%	649,455	686,654	-	1,336,109	5,702,757
Grinding Media	38,532,648	32,932,456	-	71,465,104	33%	9,115,016	14,174,002	-	23,289,018	48,176,086
Lab Equipment	1,205,106	433,768	-	1,638,874	10%	120,511	115,495	-	236,006	1,402,868
Vessel	82,172,836	16,583,755	-	98,756,591	10%	8,206,277	8,068,999	-	16,275,276	82,481,315
Potable Cement Silo	16,810,097	7,537,020	-	24,347,117	3%	407,230	601,666	-	1,008,896	23,338,221
Office Decoration	2,179,461	52,225	-	2,231,686	15%	325,895	281,705	-	607,600	1,624,086
Software	876,563	-	-	876,563	10%	86,542	79,002	-	165,544	711,019
Grand total 30 June 2017	**4,674,609,083**	**797,872,774**	**-**	**5,472,481,857**		**236,451,221**	**256,850,573**	**-**	**493,301,794**	**4,979,180,063**
Grand total 30 June 2016	**4,159,090,717**	**534,479,633**	**(18,961,267)**	**4,674,609,083**		**-**	**237,165,744**	**(714,524)**	**236,451,220**	**4,438,157,863**

Depreciation charge has been allocated to:

Particulars	30 June 2017 Taka	30 June 2016 Taka
Cost of production	169,281,649	169,390,476
Administrative expenses	5,096,645	3,638,186
Selling & distribution expenses	54,289,377	34,030,277
Bag plant	28,182,903	30,106,805
Total	**256,850,573**	**237,165,743**

Note:

i) Name of Valuer : M/S S. F. Ahmed & Co., Chartered Accountants.

ii) Valuation method : Net asset value method.

iii) Date of Capitalization: Revaluation surplus capitalized on 01 July 2015.

Notes to the Statement of Financial Position

For the year ended 30 June 2017

1.02 Leasehold :

Cost :

Amount in Taka

Category of assets	Cost					Depreciation				Written down value
	Opening	Addition	Disposal	Closing	Rate	Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2017
Motor Vehicles	259,800,000	-	-	259,800,000	0.15	109,067,094	22,609,936	-	131,677,030	128,122,970
Plant & Machinery	10,100,000	-	-	10,100,000	0.08	2,983,130	533,765	-	3,516,895	6,583,105
30 June 2017	**269,900,000**	**-**	**-**	**269,900,000**		**112,050,224**	**23,143,701**	**-**	**135,193,925**	**134,706,075**
30 June 2016	**249,680,000**	**20,220,000**	**-**	**269,900,000**		**87,815,828**	**24,234,396**	**-**	**112,050,224**	**157,849,776**

	30 June 2017 Taka	30 June 2016 Taka
Cost of production	533,765	577,044
Selling & distribution expenses	22,609,936	23,657,353
	23,143,701	**24,234,397**

2.00 Capital work-in-progress (WIP)

Opening capital work-in-progress	4,885,080	-
Add: Expenditure incurred during the year (Note 2.01)	103,070,506	4,885,080
Total capital work-in-progress	**107,955,586**	**4,885,080**
Less: Capitalized during the year (Note 2.01)	25,952,717	-
Closing capital work-in- progress	**82,002,869**	**4,885,080**

2.01 Expenditure incurred during the year

Particulars	Balance as at 01 July 2016	Addition during the year	Capitalized/ transferred during the year	Balance as at 30 June 2017
Godown- Mongla	4,799,244	1,185,200	-	5,984,444
Project - Roller press	85,836	42,206	-	128,042
Cement Silo	-	39,194,956	19,450,830	19,744,126
Fly Ash Silo	-	130,000	-	130,000
Project New	-	62,518,144	6,501,887	56,016,257
Total	**4,885,080**	**103,070,506**	**25,952,717**	**82,002,869**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
3.00 Investment and current account with subsidiary		
3.01 Investment with subsidiary		
Premier Cement Mills Limited is the owner of 4,80,000 shares of Tk 100 each out of 5,00,000 shares of Tk 100 each i.e. 96% shares of Premier Power Generation Limited which is engaged in Producing electricity dedicatedly for Premier Cement Mills Limited.		
3.02 Current account with subsidiary		
The current account balance is representing the net transaction with Premier Power Generation Limited for payment of loan Installment, gas bill, electric charges and other expenses which are made-up of as follows :		
Opening balance	(129,200,007)	(55,902,280)
Add : Payment during the year	57,608,917	-
Add : Interest charges during the year	-	-
	(71,591,090)	**(55,902,280)**
Less : Adjustment against electric charges	(105,507,300)	73,297,727
Closing balance	**(177,098,390)**	**(129,200,007)**
4.00 Investment and current account with associate		
4.01 Investment with associate		
Premier Cement Mills Limited is the owner of 7,000,000 shares of Tk 10 each out of 17,500,000 shares of Tk 10 each i.e. 40% shares of National Cement Mills Limited. Premier Cement Mills Limited invested Tk. 28 crore against issue of right share (1:4) offer letter dated 17th April 2014. But subsequently NCML did not issue right share. Hance the amount adjusted with current account.		
Current position of the investment is as follows:		
Opening balance	350,000,000	350,000,000
Adjustment during the year	(280,000,000)	-
Closing balance	**70,000,000**	**350,000,000**
4.02 Current account with associate		
The current account balance is representing the net transaction with National Cement Mills Limited for payment of expenses for Balancing, Modernisation, Rehabilitation and Expansion, loan installment and other expenses.		
Opening balance	160,618,360	162,803,938
Add : Payment / adjustment during the year	305,310,405	-
Add : Interest charged during the year	-	12,437,781
	465,928,765	**175,241,719**
Less : Adjustment	88,224,922	14,623,359
Closing balance	**377,703,843**	**160,618,360**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

5.00 Inventories

Inventories	Measuring unit	30 June 2017		30 June 2016	
		Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Clinker	MT	109,325	485,100,843	64,435	262,366,873
Gypsum	MT	9,596	22,060,865	41,891	100,266,920
Fly Ash	MT	54,183	110,199,487	17,392	38,399,316
Slag	MT	6,820	15,576,847	34,554	69,045,443
Lime Stone	MT	6,994	16,610,126	43,124	88,658,257
Packing materials (P.P. & Paper Bag)	Pcs	296,304	5,386,481	907,519	14,265,769
Finished goods and WIP	MT	969.50	4,362,750	4,846	21,473,880
WIP- Bag Plant	KG	62,456	5,484,450	82,821	7,939,404
Stock at ghat	MT	12,237	69,254,707	9,580	55,305,149
Stock at ghat- Others	Bag	68	18,860	-	-
Stock in transit	MT	-	-	500	3,475,300
Raw material stock for Bag Plant	KG	1,162,432	118,977,653	1,303,984	132,590,896
Consumable stores	Various	-	46,279,544	-	31,748,265
Total			**899,312,614**		**825,535,471**

5.01 At 30 June 2017

Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
			Import		Local purchase							
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	64,435	262,366,873	1,184,480	5,063,599,539	-	-	-	-	109,325	485,100,843	1,139,590	4,840,865,569
Gypsum	41,891	100,266,920	46,600	104,621,652	-	-	-	-	9,596	22,060,865	78,895	182,827,707
Fly Ash	17,392	38,399,316	148,451	300,547,192	-	-	-	-	54,183	110,199,487	111,660	228,747,021
Slag	34,554	69,045,443	115,907	260,193,001	-	-	-	-	6,820	15,576,847	143,641	313,661,597
Lime Stone	43,124	88,658,257	75,130	151,735,059	6,050	21,199,683	-	-	6,994	16,610,126	117,310	244,982,873
Grinding Aid	-	-	-	26,312,475	-	-	-	-	-	10,524,991	-	15,787,484
Total	**201,396**	**558,736,809**	**1,570,568**	**5,907,008,918**	**-**	**-**	**-**	**-**	**186,918**	**660,073,159**	**1,591,096**	**5,826,872,251**
										Less - Duty draw back & VAT Loss/(Gain)		500,903
										Total raw materials consumption		**5,827,373,154**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

As at 30 June 16

Inventories	Opening		Receipt Import		Local purchase		R.M. sales at cost		Closing		Consumption	
	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
Clinker	56,100	260,352,227	999,111	4,242,150,749	-	-	-	-	64,435	262,366,873	990,776	4,240,136,103
Gypsum	49,724	127,546,915	61,350	144,989,138	-	-	-	-	41,891	100,266,920	69,183	172,269,133
Fly Ash	48,695	104,555,422	110,923	241,387,610	-	-	-	-	17,392	38,399,316	142,226	307,543,716
Slag	41,195	114,481,306	146,138	309,753,504	-	-	-	-	34,554	69,045,443	152,779	355,189,367
Lime Stone	55,118	112,160,995	47,900	101,239,859	-	-	-	-	43,124	88,658,257	59,894	124,742,597
Grinding Aid	-	-	-	1,632,799	-	-	-	-	-	-	-	1,632,799
Total	**250,832**	**719,096,865**	**1,365,422**	**5,041,153,659**	-	-	-	-	**201396**	**558,736,809**	**1,414,858**	**5,201,513,715**
										Duty draw back & VAT Loss/(Gain)		(11,663,676)
										Total raw materials consumption		**5,189,850,039**

5.02 Packing materials reconciliation

	Opening balances		Local purchase		Received from own factory		Closing Balance		Consumption- internal		Consumption- external	
	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)	Quantity (PCS)	Amount (Tk.)
At 30 June 2017	907,519	14,265,769	10,112,585	183,053,968	21,264,360	257,626,150	296,304	5,386,481	30,987,160	437,696,614	1,001,000	11,862,791
At 30 June 2016	1,432,046	22,539,313	8,330,791	155,744,796	16,748,300	251,892,348	907,519	14,265,769	23,209,578	380,804,583	2,394,040	35,106,105

Notes to the Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
6.00	**Trade & other receivable**		
	Trade receivables		
	Trade receivables (local)	2,168,753,444	1,707,501,199
	Trade receivables (foreign)	38,519,949	25,243,030
		2,207,273,393	1,732,744,229
	Other receivable		
	Receivable- Bag plant	2,570,550	2,100,800
		2,209,843,943	1,734,845,029
	Interest receivable on FDR	4,469,441	5,948,859
	Total receivables	2,214,313,384	1,740,793,888
	Less: Provision for Bad & Doubtful expenses (Note 6.01.a)	(96,380,933)	(81,121,567)
		2,117,932,451	**1,659,672,321**
6.01			
a)	**Aging of trade receivable**		
	Dues with in 3 months	1,662,364,377	1,621,126,719
	Dues over 3 months but within 6 months	239,314,733	19,779,331
	Dues over 6 months	308,164,833	93,938,979
		2,209,843,943	**1,734,845,029**
b)	**Provision for bad debts**		
	Opening balance	81,121,567	54,706,574
	Add :Provision for the year	15,376,030	26,414,993
		96,497,597	**81,121,567**
	Less: Write off	116,665	-
	Closing balance	**96,380,932**	**81,121,567**
c)	There is no such debt due by or to directors or other officers of the Company.		
7.00	**Advances, deposits & pre-payments:**		
	Advances	1,334,007,493	951,286,356
	Deposits	46,569,426	40,391,401
	Pre-payments	3,040,920	5,888,792
		1,383,617,838	**997,566,548**
7.01	**Advances**		
	Advance income tax (Note- 7.04)	625,753,774	476,823,392
	VAT current account	6,378,921	17,159,398
	Advance for office space purchase Note 7(b)	125,000,000	125,000,000
	Advance against land Note 7(c)	130,669,592	35,508,829
	LC Advances	146,976,210	74,323,394
	Advance against expenses	275,426,517	206,239,240
	Advance to employees	16,848,170	16,232,103
	Advance against motor cycle	6,954,309	-
		1,334,007,493	**951,286,356**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
7.02	**Deposits**		
	BOC Bangladesh Ltd.	20,000	20,000
	Bangladesh telecommunications company ltd.	65,800	65,800
	Central Depository BD Ltd - CDBL	500,000	500,000
	Dhaka electric supply authority	4,200,000	4,200,000
	Munshigonj Palli Bidyut Samity	21,339,000	21,339,000
	ICAB-Advance against Office Rent	1,986,138	1,805,580
	Ranks telecom Limited	6,900	6,900
	Bank Guarantee margin-LC Deposit	2,221,000	-
	Tender Deposit	15,672,978	11,896,511
	Zela Commandant & BDP Munshigong	547,078	547,078
	TGSL	10,532	10,532
		46,569,426	**40,391,401**
7.03	**Pre-payments**		
	Store rent advance	50,000	50,000
	BSTI license fee	2,990,920	-
	VAT on Closing Stock	-	5,838,792
		3,040,920	**5,888,792**
7.04	**Movement of advance income tax**		
	Opening balance	476,823,392	374,945,673
	Add : Payment during the year	330,062,034	151,536,904
		806,885,426	526,482,577
	Less : Advance Income Tax refund	(181,131,652)	-
	Less : Adjustment during the year (Note-17.00)	-	(49,659,185)
	Closing balance	**625,753,774**	**476,823,392**

a) All the advances & deposits amount is considered good and recoverable.

b) The advance was paid to Rupayan Housing Estate Ltd. against purchase of 21,507 sft office space at 11th floor of Rupayan Trade Centre, 114 Kazi Nazrul Islam Avenue, Dhaka 1215.The total contract value was Tk. 179,407,400 against which Tk. 125,000,000 was paid in advance.

c) i) Initially PCML purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 dt 31 October 2001. Subsequently PCML came to know that the land is khass and accordingly PCML applied to the competent authority for long term lease with recommendation from Prime Minister office (Investment Wing). Being satisfied, Ministry of Land directed Deputy Commissioner (DC), Narayangonj to give 350 Shatak land under long term lease in favor of PCML on 16.10.2006 vide letter no. Bhu:Ma:/Sha-8/Khajob/315/2002/1072/1. PCML communicated with DC, Narayangonj on many occasions to complete the process but DC, Narayangonj was reluctant to comply with the order of the Ministry of Land. PCML filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayangonj (petition no. 7194 of 2009) which is currently under process. Considering the circumstances, the management has decided to transfer an amount of Tk. 20,259,493 from land and land development.

Notes to the Statement of Financial Position

For the year ended 30 June 2017

ii) Registration deed no. 84 dt. 06.01.05, 179 dt. 17.01.05 and 1468 dt. 14.04.05 comprise 189 shatak land out of which mutation of 76.50 Shatak Land are yet to be completed. Hence proportionate amount of Tk. 5,235,405 has been transferred from land and land development.

iii) Advance against land includes Tk. 4,701,931 paid to Mr. Nur Mohammed against purchase of Land, PCML filed suits as the seller was reluctant to give registration of the lands. The case against Nur Mohammed is yet to be disposed off.

IV) Details of advance against land & land development has given below:

		30 June 2017 Taka	30 June 2016 Taka
	Abul Bashar Bepari Gong	6,343,124	-
	Abu Toeb Gong	11,646,000	5,312,000
	Amiron	2,543,000	-
	Kamal Madber	11,914,903	-
	Makbul Hossain Gong	1,680,000	-
	Md.Dudu Mia	43,957	-
	Md.Nur Uddin	4,315,500	-
	Moslem Awal Gong	43,710,908	-
	Nazrul Islam Gong	15,605,280	-
	Nur Mohammed	4,701,931	4,701,931
	Nuru Miah Gong	573,083	-
	Samad Miah Gonh	2,097,008	-
	Wazuddin Gong	25,494,898	25,494,898
		130,669,592	**35,508,829**
8.00	**Investment in FDR**		
	The City Bank Ltd	-	26,102,311
	Standard Chartered Bank	125,302,679	121,071,536
	Standard Bank Limited	2,236,150	2,119,906
	Pubali Bank Ltd	3,189,000	1,045,000
	Social Islami Bank Ltd	4,390,530	2,600,984
	State Bank of India	2,322,140	2,236,590
	Midland Bank FDR	45,000,000	45,000,000
	NCC Bank	2,086,957	4,939,376
		184,527,456	**205,115,703**
9.00	**Cash and bank balances:**		
	Cash at bank	Note: 9.01	78,953,640	154,702,636
	Cash in hand	Note: 9.02	23,063,240	39,645,582
			102,016,880	**194,348,218**
9.01	**Cash at bank:**		
	Fixed deposit receipt		-	-
	Share Money Deposit - NCCBL		5,404,082	5,278,520
	Current accounts		60,834,325	113,507,060
	STD accounts		10,634,856	25,657,274
	EFC accounts		2,080,377	10,259,782
			78,953,640	**154,702,636**
9.02	**Cash in hand:**		
	Corporate office		6,868,287	9,215,557
	Factory		6,416,943	16,620,637
	Cash in Factory Logistics		9,197,349	13,378,499
	Registered office		580,661	430,889
			23,063,240	**39,645,582**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
10.00	**Share capital**		
	Authorized:		
	500,000,000 Ordinary shares of Tk. 10 each	5,000,000,000	5,000,000,000
		5,000,000,000	**5,000,000,000**
	Issued, subscribed and paid up		
	105,450,000 Ordinary shares of Tk.10 each fully paid-up in cash	**1,054,500,000**	**1,054,500,000**

Share holding position

The composition of share holders at balance sheet date was as follows:

Sl.	Name of shareholders	30 June 2017			30 June 2016
		Percentage	Number	Face value	Face value
01.	Mr. Mohammed Abul Kalam	2.39%	2,525,200	25,252,000	25,252,000
02.	Mr. Mohammed Amirul Haque	11.00%	11,599,500	115,995,000	115,995,000
03.	Mr. Md. Jahangir Alam	9.89%	10,425,313	104,253,130	104,253,130
04.	Mr. Md. Alamgir Kabir	4.19%	4,416,562	44,165,620	44,165,620
05.	Mr. Mohammed Ershadul Hoque	2.00%	2,113,500	21,135,000	21,135,000
06.	Mr. Mohammad Mustafa Haider	19.76%	20,837,300	208,373,000	208,373,000
07.	Mr. Mohammed Zahurul Haque	2.71%	2,856,000	28,560,000	28,560,000
08.	Mr. Hasnat Mohd. Abu Obida	17.39%	18,332,500	183,325,000	233,625,000
09.	Mrs. Nashira Sultana	3.45%	3,643,080	36,430,800	36,430,800
10.	Mr. Md. Almas Shimul	3.32%	3,504,375	35,043,750	35,043,750
11.	Mr. Md. A. Rouf	1.11%	1,168,125	11,681,250	11,681,250
12.	Mr. Md. Ashrafuzzaman	1.11%	1,168,125	11,681,250	11,681,250
13.	Mr. Md. Zahur Ahmed	2.05%	2,156,920	21,569,200	26,569,200
14.	Mr. Mohammed Raquibul Haque	0.47%	493,500	4,935,000	4,935,000
15.	Institute	9.85%	10,386,986	103,869,860	60,882,160
16.	General Investors	9.31%	9,812,143	98,121,430	85,355,340
17.	Non-Resident Bangladeshi	0.01%	10,871	108,710	562,500
	Total	**100%**	**105,450,000**	**1,054,500,000**	**1,054,500,000**

10.01 Classification of shareholders by holdings

Shareholding Range	No. of Holders 30.06.2017	Holdings Share 30.06.2017	No. of Holders 30.06.2016	Holdings Share 30.06.2016
Less than 500 Shares	1,969	391,447	2,379	482,841
501 to 5,000 Shares	447	809,951	742	1,438,639
5,001 to 10,000 Shares	73	549,988	133	974,235
10,001 to 20,000 Shares	36	520,542	79	1,163,553
20,001 to 30,000 Shares	19	468,119	30	778,387
30,001 to 40,000 Shares	5	187,966	16	557,860
40,001 to 50,000 Shares	2	89,025	12	565,174
50,001 to 100,000 Shares	16	1,182,775	25	1,943,867
100,001 to 1,000,000 Shares	31	9,927,378	27	7,268,944
Over 1,000,000 shares	16	91,322,809	13	90,276,500
Total	**2,614**	**105,450,000**	**3,456**	**105,450,000**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
11.00 Deferred tax liabilities/(assets)		
The tax effect of temporary differences that resulted in deferred tax assets or liabilities		*Restated
Opening balance	408,750,872	315,805,862
Add: Deferred tax expense/(income) during the year	(34,021,233)	50,275,323
Prior year adjustment	-	42,669,687
Closing balance	**374,729,639**	**408,750,872**

11.01 Reconciliation of deferred tax liabilities/(assets)

(a) As at 30 June 2017

	Carrying amount Taka	Tax base Taka	Temporary difference Taka
Property, plant and equipment	3,457,942,491	1,742,550,350	1,715,392,141
Provision for gratuity	(120,092,653)	-	(120,092,653)
Provision for bad and doubtful debts	(96,380,932)	-	(96,380,932)
Total	**3,241,468,905**	**1,742,550,350**	**1,498,918,556**
Deferred tax liability @25%			374,729,639
Add: Deferred tax on revalued amount			-
Total deferred tax liability			**374,729,639**

(a) As at 30 June 2016

	Carrying amount Taka	Tax base Taka	Temporary difference Taka
Property, plant and equipment	3,390,425,670	1,846,966,624	1,543,459,046
Provision for gratuity	(100,636,731)	-	(100,636,731)
Provision for bad and doubtful debts	(81,121,567)	-	(81,121,567)
Total	**3,208,667,372**	**1,846,966,624**	**1,361,700,748**
Deferred tax liability @25%			340,425,187
Add: Deferred tax on land (restated)			**25,655,998**
Add: Deferred tax on revalued amount			-
Prior year adjustment			42,669,687
Total deferred tax liability			**408,750,872**

11.02 Restated deferred tax liability:*	
As per audited accounts as on 30.06.2016	315,805,862
Adjusted deferred tax expenses on revaluation gain	50,275,323
Prior year adjustment	42,669,687
	408,750,872
11.03 Restated Retained Earnings*	
As per audited accounts as on 30.06.2016	1,755,848,463
Adjusted deferred tax expenses on revaluation gain	(24,619,325)
	1,731,229,138

Notes to the Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
12.00	**Long term loan**		
	BRAC Bank Ltd.	109,420,792	209,044,329
	City Bank Ltd Corp TL (50 crre)	215,271,264	413,164,961
	HSBC USD Loan	126,945,000	177,940,462
	IDLC Finance Ltd.(40 crore)	251,960,860	325,112,344
	Lease finance - Jamuna Bank Ltd.	29,357,584	42,446,632
	Lease finance - ULC	70,541,500	116,560,120
		803,497,000	**1,284,268,848**

12.01 USD Foreign Loan from BRAC Bank Ltd. is repayable in 05 quarterly installments. Rate of interest is 3Month LIBOR + 4.00%. Security details: (a) Registered mortgage over property (b) Personal guarantee of selected directors.

12.02 USD Foreign Loan from HSBC Ltd. is repayable in 08 quarterly installments. Rate of interest is 3Month LIBOR + 4.5%. Security details: (a) Registered mortgage over property (b) Personal guarantee of selected directors.

12.03	**Allocation of long term loan**		
	Long term portion	408,559,455	932,760,337
	Current portion	394,937,545	351,508,511
		803,497,000	**1,284,268,848**
13.00	**Defined benefit obligations (Gratuity)**		
	Opening balance	100,636,731	81,780,539
	Add :Provision for the year	24,818,610	26,819,807
		125,455,341	108,600,346
	Less: Payment made	5,362,688	7,963,615
	Closing balance	**120,092,653**	**100,636,731**
14.00	**Trade & other payables**		
	Raw materials & other suppliers	8,807,933	730,557
	Packing materials	21,752,566	10,938,394
	Marketing expenses	3,033,923	1,552,304
	Liabilities for expenses	210,195,736	214,158,894
	Provision for Utility- HO	-	350,000
	Provision for Body Making Motor Vehicles	-	3,270,000
	Provision for Brand & Promotional Expenses	37,000,000	97,000,000
	Payable on audit fee including VAT	345,000	345,000
	Provision for electric charge	200,000	-
	Provision for PF	1,310,138	1,194,166
	Dividend Payable	1,695,646	1,962,333
	Provision for Stevedoring charges	654,000	426,000
	Provision for Exchange Gain/loss	387,021	387,021
	Provision for C&F Charges	-	36,000
	VAT Payable	474,742	240,721
	TDS payable	2,425,134	1,222,568
	Provision and other payable	59,966,533	64,975,333
		348,248,373	**398,789,291**

All trade & other payables were incurred as usual in business operation & paid regularly.

Notes to the Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
15.00	**Short term bank loan**		
	The City Bank Limited	682,974,517	276,729,976
	Dutch-Bangla Bank Ltd.	45,105,693	302,697,353
	Standard Bank Limited	264,714,480	269,224,488
	Standard Chartered Bank	1,218,289,618	1,117,295,700
	HSBC	652,076,411	322,304,752
	Prime Bank Limited	-	302,523,769
	NCC Bank Limited	359,786,727	49,578,910
	Social Islami Bank Limited	14,007,195	726,282
	Jamuna Bank -Loan	253,802,083	-
	Pubali Bank Ltd	346,176,565	34,255,026
	Brac Bank Ltd	250,760,000	11,967,566
		4,087,693,289	**2,687,303,821**

15.01 Bank / Financial Institution loan facilities

The company is currently availing the following facilities from banks / financial institution:

Bank name	Limit (Taka in crore)			
	STL / Invoice Financing / Import Duty Loan /OSF/EIF	L/C	OD / CC	LATR /Long Term Loan/ Lease
The City Bank Ltd.	35	80	4	38
Dutch-Bangla Bank Ltd.	-	120	15	60
Standard Bank Ltd.	8	51	3	15
Standard Chartered Bank	50	125	3	75
HSBC	60	80	5	1
NCC Bank Limited	3	30	15	20
Prime Bank Ltd.	12	60	5	5
BRAC Bank Ltd	20	48	2	48
Jamuna Bank Ltd.	20	50	8	10
Social Islami Bank Ltd.	-	50	2	10
Pubali Bank Ltd	20	50	5	-
Trust Bank Ltd	-	45	3	15
Midland bank Ltd.	-	-	4.50	-
United Finance Limited	-	-	-	21
IDLC	-	-	-	40
Total	**228**	**789**	**75**	**358**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
15.02 Securities against bank loan facilities		
* Personal guarantee from all directors.		
* Hypothecation over stock.		
* First ranking pari passu charges over fixed assets.		
16.00 Liability for other finance		
Security deposit - Customers	73,820,255	72,922,183
	73,820,255	**72,922,183**
17.00 Provision for taxation		
Opening balance	173,401,678	43,274,725
Add : Current tax expenses		
Current year	113,981,562	173,401,678
Prior year	-	6,384,460
	113,981,562	179,786,138
	287,383,240	**223,060,863**
Less : Payment made / other adjustment	-	-
Less : AIT adjustment (Note-7.04)	-	(49,659,185)
Closing balance	**287,383,240**	**173,401,678**

18.00 Revenue

	Measure unit	30 June 2017		30 June 2016	
From Cement:		Quantity	Amount	Quantity	Amount
Revenue from local sales	MT	1,583,149	8,990,765,686	1,351,937	8,147,703,248
Revenue from export	MT	49,428	274,921,840	38,290	221,710,434
		1,632,577	9,265,687,526	1,390,227	8,369,413,682
Other revenue:					
Revenue from empty bag sales	Pcs	1,001,000	14,733,000	2,394,040	36,578,861
		-	**9,280,420,526**	-	**8,405,992,543**

18.01 Revenue from export

	30 June 2017		30 June 2016	
	USD	BDT	USD	BDT
Export	3,410,941	274,921,840	2,867,816	221,710,434

Notes to the Statement of Financial Position

For the year ended 30 June 2017

	Notes	30 June 2017 Taka	30 June 2016 Taka
19.00 Cost of sales			
Opening stock of finished goods & WIP		80,254,329	114,005,827
Cost of production	19.01	7,751,039,116	6,549,484,030
Goods available for sale	-	**7,831,293,445**	**6,663,489,857**
Closing stock of finished goods , ghat & in transit	5.00	(73,617,457)	(80,254,329)
		7,757,675,988	**6,583,235,528**
19.01 Cost of production			
Raw materials consumption	5.01	5,827,373,154	5,189,850,039
Packing materials consumption	5.02	437,696,614	380,804,583
Salary & wages		141,915,761	116,219,043
Gratuity		13,304,374	14,081,781
Electric charges		577,402,259	536,596,265
Cost of Cement from Mongla Cement Factory		435,866,960	-
Paper & periodicals		8,174	5,460
Travelling & conveyance		1,711,108	2,244,124
Telephone charges		972,661	996,734
Entertainment		1,646,427	1,345,228
Repairs & maintenance		64,779,885	42,280,233
Contribution to PF		4,453,535	3,551,327
Cost of bag sale-outward		11,862,791	35,106,105
Lab Expenses		1,086,826	761,841
Computer Expense		68,090	424,400
Legal & Professional Fee		1,058,085	2,069,666
Medical expenses		338,778	854,560
Canteen & food expenses		13,362,451	9,216,157
Gift & presentations		141,600	16,000
Internet Expenses		266,724	125,044
Postage & Stamp		6,788	1,890
Stationery		3,800,417	2,074,352
Labour charges		19,812,437	21,608,572
Misc. expenses		2,729,451	946,945
Pay loader expenses		2,802,464	2,307,574
Donation & Subscription		703,200	845,200
Fuel , Oil & Lubricant		12,586,875	12,085,217
Training expenses		30,000	48,100
Fire insurance		3,435,812	-
Impairment Loss - COGS		-	3,050,070
Depreciation (Note - 1.00)		169,815,414	169,967,520
		7,751,039,116	**6,549,484,030**

The cost of bag sales outward during the year 2015-2016 is now shown seperately which was earlier included with packing materials consumption.

Notes to the Statements of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
20.00	**Other income / (loss) / Expenses**		
	Bank interest income	8,552,901	5,786,749
	Exchange gain / (loss)	(67,728,364)	(32,064,849)
	Interest charged to NCML	-	12,437,781
	Interest charged by Rupsha Tank Terminal	-	(2,065,734)
	Gain / (Loss) on sale of motor vehicle	-	(3,055,742)
	Misc. income - H/O	98,951	4,800
	Misc. income - Factory	12,941,026	638,342
	Income from scrap sale	-	1,741,500
	Income/(expenses) from carrying	(103,997,815)	(19,067,300)
		(150,133,301)	**(35,644,453)**
21.00	**Administrative expenses**		
	Audit fee	460,000	345,000
	Bank charges	1,345,820	2,015,973
	Advertisement	1,619,326	592,600
	Bad & doubtful expenses	15,376,030	26,451,926
	Electric charges	1,997,599	2,455,236
	Canteen & food expenses	3,387,654	2,718,175
	Gratuity	2,972,155	6,343,070
	Computer expenses	690,709	588,845
	Medical Expense	53,050	50,730
	Office rent	8,879,302	8,034,004
	Paper & periodicals	18,630	17,720
	Postage & stamp	130,199	163,957
	Donation & subscription	556,000	1,204,000
	Internet Expenses	642,433	792,094
	Renewal, legal & professional fee	5,576,702	3,633,202
	Repairs & maintenance	1,377,305	971,975
	Salary & allowances	32,513,755	28,289,295
	Directors' remuneration	2,400,000	2,400,000
	Stationery	1,956,748	897,447
	Telephone charges	936,740	1,433,061
	Training expenses	7,200	119,253
	Travelling & conveyance	3,151,564	4,444,446
	Contribution to PF	1,124,325	1,274,698
	Vehicle maintenance	3,271,255	2,901,772
	Water charges	204,325	216,673
	AGM Expenses	163,628	957,401
	Miscellaneous expenses	4,369,772	1,790,900
	BIWTA expenses	6,902,018	4,783,495
	BSTI License fee	1,741,089	1,240,400
	Fuel & Lubricant	41,788	51,716
	Board meeting expenses	276,000	287,500
	Incidental loss (Robbery)	-	2,847,769
	Impairment Loss - Admin	-	2,636,422
	Guest house expenses	90,302	-
	Depreciation (Note - 1.00)	5,096,645	3,638,186
		109,330,068	**116,588,941**

AMARSTOCK

Notes to the Statements of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
22.00	**Selling & distribution expenses:**		
	Advertisement	12,791,075	5,066,360
	Car maintenance	4,774,678	4,729,709
	Contribution to PF	2,575,461	2,105,462
	Entertainment	633,167	243,581
	Export expenses	915,474	1,645,185
	Godown expenses	726,000	552,500
	Gratuity	8,542,081	6,394,955
	Legal & professional fee	1,020,499	475,924
	Medical expenses	6,950	126,904
	CSR Activities	1,647,450	780,000
	Internet Expenses	85,096	111,715
	Postage & stamp	396,166	487,123
	Promotional expenses	117,518,378	220,528,207
	Salaries & allowances	107,508,990	88,559,834
	Cement test expenses	1,177,430	979,280
	Stationery	1,713,607	241,793
	Telephone charges	4,086,658	3,397,244
	Travelling & conveyance	29,219,640	25,413,004
	Tender expenses	2,506,028	5,293,834
	Computer expenses	4,000	31,680
	Labour charges	8,725,665	6,212,771
	Miscellaneous expenses	2,273,700	1,238,047
	Impairment Loss - Selling	-	7,584,223
	Depreciation (Note - 1.00)	76,899,312	57,687,630
		385,747,505	**439,886,965**
23.00	**Financial expenses**		
	Bank charges	733,926	1,308,976
	Interest on WPPF	16,333,086	12,491,798
	Finance charges on lease	42,110,671	60,501,426
	Bank loan interest	218,883,409	287,440,455
		278,061,092	**361,742,655**

Note: Bank charges Tk. 2,015,973/- bas been rearranged to administrative expenses which was included in financial expenses during the year 2015-16.

AMAR STOCK

Notes to the Statements of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
24.00	**Basic earnings per share (EPS)**		
	The computation of EPS is given below		
	Earnings attributable to the ordinary shareholders (NPAT)	490,965,931	632,068,457
	Number of shares outstanding during the year	105,450,000	105,450,000
	Basic earnings per share (par value of Tk. 10)	**4.66**	**5.99**

Diluted EPS

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

25.00 Related party disclosure

During the year the company carried out a number of transactions with related parties in the normal course of business on an arms length basis. Names of those related parties, nature of those transactions and their value have been set out in accordance with the provisions of BAS-24: Related party disclosure.

Name of related party	Nature of relationship	Nature of transaction	Outstanding as on 01 July 2016	Transaction during the year (Net) Taka	Outstanding balance as on 30 June 2017 Taka	Terms and conditions
Premier Power Generation Limited	Subsidiary	Loan to meet operational expenses	(129,200,007)	(47,898,383)	(177,098,390)	Mutual understanding
Premier Power Generation Limited	Subsidiary	Investment in share	48,000,000	-	48,000,000	Arm length transaction
Asia Insurance Ltd.	Common directorship	Providing insurance	(3,140,326)	-	(3,140,326)	Arm length transaction
Seacom Shipping Ltd	Common directorship	C & F	(288,343)	(3,478,581)	(3,766,924)	Arm length transaction
T K Oil Refinery Ltd.	Common directorship	Utility service	(10,349)	-	(10,349)	Arm length transaction
Aryan Stevedore Ltd.	Common directorship	Stevedoring service	2,698,439	(3,628,283)	(929,844)	Arm length transaction
G P H Ispat Ltd.	Common directorship	Materials supply	(480)	1,324,800	1,324,320	Arm length transaction
National Cement Mills Limited	Associate	Loan to meet operational expenses	160,618,360	217,085,483	377,703,843	Mutual understanding
National Cement Mills Limited	Associate	Investment in share	350,000,000	(280,000,000)	70,000,000	Arm length transaction
M I Cement Factory Ltd.	Common directorship	Materials supply	32,967,912	(24,696,731)	8,271,181	Arm length transaction
Samuda Chemical Complex Ltd.	Common directorship	Materials supply	15,936	(21,199,683)	(21,183,747)	Arm length transaction
Rupsha Tank Terminal & Refinery Ltd	Common directorship	Loan taken to meet short term finance	(2,177,734)	2,177,734	-	Arm length transaction

26.00 Events after the reporting period

The Board of Directors of the company in its meeting held on 27 August 2017 recommended 20% cash dividend for the year 2016-2017 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

Notes to the Statements of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016 Taka
27.00	**Contingent liabilities**		
	There are contingent liabilities in respect of outstanding letters of credit for Tk. 2,242 million & bank guarantee 31.50 million.		
	Letter of Credit		
	The City Bank Limited	91,431,028	89,082,000
	Brac Bank Ltd	17,177,472	-
	Dutch Bangla Bank Limited	30,465,793	95,583,869
	The Hongkong and Shanghai Banking Corporation Limited	82,928,534	107,961,504
	NCC Bank Ltd	50,778,000	
	Prime Bank Limited	50,778,000	29,792,000
	Social Islami Bank Ltd	21,373,681	30,552,000
	Standard Bank	-	-
	Standard Chartered Bank	1,887,190,767	-
	Public bank Ltd	10,209,924	2,729,850
		2,242,333,199	**355,701,223**
	Bank Guarantee		
	Pubali bank Ltd	19,989,000	-
	Social Islami Bank Ltd	11,515,662	-
		31,504,662	-
		2,273,837,861	**355,701,223**

28.00 Capital expenditure commitment

There is no capital expenditure commitment as at 30 June 2017

29.00 Remittance of foreign currency:

No foreign currency was remitted during the year.

30.00 Earnings in foreign currency:

Export of 49,428 MT Cement were made in July 2016 to June 2017 to Indian state of Tripura & Assam and as deemed export in Bangladesh for US$ 34,10,941 equivalent to BDT. 27,49,21,840.

31.00 Claims against the company not acknowledged as debt

There is no claim against the company acknowledged as debt.

32.00 Capacity utilization

Actual average monthly production is 133,325.25 MT against average monthly capacity of 240,000 MT i.e. capacity utilization is 55.55%.

Notes to the Statements of Financial Position

For the year ended 30 June 2017

		Jun-17	Jun-16
		Persons	Persons
33.00	**Number of employees**		
	Management	82	71
	Staff	1044	868
	Total number of employees	**1126**	**939**

All employees received salary more than Tk. 5,000 per month.

34.00 Others

34.01 Directors' remuneration

Salary, allowances and benefits	2,400,000	2,400,000
	2,400,000	**2,400,000**

Out of 05 directors ,02 of them are maintaining full time office with Premier Cement Mills Ltd. Hence they are paid Tk. 100,000 each as monthly remuneration .

34.02 Directors' fees for attending board meeting

Tk. 10,000 paid to each director for attending board meetings.

34.03 Receivable from director

No amount is lying as receivable from the directors.

34.04 Financial risk management

Financial risk management in respect of separate financial statement does not vary significantly from the consolidated one.

34.05 Cash flows from financing activities has been rearranged during the year 2015-16 due to netted off receipt and (payment) the amount 6,949,176,882 & (7,565,687,560) under the head Receipt/(payment) from long term borrowings & Receipt/(payment) from short term borrowings respectively.

Company Secretary **Director** **Managing Director**

Place: Dhaka

Dated: 27 August 2017

AUDITORS' REPORT TO THE SHAREHOLDERS OF PREMIER POWER GENERATION LIMITED

We have audited the accompanying financial statements of Premier Power Generation Limited ("the company"), which comprise the statement of financial position as at 30 June 2017, and the statement of 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 (BFRSs), the Companies Act 1994 other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements 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 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 the Company as at 30 June 2017 and of their financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

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

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

iii) the company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns.

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Financial Position

As at 30 June 2017

	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
Assets			
Property, plant and equipment	4.00	119,822,126	122,469,401
Total non-current assets		**119,822,126**	**122,469,401**
Advances, deposits and pre-payments	5.00	5,746,307	5,746,307
Current account with holding company	6.00	177,098,390	129,200,007
Cash and Bank balances	7.00	249,673	245,227
Total current assets		**183,094,370**	**135,191,541**
Total assets		**302,916,496**	**257,660,942**
Equity			
Share Capital	8.01	50,000,000	50,000,000
Revaluation reserve*		14,269,362	15,190,097
Retained earnings*		235,496,379	188,395,438
Total equity		**299,765,741**	**253,585,535**
Trade and other payable	9.00	3,150,756	4,075,407
Total current liabilities		**3,150,756**	**4,075,407**
Total equity and liabilities		**302,916,496**	**257,660,942**
Net assets value per share		**600**	**507**

The annexed notes 01 to 13 form an integral part of these financial statements.

Company Secretary | **Director** | **Managing Director**

As per our report of same date

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
Revenue		105,507,000	123,555,750
Cost of sales	10.00	(53,111,386)	(54,541,231)
Gross profit		**52,395,614**	**69,014,519**
Administrative expenses*	11.00	(6,215,408)	(5,602,602)
Profit from operation		**46,180,206**	**63,411,917**
Profit before income tax		46,180,206	63,411,917
Current tax expenses		-	(119,662)
Net profit/(loss) after tax		**46,180,206**	**63,292,255**
Other comprehensive income		-	16,171,356
Total comprehensive income		**46,180,206**	**79,463,611**
Basic earnings per share (par value of Taka 100)		**92.36**	**126.58**

The annexed notes 01 to 13 form an integral part of these financial statements.

Company Secretary **Director** **Managing Director**

As per our report of same date

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Changes in Equity

For the year ended 30 June 2017

Amount in Taka

Particulars	Share capital	Revaluation reserve	Retained earnings	Total equity
Balance at 30 June 2015	**50,000,000**	-	**124,465,370**	**174,465,370**
Net profit for the year		-	63,292,255	63,292,255
Revaluation reserve		15,827,910	-	15,827,910
Depreciation on revalued assets		(946,914)	946,914	-
Balance at 30 June 2016	**50,000,000**	**14,880,996**	**188,704,539**	**253,585,535**
Prior year adjustment -revalution		343,446	-	343,446
Prior year adjustment -loss on revaluation		-	(343,446)	(343,446)
Prior year adjustment -Depreciation on revaluation loss		(34,345)	34,345	-
Balance at 01 July 2016	**50,000,000**	**15,190,097**	**188,395,438**	**253,585,535**
Net profit for the year	-	-	46,180,206	46,180,206
Depreciation on revalued assets	-	(920,735)	920,735	-
Revaluation reserve	-	-	-	-
Balance at 30 June 2017	**50,000,000**	**14,269,362**	**235,496,379**	**299,765,741**

Company Secretary **Director** **Managing Director**

Place: Dhaka

Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Statement of Cash Flows

For the year ended 30 June 2017

	Notes	30 June 2017 Taka	30 June 2016 (Restated)* Taka
Cash flows from operating activities			
Receipt from customers*		57,608,617	50,258,023
Payment to employees		(6,656,747)	(6,137,787)
Payment to suppliers & others*		(45,392,295)	(43,490,715)
Cash generated from operating activities		**5,559,575**	**629,521**
Bank charge & Interest paid		(345,554)	(1,707)
Tax paid		-	(119,662)
A. Net cash from operating activities		**5,214,021**	**508,152**
Cash flows from investing activities			
Sales/(Purchase) of property, plant & equipment		(5,209,575)	(438,000)
B. Net cash used in investing activities		**(5,209,575)**	**(438,000)**
Cash flows from financing activities			
Proceeds from Bank Borrowing		-	-
Repayment of Bank Borrowing		-	-
C. Net cash provided from financing activities		**-**	**-**
Net increase/(decrease) in cash and bank balances		**4,446**	**70,152**
Cash and bank balances at the beginning of the year		245,227	175,075
Cash and bank balances at the end of the year		**249,673**	**245,227**
Net Operating cash flow per share		**10.43**	**1.02**

Company Secretary **Director** **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Syful Shamsul Alam & Co.
Chartered Accountants

Notes to the Statement of Financial Position

For the year ended 30 June 2017

1.00 Corporate history of the reporting entity

1.01 Corporate history

Premier Power Generation Limited, a Private limited company was incorporated on 07 September 2006 under Company Act XVIII of 1994 Factory at West Mukterpur, Munshigonj with an installed capacity of 5.34 MW run by Natural Gas from TGTDCL.

1.02 Nature of business

To establish, run operate and maintain the power/energy projects in Bangladesh and to sell power/ energy to its mother company Premier Cement Mills Limited or any other customers.

2.00 Basis of preparation, presentation and disclosures of financial statements

2.01 Statement of compliance

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, and IFRSs as adopted by the ICAB. On the basis of these regulations, Bangladesh Accounting Standards (BASs) & Bangladesh Financial Reporting Standards (BFRSs) were applied with the applicable standards at the Balance Sheet date.

2.02 Other regulatory compliances

The Companies are also required to comply with the following major legal provisions in addition to the Companies Act 1994, and other following applicable laws and regulations:

The Income Tax Ordinance 1984
The Income Tax Rules 1984
The Value Added Tax Act 1991
The Value Added Tax Rules 1991
The Customs Act 1969

2.03 Recording of transaction

Transaction has been accounted for presented in accordance with their substance and financial reality. The financial statement has been expressed in Bangladeshi Taka.

2.04 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis.

2.05 Going concern

The company has adequate resources to continue in operation for foreseeable future.

2.06 Reporting period

The financial period of the company covers one year from 1st July to 30th June consistently.

3.00 Summary of significant accounting policies

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

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

3.01 Consistency

The accounting policies and methods of computation used in preparation of financial statements for the period ended 30th June 2017 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30th June 2016.

3.02 Property, plant and equipment

Recognition and measurement

The fixed assets of the company shown under "Property, Plant and Equipment" as per BAS 16 is initially recorded at historical cost. Historical cost includes its purchase price and any directly attributed cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and (a) the

Notes to the Statement of Financial Position

For the year ended 30 June 2017

cost of site preparation; (b) initial delivery and handling costs; (c) installation costs; (d) professional fees such as for architects and engineers; and (e) the estimated cost of dismantling and removing the asset and restoring the site, to the extent applicable in line with the provisions under 'BAS 37: Provisions, Contingent Liabilities and Contingent Assets'.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they incurred.

Depreciation

In respect of all fixed assets, depreciation is provided on reducing balance method over their expected useful life. Full year depreciation has been charged on additions to fixed assets . The annual depreciation rates applicable to different category of assets are:

Category of assets	Rate of Depreciaion
Plant & machinery	6%
Furniture & fixture	10%
Generator Building	10%
Office equipment	20%
Office decoration	15%

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to Income Statement.

3.03 Cash and cash equivalents

It includes cash in hand, bank deposit and other short term high liquid investments with original maturities of three months were held and available for use by the company without any restriction and there is insignificant risk of changes in value of these current assets.

3.04 Trade and other payables

Liabilities are recorded at the amount payable for settlement in respect of goods are services received by the company.

3.05 Loans and borrowins

Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.06 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37, they are disclosed in the notes to the financial statements.

3.07 Revenue

Revenue is recognized in the statement of comprehensive income upon supply of electricity, quantum of which is determined by survey of meter reading at the end of each month. Revenue is measured at fair value of coonsideration received or receivable.

3.08 Taxation

The company enjoyes Tax exemption for fifteen (15) years vide SRO No - 114 / AvBb/99dated 26.05.1999 under Income Tax Ordinance 1984.

3.09 Cash flow statement

Statement of Cash Flows is prepared principally in accordance with BAS 7 (Cash Flow Statement) and the cash flow from operating activities have been presented under direct method.

Notes to the Statement of Financial Position

For the year ended 30 June 2017

		30 June 2017 Taka	30 June 2016(Restated)* Taka
4.00	**Property, plant and equipments**		
	A. Cost		
	Plant & machinery	132,024,962	126,815,387
	Furniture & fixture	2,465	2,465
	Generator building	2,454,401	2,454,401
	Office decoration	771,712	771,712
	Office equipment	440,754	440,754
		135,694,294	**130,484,719**
	B. Accumulated depreciation	**15,872,168**	**8,015,318**
	C. Written down value (A-B)	**119,822,126**	**122,469,401**
	(A schedule of property, plant and equipment is given in annexure -A)		
5.00	**Advances, deposits & pre-payments:**		
	Deposits:		
	Deposit to TGTDCL	4,418,000	4,418,000
	Bank guarantee margin to TGTDCL	836,050	836,050
	Advance income tax	491,230	491,230
	VAT current account	1,027	1,027
		5,746,307	**5,746,307**
6.00	**Current Account with holding Company:**		
	Premier Cement Mills Limited (Holding Company)	177,098,390	129,200,007
		177,098,390	**129,200,007**
7.00	**Cash and bank balances:**		
	Cash in hand	-	-
	Cash at bank (Note 7.01)	249,673	245,227
		249,673	**245,227**
7.01	**Cash at bank :**		
	Dutch Bangla Bank Ltd Agr Br. # 16116	243,127	245,227
	Standard Bank Ltd. Ktg Br. # 8998	6,546	-
		249,673	**245,227**

Notes to the Statement of Financial Position

For the year ended 30 June 2017

	30 June 2017 Taka	30 June 2016 Taka
8.00 Share capital:		
Authorized:		
2,000,000 Ordinary shares of Taka 100 each	200,000,000	200,000,000
	200,000,000	**200,000,000**
8.01 Issued, subscribed and paid up:		
500,000 Ordinary Shares of Tk.100/-each fully paid-up in cash	**50,000,000**	**50,000,000**

8.02 Share holding position

The composition of share holders at balance sheet date were as follows:

Sl.	Name of shareholders	30 June 2017			30 June 2016
		Percentage	Number	Face value	Face value
01.	Mr. Mohammed Amirul Haque	0.30%	1,500	150,000	150,000
02.	Mr. Mohammed Raquibul Haque	0.20%	1,000	100,000	100,000
03.	Mr. Mohammed Ershadul Hoque	0.20%	1,000	100,000	100,000
04.	Mrs. Nashira Sultana	0.10%	500	50,000	50,000
05.	Mr. Mohammed Zahurul Haque	0.20%	1,000	100,000	100,000
06.	Mr. Abu Sadat Mohd. Faisal	0.50%	2,500	250,000	250,000
07.	Mr. Hasnat Mohd. Abu Obida	0.50%	2,500	250,000	250,000
08.	Mr. Mohammad Mustafa Haider	0.33%	1,670	167,000	167,000
09.	Ms. Farzana Afroze	0.33%	1,665	166,500	166,500
10.	Ms. Rizwana Afroze	0.33%	1,665	166,500	166,500
11.	Mr. Md. Jahangir Alam	0.40%	2,000	200,000	200,000
12.	Mr. Md. Alamgir Kabir	0.25%	1,250	125,000	125,000
13.	Mr. Md. A. Rouf	0.10%	500	50,000	50,000
14.	Mr. Md. Almas Shimul	0.10%	500	50,000	50,000
15.	Mr. Md. Ashrafuzzaman	0.10%	500	50,000	50,000
16.	Mr. Md. Abdul Ahad	0.05%	250	25,000	25,000
17.	Premier Cement Mills Limited.	96%	480,000	48,000,000	48,000,000
	Total	**100%**	**500,000**	**50,000,000**	**50,000,000**

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Notes to the Statement of Financial Position

For the year ended 30 June 2017

			30 June 2017 Taka	30 June 2016 Taka
9.00	**Trade & other payables**			
	Provision for Audit Fee		57,500	57,500
	Seacom Shipping Ltd.		110,489	110,489
	Provision for Gas Bill		2,920,267	3,892,418
	TDS payable -Britto Design		18,000	-
	VDS Payable- Britto Design		27,000	-
	TDS payable SSAC		7,000	-
	TDS payable SF Ahamed & Co		-	15,000
	VAT payable on audit fee -SSAC		10,500	-
			3,150,756	**4,075,407**
10.00	**Cost of sales**			
	Gas Bill		32,484,149	32,067,583
	Salary & Wages		2,133,521	2,061,057
	Conveyance & Travelling		504,957	433,950
	Printing & stationery		24,063	9,948
	Entertainment		217,989	141,210
	Repairs & Maintenance		10,018,007	11,938,306
	Telephone & Internet charge		13,894	2,425
	Depreciation		7,714,806	7,886,752
			53,111,386	**54,541,231**
11.00	**Administrative expenses**			
	Salary & Allowance		4,523,226	4,076,730
	Bank charges		345,554	1,707
	Travelling & Conveyance		251,741	222,856
	Office Rent		560,000	560,000
	Audit Fee including VAT		80,500	57,500
	Legal renewal & Professional Fee		307,917	553,063
	Printing & Stationery		4,427	2,180
	Depreciation	Anexure - A	142,043	128,566
			6,215,408	**5,602,602**
12.00	**Contingent liabilities**			
	There are contingent liabilities in respect of bank guarantee for Tk. 8.83 milion.			
	Bank Guarantee			
	Standard bank limited		8,836,000	8,836,000
			8,836,000	**8,836,000**

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Notes to the Statement of Financial Position

For the year ended 30 June 2017

13.00 Related party disclosure

During the year the company carried out a number of transactions with related party in the normal course of business. The name of the related party and nature of those transactions havee been set out in accordance with the provisions of BAS-24: Related party disclosure.

Name of related party	Nature of Relationship	Nature of Transaction	Terms and Condition	Net transaction during the year	Receivable as on 30 June 2017	Receivable as on 30 June 2016
Premier Cement Mills Limited	Holding Copmpany	Loan to meet operational expenses	Mutual understanding	47,898,383	177,098,390	129,200,007
Premier Cement Mills Limited	Holding Copmpany	Investment in share	Arm length transaction	-	48,000,000	48,000,000

NB: All expenses of Premier Power Generation Limited are paid by Premier Cement Mills Limited and the corresponding liability is adjusted with the receivables (from the sale of electricity to Premier Cement Mills Limited) of Premer Power Generation limited

Company Secretary **Director** **Managing Director**

Place: Dhaka
Dated: 27 August 2017

Schedule of property, plant and equipment

For the year ended 30 June 2017

Anexure - A

Amount in Taka

Cost:

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2017
	Banalce as on 01 July 2016	Addition during the year	Disposal/ adjustment during the year	Balance as on 30 June 2017		Banalce as on 01 July 2016	Charged during the year	Disposal/ adjustment during the year	Balance as on 30 June 2017	
Plant & machinery	110,765,872	5,209,575	-	115,975,447	6%	6,645,953	6,552,985	-	13,198,938	102,776,509
Furniture & fixture	2,465	-	-	2,465	10%	247	221	-	469	1,996
Generator building	2,454,401	-	-	2,454,401	10%	245,440	220,896	-	466,336	1,988,065
Office decoration	650,098	-	-	650,098	15%	97,515	82,887	-	180,402	469,696
Office equipment	440,527		-	440,527	20%	44,905	79,124	-	124,030	316,497
Balance as of 30 June 2017	**114,313,363**	**5,209,575**	**-**	**119,522,938**		**7,034,060**	**6,936,114**	**-**	**13,970,175**	**105,552,763**
Balance as of 30 June 2016	**114,218,809**	**438,000**	**(343,446)**	**114,313,363**		**-**	**7,034,059**	**-**	**7,034,059**	**107,279,304**

Allocation	30 June 2017 Taka	30 June 2016 Taka
Cost of production	6,806,505	6,920,123
Administrative expenses	129,609	113,936
Total	**6,936,114**	**7,034,059**

Schedule of property, plant and equipment

For the year ended 30 June 2017

Anexure - A

Revaluation:

Amount in Taka

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2017
	Balance as on 1 July 2016	Addition during the year	Disposal/ adjustment during the year	Balance as on 30 June 2017		Balance as on 1 July 2016	Charged during the year	Disposal/ adjustment during the year	Balance as on 30 June 2017	
Plant & machinery	16,049,515	-	-	16,049,515	6%	962,971	905,193	-	1,868,164	14,181,351
Furniture & fixture	-	-	-	-	10%	-	-	-	-	-
Generator building	-	-	-	-	10%	-	-	-	-	-
Office decoration	121,614	-	-	121,614	15%	18,242	15,506	-	33,748	87,866
Office equipment	227	-	-	227	20%	45	36	-	81	146
Balance as on 30 June 2017	**16,171,356**	**-**		**16,171,356**		**981,258**	**920,735**	**-**	**1,901,993**	**14,269,363**
Balance as on 30 June 2016	**-**	**16,171,356**	**-**	**16,171,356**		**-**	**981,259**	**-**	**981,259**	**15,190,097**

Allocation	30 June 2017 Taka	30 June 2016 Taka
Cost of production	908,301	966,629
Administrative expenses	12,434	14,630
Total	**920,735**	**981,259**

Schedule of property, plant and equipment

For the year ended 30 June 2017

Anexure - A

Cost and Revaluation:

Amount in Taka

Category of Assets	Cost				Rate	Depreciation				Written down value as on 30 June 2017
	Balance as on 01 July 2016	Addition during the year	Disposal/ adjustment during the year	Balance as on 30 June 2017		Balance as on 01 July 2016	Charged during the year	Disposal/ adjustment during the year	Balance as on 30 June 2017	
Plant & machinery	126,815,387	5,209,575	-	132,024,962	6%	7,608,924	7,458,177	-	15,067,102	116,957,860
Furniture & fixture	2,465	-	-	2,465	10%	247	222	-	469	1,996
Generator building	2,454,401	-	-	2,454,401	10%	245,440	220,896	-	466,336	1,988,065
Office decoration	771,712	-	-	771,712	15%	115,757	98,393	-	214,150	557,562
Office equipment	440,754	-	-	440,754	20%	44,950	79,161	-	124,111	316,643
Balance as on 30 June 2017	**130,484,719**	**5,209,575**	**-**	**135,694,294**		**8,015,318**	**7,856,849**	**-**	**15,872,168**	**119,822,126**
Balance as on 30 June 2016	**114,218,809**	**16,609,356**	**(343,446)**	**130,484,719**		-	**8,015,318**	**-**	**8,015,318**	**122,469,401**

Allocation	30 June 2017 Taka	30 June 2016 Taka
Cost of production	7,714,806	7,886,752
Administrative expenses	142,043	128,566
Total	**7,856,849**	**8,015,318**

AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL CEMENT MILLS LIMITED

Introduction

We have audited the accompanying financial statements of National Cement Mills Limited, which comprise the statement of financial position as at 30 June 2017 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows and for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management's responsibility for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act. 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit; we conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance 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 we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating 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 Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June 2017 and of the results of its operations and cash flows for the year then ended and comply with the Companies Act 1994, Bangladesh securities and exchange commission rules 1987 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 these books;

c) the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of account and returns.

Dated, Chittagong
August 10, 2017

MRH DEY & CO. CTG. Chartered Accountants

MRH DEY & CO.
Chartered Accountants

Statement of Financial Position

As at June 30, 2017

	Notes	30 June 2017 Taka	30 June 2016 Restated)* Taka
ASSETS			
Non- current assets:		**1,935,299,850**	**1,817,790,704**
Property, plant and equipment	4	1,827,754,984	1,775,473,122
Capital work-in-progress	5	107,544,865	42,317,582
Current assets:		**684,630,912**	**569,968,798**
Inventories	6	96,301,564	161,556,346
Accounts receivables	7	281,160,202	237,880,254
Advances, deposits and pre-payments	8	299,680,676	154,923,649
Investment In FDR	9	-	1,878,796
Cash and cash equivalent	10	7,488,470	13,729,753
Total assets		**2,619,930,762**	**2,387,759,502**
EQUITY & LIABILITIES			
Equity		**494,609,928**	**469,746,754**
Share capital	11	175,000,000	175,000,000
Tax holiday reserve		2,274,386	2,274,386
Revaluation reserve*	12	353,632,605	357,392,054
Retained earnings*	13	(36,297,063)	(64,919,686)
Non-current liabilities:		**1,155,988,470**	**1,292,541,614**
Defered tax liabilities/ (assets)*	14	65,064,538	60,496,045
Loan from shareholders	15	580,000,000	580,000,000
Non-current portion of long term bank loan	16.1	510,923,932	652,045,569
Current liabilities		**969,332,364**	**625,471,134**
Accounts payable	17	39,071,463	117,624,637
Bank loan (short term)	18	664,849,185	212,670,092
Current portion of long term	16.1	138,591,733	123,553,699
Due to associate company	19	97,703,843	160,618,360
Contribution to WPPF		2,263,974	-
Provision for taxation	20	26,852,166	11,004,346
Total equity and liabilities		**2,619,930,762**	**2,387,759,502**
Net Asset Value Per Share (NAV)	29	**28.26**	**26.84**

The accompanying notes form an integral part of the financial statements.

Managing Director **Director** **Company's Secretary**

As per our separate report of even date annexed

Dated, Chittagong
August 10, 2017

MRH DEY & CO.
Chartered Accountants

Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2017

	Notes	30 June 2017 Taka	30 June 2016 Restated)* Taka
Revenue	21	1,052,478,306	955,943,301
Cost of sales	22	(929,323,557)	(859,504,813)
Gross profit		**123,154,749**	**96,438,488**
Non-operating income/(loss)	23	5,992,030	17,615,176
Administrative expenses	24	(12,120,646)	(9,055,438)
Selling & distribution expenses	25	(17,513,470)	(14,305,718)
Profit before interest and tax		**99,512,663**	**90,692,508**
Financial expenses	26	(51,969,202)	(76,605,920)
Contribution to WPPF		(2,263,974)	-
Profit for the year (before tax)		**45,279,487**	**14,086,588**
Income tax expenses	27	(20,416,313)	(5,862,570)
Net Profit for the year		**24,863,174**	**8,224,018**
Other comprehensive income			
Revaluation of property, plant & equipment		-	394,824,311
Income tax on other comprehensive income*		-	(33,398,338)
		-	**361,425,973**
Total comprehensive income for the year		**24,863,174**	**369,649,991**
Basic earnings per share	30	**1.42**	**0.47**
(Book Value per share Taka 10)			

The accompanying notes form an integral part of the financial statements.

Managing Director **Director** **Company's Secretary**

As per our separate report of even date annexed

Dated, Chittagong
August 10, 2017

MRH DEY & CO.
Chartered Accountants

Statement of Changes in Equity

For the year ended June 30, 2017

Amount in Tk.

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Total Equity
Restated balance at July 1, 2016	175,000,000	2,274,386	357,392,054	(64,919,686)	469,746,754
Excess depreciation on revalued asset	-	-	(3,759,449)	3,759,449	-
Net profit after tax for the period	-	-	-	24,863,174	24,863,174
Balance at June 30, 2017	**175,000,000**	**2,274,386**	**353,632,605**	**(36,297,063)**	**494,609,928**
Balance at July 1, 2015	175,000,000	2,274,386		(50,079,915)	127,194,471
Revaluation reserve for the year	-	-	394,824,311	-	394,824,311
Excess depreciation on revalued asset			(4,033,919)	4,033,919	-
Net profit after tax for the period	-	-	-	8,224,018	8,224,018
Adjusted Deferred Tax Expenses (Restated)	-	-	-	(27,097,707)	(27,097,707)
Tax on Revaluation Gain on PPE except land properties (Restated)	-	-	(33,398,338)	-	(33,398,338)
Balance at June 30, 2016(Restated)	**175,000,000**	**2,274,386**	**357,392,054**	**(64,919,686)**	**469,746,754**

The accompanying notes form an integral part of the financial statements.

Managing Director | **Director** | **Company's Secretary**

As per our separate report of even date annexed

Dated, Chittagong
August 10, 2017

MRH DEY & CO.
Chartered Accountants

Statement of Cash Flows

For the year ended June 30, 2017

	30 June 2017 Taka	30 June 2016 Taka
CASH FLOW FROM OPERATING ACTIVITIES		
Receipt from customers	1,009,198,358	907,644,359
Payment to supplier & employees	(718,804,343)	(678,453,333)
Cash generated from operating activities	**290,394,015**	**229,191,026**
Bank interest & charges	(51,969,202)	(76,605,920)
Non-operating income/(loss)	5,992,030	21,103,156
Net cash provided by operating activities (a)	**244,416,843**	**173,688,262**
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(153,538,798)	(110,523,965)
Capital work-in-progess	(65,227,283)	8,832,900
Investment In FDR	1,878,796	14,476,533
Sale of property, Plant & equipment	-	210,161,895
Net cash used in investing activities (b)	**(216,887,285)**	**122,947,363**
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from Shareholders	-	90,000,000
Bank Loan-long term	(141,121,637)	388,639,527
Current portion of long term bank loan	15,038,033	(11,175,531)
Short term bank loan	155,227,280	(752,503,821)
Liability for other finance	-	(4,200,000)
Premier Cement Mills Limited	(62,914,517)	(2,185,578)
Net cash flows from financing activities (c)	**(33,770,841)**	**(291,425,403)**
Net cash (defilct)/surplus for the year (a+b+c)	**(6,241,283)**	**5,210,222**
Cash & bank balances at beginning of the year	13,729,753	8,519,531
Cash & bank balances at end of the year	**7,488,470**	**13,729,753**
Operating cash flow per share	**13.97**	**9.93**

The accompanying notes form an integral part of the financial statements.

Managing Director **Director** **Company's Secretary**

As per our separate report of even date annexed

Dated, Chittagong
August 10, 2017

MRH DEY & CO.
Chartered Accountants

Notes to the Statement of Financial Position

For the year ended June 30, 2017

1.00 Reporting Entity

1.01 Formation & Legal Status:

National Cement Mills Limited, a public company limited by shares, was incorporated in Bangladesh on 10 September, 1996 vide registration number 8200/10 under the Companies Act 1994. In persuant of section 150(2) of companies act 1994, it obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies (RJSC) on the same day.

The plant office is situated at Issa Nagar , Karnaphuli, Chittagong and corporate office is located at Tahar Chamber, 2nd floor, 10, Agrabad C/A, Chittagong, Bangladesh.

1.02 Nature of Business:

The principal activities of the company are to manufacturing cement from various raw materials and marketing the same in local as well as foreign markets.

2.00 Basis of preparation, presentation & disclosure of financial statements

2.01 Accounting Convention and Basis:

The financial statements are prepared under the historical cost convention using accrual basis of accounting.

2.02 Statement of Compliance:

The finanancial statement have been prepared on going concern basis following accrual basis of accounting except for cash flow statements and specifically mentioned in otherwise in accordance with Bangladesh Accounting Standards (BASs) and other applicable laws & regulations.

2.03 Other regulatory compliance:

The Company is required to comply with the following major laws and regulation in addition to the Companies Act 1994:
The Income Tax Ordinance 1984
The Income Tax Rules 1984
The Value Added Tax Act 1991
The Value Added Tax Rules 1991
The Custom Act 1969

2.04 Presentation of Financial Statements:

The presentation of these financial statements are in accordance with the guidelines provided by BAS 1 "Presentation of financial statements" that comprises :
(a) a statement of financial position at June 30, 2017
(b) a Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2017
(c) a statement of changes in equity for the year ended June 30, 2017
(d) a statement of cash flows for the year ended June 30, 2017
(e) notes, comprising a summary of significant accounting policies and explanatory information.

2.05 Use of Estimates and Judgements:

The presentation of financial statements requires management to make judgements, estimates & assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income & Expenses. Actual results may differ from these estimates.

2.06 Going Concern:

The financial statements for the year under review have been prepared under the going concern basis, as the management of the company believes that the company will continue in operation for foreseeable future and it has adequate resources to do so. The current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

2.07 Functional and Presentation Currency:

These financial statements are prepared in Bangladesh Taka which is the company's functional currency.

2.08 Foreign Currency Conversion:

Foreign currencies have been converted into Bangladesh taka currency at the ruling rate on the transaction date.

Notes to the Statement of Financial Position

As at 30 June 2017

2.09 Reporting Period:

This accounting period of the company covers financial period from July 1, 2016 to June 30,2017.

2.10 Comparative Information:

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

3.00 Significant Accounting Policies

The accounting policy set out below have applied consistently to all periods presented in these financial statements and have been applied consistently by the company.

3.01 Property, Plant & Equipments (PPE)

Recognition and measurement:

Items of property, plant and equipment except leasehold assets, furniture & fixtures , loose tools, office equipments , granding media and motor vehicle are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any.

Subsequent Costs:

The cost of replacing a part of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of comprehensive income during the financial Period in which they incurred.

Depreciation:

Land is held freehold basis and is not depreciated considering the unlimited life. In respect of all other fixed assets depreciation is provided on reducing balance' method over their expected useful life at the rates varying from 5% to 25%. As a part of the companies policy half Period depreciation is charged on the acquisition or addition made during the period.

Leasehold assets:

Assets held under finance leases are recognised as assets of the Company at their fair value at the date of acquisition or, if lower, at he present value of the minimum lease payments. The corresponding liability is includes in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance changes and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

3.02 Capital Work-in-progress

Proprety, Plant & Equipment under construstion/acquisition is temporarily accounted for under capital work in process until construction/acquisition is completed & measured at cost.

3.03 Inventories

Nature of Inventories:

Inventories comprise of raw materials (Clinker,Fly Ash,Gypsum,Lime Stone,Slag), Packing materials (P.P & Paper Bag), Consumable Stores and Finished Goods (Cement).

Valuation of the Inventories:

Inventories are valued as below in compliance with the requirements of BAS :2 "Inventories":

Items	Basis of valuation
Raw Materials	Lower of weighted average cost and NRV
Packing Materials	Weighted Average Cost
Consumable Stores	Weighted Average Cost
Finished Goods	Lower of weighted average cost and NRV

Notes to the Statement of Financial Position

For the year ended June 30, 2017

3.04 Accounts Receivable

Accounts receivables are considered good. So no provision has been created for bad or doubtful ones.

3.05 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and balances with banks on current and deposit accounts which are held and available for use by the company without any restriction.

3.06 Cash Flow Statement

The Statement of Cash Flows is prepared principally in accordance with "BAS-7: Cash Flow Statement" and the cash flow from operating activities have been presented under direct method.

3.07 Revenue Recognition

In compliance with the requirements of Bangladesh Accounting Standard (BAS :18) "Revenue" revenue from sale of goods (cement) is measured at the fair value of the consideration received or receivable, net of return or trade discount or volume rebates.Revenue is recognised when the significant risk and rewards relating the ownership of goods have been transferred to the buyer, recovery of the consideration is probable and amout the revenue can be measured reliably. Specific policies regarding the recognition of revenue are as below:

(i) "In case of goods sold (cement): sales revenue is recognised when the goods delivered to the customers and related invoice raised."

(ii) Non-operating income : Non-operating income includes carrying income, rental income etc has been recognised on realisation basis.

3.08 Earnings Per Share

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding at 30 June, 2017 as per Bangladesh Accounting Standard (BAS) - 33 "Earnings Per Share".

Basic Earnings:

This represents earnings for the Period attributable to the ordinary shareholders. Profit/(loss) after tax has been considered as fully attributable to the ordinary shareholders.

Basic Earnings Per Share:

This has been calculated by dividing the basic earnings attributable to the ordinary shareholders by the number of ordinary shares outstanding at the end of the Period.

3.09 Borrowing Costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognised as expense in the period in which they are incurred, unless such borrowing costs relate to acquisition / construction of assets in progress which are capitalized as per allowed alternative treatment of BAS: 23 "Borrowing Costs".

3.10 Taxation

Current Tax

Current tax is the expected tax payable on the taxable income for the period , using tax rate enacted or substantively inacted at the reporting date, and any adjustment to tax payable in respect of the previous periods.

Deferred Tax:

Deferred Tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised 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 of changes on the account in the deferred tax assets and liabilities has also been recognised in the profit and loss account as per BAS-12 "Income Taxes".

3.11 Others

(i) Figures have been rounded off to the nearest taka

(ii) Figures in brackets indicate deduction

(iii) Previous year's figures have been re -arranged whenever considered necessary to ensure comparability with current year.

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
4.00	**Property, plant & equipments**		
	Freehold assets (note-4.1)	1,780,485,576	1,722,951,557
	Leasehold assets(Note-4.2)	47,269,408	52,521,565
		1,827,754,984	**1,775,473,122**
4.01	**Freehold assets**		
	A. Cost		
	Opening balance	1,822,067,996	1,555,123,197
	Add : Addition during the year	153,538,798	85,770,362
	Add :Revaluation during the year	-	394,824,311
		1,975,606,794	2,035,717,870
	Less: Deletion/sale during the year	-	213,649,874
	Total (A)	**1,975,606,794**	**1,822,067,996**
	B. Accumulated depreciation		
	Freehold assets		
	Opening balance	99,116,439	-
	Add : Charged during the year	96,004,779	96,683,339
		195,121,218	96,683,339
	Less: Adjustment	-	-
	Total (B)	**195,121,218**	**99,116,439**
	C. Written down value (A-B)	**1,780,485,576**	**1,722,951,557**
4.02	**Leasehold assets**		
	A. Cost		
	Opening balance	56,294,494	31,540,891
	Add : Addition during the year	-	24,753,603
		56,294,494	56,294,494
	Total (A)	**56,294,494**	**56,294,494**
	B. Accumulated depreciation		
	Opening balance	3,772,929	-
	Add : Charged during the year	5,252,157	3,772,929
		9,025,086	3,772,929
	Less: Adjustment	-	-
	Total (B)	**9,025,086**	**3,772,929**
	C. Written down value (A-B)	**47,269,408**	**52,521,565**

A schedule of property,plant & equipment has been given in Annexure-1.

Notes to the Statement of Financial Position

For the year ended June 30, 2017

	Notes	30 June 2017 Taka	30 June 2016 Taka
5.00 Capital Work-in-Progress			
Opening Balance		42,317,582	51,150,482
Add: Expenditure incured during the Year		65,227,283	8,345,028
		107,544,865	59,495,510
Less: Capitalized during the year		-	17,177,928
Closing Balance		**107,544,865**	**42,317,582**
6.00 Inventories			
Raw materials (note : 22.1)		55,313,307	104,890,621
Packing materials (note : 22.2)		3,693,099	566,249
Consumable stores (note: 22.3)		37,295,158	21,811,026
Finished goods & W.I.P		-	34,288,450
		96,301,564	**161,556,346**

Particulars	Measuring unit	30.06.17		30.06.16	
		Quantity	Amount	Quantity	Amount
Clinker	MT	6,799	26,693,074	12,116	44,271,540
Fly ash	MT	3,325	5,460,251	1,209	1,802,993
Gypsham	MT	4,671	8,509,300	7,883	14,517,036
Lime stone	MT	9,186	13,851,068	7,702	11,768,563
Slag	MT	425	799,614	16,397	32,530,489
Consumable stores		-	37,295,158	-	21,811,026
Packing materials (PP Bag)	Pcs	206,269	3,693,099	31,059	566,249
Finished goods & W.I.P	MT	-	-	6,959	34,288,450
Total		**230,675**	**96,301,564**	**83,325**	**161,556,346**

Raw material reconcilliation:

For 01 July 2016- 30 June 2017

Particulars	Opening		Purchase				Consumption		Closing	
			Import		Local					
	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)
Clinker	12,116	44,271,540	126,040	482,289,318	-	-	131,357	499,867,784	6,799	26,693,074
Fly ash	1,209	1,802,993	4,556	10,503,362	6,365	7,150,580	8,805	13,996,684	3,325	5,460,251
Gypsham	7,883	14,517,036	3,000	5,277,081	-	-	6,212	11,284,817	4,671	8,509,300
Lime stone	7,702	11,768,563	12,800	19,408,791	-	-	11,316	17,326,286	9,186	13,851,068
Slag	16,397	32,530,489	14,000	24,503,654	-	-	29,972	56,234,529	425	799,614
Total	45,307	104,890,621	160,396	541,982,206	6,365	7,150,580	187,662	598,710,100	24,406	55,313,307

Notes to the Statement of Financial Position

For the year ended June 30, 2017

For 01 July 2015- 30 June 2016

Particulars	Opening		Purchase				Consumption		Closing	
			Import		Local					
	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)	Qty (MT)	Amount (Tk)
Clinker	40,481	171,145,145	98,932	369,777,131	-	-	127,297	496,650,736	12,116	44,271,540
Fly ash	2,739	3,931,672	1,978	2,894,765	2,782	4,482,394	6,290	9,505,838	1,209	1,802,993
Gypsham	4,917	9,346,023	8,000	14,623,235	-	-	5,034	9,452,222	7,883	14,517,036
Lime stone	8,188	14,142,785	10,000	15,407,668	-	-	10,486	17,781,890	7,702	11,768,563
Slag	27,757	57,025,392	7,000	12,067,854	-	-	18,360	36,562,757	16,397	32,530,489
Total	**84,082**	**255,591,017**	**125,910**	**414,770,653**	**2,782**	**4,482,394**	**167,467**	**569,953,443**	**45,307**	**104,890,621**

Packing material reconcilliation :

Particulars	Opening		Purchase				Consumption		Closing	
			Import		Local					
	Qty (Pcs)	Amount (Tk)	Qty (Pcs)	Amount (Tk)	Qty (Pcs)	Amount (Tk)	Qty (Pcs)	Amount (Tk)	Qty (Pcs)	Amount (Tk)
30 June 2017	**31,059**	**566,249**			**3,572,200**	**64,205,200**	**3,396,990**	**61,078,350**	**206,269**	**3,693,099**
30 June 2016	216,974	3,645,510			2,769,600	51,478,500	2,955,515	54,557,761	31,059	566,249

		30 June 2017 Taka	30 June 2016 Taka
7.00	**Accounts receivables**		
	Trade receivables	281,160,202	237,880,254
		281,160,202	**237,880,254**
8.00	**Advances, deposits & prepayments**		
	Advance (note-8.1)	295,001,619	150,244,592
	Deposits (note-8.2)	4,679,057	4,679,057
		299,680,676	**154,923,649**
8.01	**Advances**		
	Advance income tax (note-8.1.1)	136,213,319	102,596,507
	VAT current account	1,235,942	2,970,919
	Advance against Land	17,858,000	17,128,000
	Advance against expenses	124,103,899	19,281,231
	Advance to employee	1,448,400	782,400
	L/C advances	14,142,059	7,485,535
		295,001,619	**150,244,592**

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
8.01.01	**Advance income tax**		
	Opening balance	102,596,507	77,399,735
	Add: Paid during the year	33,616,812	25,196,772
		136,213,319	**102,596,507**
8.02	**Deposits**		
	Security deposit (PDB)	4,529,057	4,529,057
	Security deposit (CPA)	150,000	150,000
		4,679,057	**4,679,057**
9.00	**Investment In FDR**		
	Pubali bank Ltd		1,878,796
		-	**1,878,796**
10.00	**Cash and cash equivalent**		
	Cash at bank (note-10.1)	3,863,004	10,472,458
	Cash in hand-as certified by management (note-10.2)	3,625,466	3,257,295
		7,488,470	**13,729,753**
10.01	**Cash at bank**		
	AB bank a/c # 4101-780007-000	607,086	738,606
	Bank Asia a/c # 00533006723	8,525	5,695
	City bank a/c # 1101354556001	41,243	1,486,038
	City bank ltd	2,109	2,744
	DBBL a/c # 102.110.25408	19,426	19,427
	HSBC a/c # 004-213989-011	-	43,242
	IFIC bank a/c # 2030413044001	77,393	2,693
	Islamic bank Ltd a/c # 501218	358,504	2,514,262
	NCC bank a/c # 00030210025638	11,214	1,888,738
	Mercantile bank ltd. a/c # 272714	401,818	442,777
	Prime bank ltd. a/c # 12111030013898	679,185	609,009
	Pubali bank ltd a/c # 8114-3	9,859	222,530
	SBL-(agr.br) a/c # 007-33100185	31,585	836,294
	Sonali bank ltd. a/c # 33024874	1,052,712	35,809
	UCBL a/c # 07334	8,400	405,262
	Al arafah islami bank ltd. a/c # 0051020020009	11,241	81,341
	Social islami bank Ltd. a/c # 0041330029137	404,967	652,787
	Jamuna bank ltd.LMT # 0740210001533	9,390	294,069
	MTBL a/c # 0005-0210017010	10,885	191,135
	Trust Bank a/c # 00120210010189	9,512	-
	Brac Bank a/c # 1101203471212001	106,515	-
	Midland Bank#0073	1,435	-
		3,863,004	**10,472,458**

AMARSTOCK

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
10.02	**Cash in hand-as certified by management**		
	At corporate office	1,622,425	1,480,015
	At factory office	2,003,041	1,777,280
		3,625,466	**3,257,295**
11.00	**Ordinary share capital**		
	Authorized share capital:		
	100,000,000 ordinary shares of Tk. 10 each.	**1,000,000,000**	**1,000,000,000**
	Issued, Subscribed and Paid up Capital:		
	17,500,000 ordinary shares of Tk. 10 each fully paid in cash	**175,000,000**	**175,000,000**

Shareholding position:

The composition of shareholders at statement of financial position date was as follows:

Name of shareholders	Percentage of holding	Number of share	30 June 2017 (Taka)
Mr. Hasnat Md. Abu Obida	10.00	1,750,000	17,500,000
Mr. Md. Jahangir Alam	15.00	2,625,000	26,250,000
Mr. Mohammed Mustafa Haider	2.00	350,000	3,500,000
Mr. Mohammed Amirul Haque	2.00	350,000	3,500,000
Mrs. Farzana Afroze	7.75	1,356,250	13,562,500
Mrs. Rijwana Afroje Binte Kalam	7.75	1,356,250	13,562,500
Mr. Mohammed Ershadull Haque	2.86	500,000	5,000,000
Premier Cement Mills Limited	40.00	7,000,000	70,000,000
Ancient Properties Limited	6.32	1,106,250	11,062,500
Roknoor Holdings Limited	6.32	1,106,250	11,062,500
Total	**100**	**17,500,000**	**175,000,000**

Classification of Shareholders by holding:

Shareholding range	No. of holders	Holding %	30 June 2017
Less than 500 shares	-	-	-
100,001 to 1,000,000 shares	3	7	1,200,000
Over 1,000,000 shares	7	93	16,300,000
Total	**10**	**100**	**17,500,000**

12.00	**Revaluation Reserve**		
	Restated Opening balance	357,392,054	-
	Add:Revaluation surplus	-	394,824,311
		357,392,054	394,824,311
	Less:Excess depreciation on revalued assets	(3,759,449)	(4,033,919)
	Less: Tax on Revaluation Gain on PPE except land properties (Restated)	-	(33,398,338)
		353,632,605	**357,392,054**

Notes to the Statement of Financial Position

For the year ended June 30, 2017

12.01 *Revaluation surplus amounting to Taka 3,759,449 has been transferred to retained earning during the year under audit for the difference between depreciation based on the revaluation carrying amount of the asset and depreciation

12.02 *Revaluation Reserve for an aggregate amount of Tk. 33,398,338 was not shown under deffered tax liability in the audited financial statement for the year ended 30 June 2016,now it is restated and corrected as per BAS-8 Accounting Policies, Changes in Accounting Estimates and Errors.

		30 June 2017 Taka	30 June 2016 Taka
13.00	**Retained earnings**		
	Opening balance	(64,919,686)	(50,079,915)
	Add, Net profit for the year	24,863,174	8,224,018
	Add: Excess depreciation	3,759,449	4,033,919
	Adjusted Deferred Tax Expenses (Restated)	-	(27,097,707)
		(36,297,063)	**(64,919,686)**
14.00	**Deffered Tax Liabilities/ (Assets)**		
	The Tax effect of temporary differences that resulted in deffered tax assets or liabilities		
	Opening Balance	60,496,045	-
	Deferred tax expense/ (income) during the year	4,568,493	-
	Add: Deferred tax expense/ (income) during the year (Restated)	-	27,097,707
	Add: Deferred tax attributed to revaluation surplus (Restated)	-	33,398,338
	Closing Balance	**65,064,538**	**60,496,045**

14.01

Particulars	Carrying Amount	Tax Base	Difference
a. As at June 30, 2017			
Property, plant and Equipment	1,327,492,929	1,141,594,251	185,898,678
Total	**1,327,492,929**	**1,141,594,251**	**185,898,678**
Add. Deferred tax liabilities @ 35%			**65,064,537**
b. As at June 30, 2016			
Property, plant and Equipment	1,385,011,621	1,212,165,779	172,845,842
Total	**1,385,011,621**	**1,212,165,779**	**172,845,842**
Add. Deferred tax liabilities @ 35%			60,496,045
Deferred tax attributed to revaluation surplus on PPE			(33,398,338)
Deferrd tax exenses/ (income)			**27,097,707**

15.00	**Loan from share holders**		
	Mr. Mohammed Amirul Haque	150,000,000	150,000,000
	Mr. Mohammed Mustafa Haider	150,000,000	150,000,000
	Premier Cement Mills Limited	280,000,000	280,000,000
		580,000,000	**580,000,000**

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
16.00	**Bank loan-long term**		
	Jamuna bank limited	16,074,944	23,316,659
	Dutch-bangla bank limited (80 crore)	609,134,750	723,050,594
	IDLC vehicle lease finance	24,305,971	29,232,015
		649,515,665	**775,599,268**
16.01	**Allocation of long term loan**		
	Long term portion	510,923,932	652,045,569
	Current portion	138,591,733	123,553,699
		649,515,665	**775,599,268**

16.02 Security Details

i) Fresh charge documents including D.P. Note duly signed and sealed by authorized directors;

ii) 16(Sixteen) undated cheques, each cheque covering amount of 3(three) monthly installments withup-to-date interest and one post dated cheque covering entire Term Loan amount with accrued interest.

iii) Existing collateral in the name client shall continue,remain effective and binding with the proposed facility:

17.00	**Accounts payables**		
	Liabilities for expenses (Note: 17.1)	20,213,106	99,675,149
	Other payables (Note: 17.2)	18,858,357	17,949,488
		39,071,463	**117,624,637**
17.01	**Liabilities for expenses**		
	Aryan Stevedore Limited	15,934,725	10,013,067
	BSRM Ltd.	13,228	854,806
	G M S International	614,920	912,181
	M I Traders & Sayem Trading	(260,632)	(115,731)
	PDB	6,363,264	9,124,692
	Professional & Audit Fee Payble	119,124	45,812
	Salary & Allowance Payble	-	48,805
	Seacom Shipping Limited C & F	1,163,189	763,937
	Bengal Sack Corporation Ltd.	13,802,392	3,553,830
	Federal Insurance Co. Ltd	512,202	331,816
	M/S Safi Transport Agency	-	(435,673)
	A. K Corporation	4,648,931	56,969,252
	Aseer Aloy Steel	-	11,699,837
	Alitas Enterprise	-	3,964,297
	Contrade	-	3,937,395
	Roknoor Engineering works	-	4,012,600
	M/S Alam Traders	(13,853,885)	(5,325,164)
	Moazzem Hossain Biswas	(228,444)	(532,537)
	M/S Allahr Dan Enterprise	(8,107,382)	(2,445,323)
	CEAT Akkhan	-	355,648

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
	Karnafully Galv Mill Ltd	71,264	354,758
	Royal PP Bags	2,979,050	1,375,500
	R A Chowdhury Ltd	-	111,344
	Roknoor Navigation	100,000	100,000
	Md. Nejam Uddin Saju	(500,000)	-
	M/s Asif Enterprise	(673,840)	-
	M/s Muktar Enterprise	(1,200,000)	-
	Fundation Construction Ltd. DCL	(200,000)	-
	G.A. Enterprise	(3,300,000)	-
	Roknoor Maritime Ltd	2,215,000	-
		20,213,106	**99,675,149**
17.02	**Other payables**		
	TDS Payable	995,316	86,447
	Adjustment of VAT	17,863,041	17,863,041
		18,858,357	**17,949,488**
18.00	**Bank loan-Short term**		
	OD & STL Facilities :		
	DBBL-102.402.1181 OD a/c	108,992,510	(11,470,432)
	PUBL-OD-a/c-0260901103064	98,140,445	8,543,444
	Dutch-bangla bank ltd.- PAD	-	210,961,498
	Pubali bank ltd-PAD	296,951,813	4,635,582
	PUBL- LTR	160,764,417	-
		664,849,185	**212,670,092**

18.01 Security against bank loan facilities

a) i. D.P Note and other basic charge documents duly signed and sealed by authorized directors;
ii. 24(twenty four) undated/post dated cheques, each cheque covering amount of 3(three) monthly installments with up-to-date interest and one undated/post dated cheques covering entire Term Loanaccrued interest.
iii. Standard Term Loan agreement (as per draft of Legal Advisor) covering usual convenants.

b,c,d) i) Pari passu security sharing agreement over the registered mortgage of factory land & building at Issa Nagar Ctg and also the fixed & floating assets of the company with others.
ii) Personal Guarantee of all the Directors of all the company
iii) Corporate Guarantee of the Group.
iv) 1(one) separate post dated cheque of our Bank favouring Pubali Bank Limited Covering each L/C& Demand loan with estimated interest.
v) Acceptance, Trust Receipt, D.P. Note (Joint & Single), L/Continuity, L/Guarantee and other necessary charge documents etc.

e) i) D.P Note and other basic charge documents duly signed and sealed by authorized directors;
ii) Undated/post dated cheque covering the STL amount
iii) Personal guarantee of all the Directors of the company

f) Facility to be utilized: M/s. Premier Cement Mills Limited, and M/S National Cement Mills Limited
i) Documents of Title to Goods (as and when received)
ii) Acceptance of Usance Draft and TR From duly executed.

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
19.00	**Due to associate company**		
	Premier Cement Mills Limited note-19.1	**97,703,843**	**160,618,360**
	The above mentioned sum due to associate company with Premier Cement Mills Limited.		
19.01	**Opening Balance**	160,618,360	162,803,938
	Add : Receipt During the year	25,727,166	375,362,175
	Settlement during the year	(88,641,683)	(377,547,753)
		97,703,843	**160,618,360**
20.00	**Provision for taxation**		
	Opening balance	11,004,346	5,141,776
	Add, Current tax expenses:		
	Current year	15,847,820	5,862,570
	Prior year (short provision)	-	-
		15,847,820	5,862,570
		26,852,166	11,004,346
		26,852,166	**11,004,346**
21.00	**Revenue- net**		
	Gross sales	1,210,350,051	1,099,334,796
	Less : VAT	157,871,745	143,391,495
		1,052,478,306	**955,943,301**
22.00	**Cost of Goods Sold**		
	Opening stock of finished goods & W.I.P	34,288,450	44,238,079
	Raw materials (note-22.1)	598,710,100	569,953,443
	Packing materials (note-22.2)	61,078,350	54,557,761
	Conversion cost (note-22.3)	235,246,657	225,043,980
	Goods available for sale	929,323,557	893,793,263
	Closing stock of finished goods & W.I.P	-	(34,288,450)
		929,323,557	**859,504,813**
22.01	**Raw Materials Consumed**		
	Opening inventory	104,890,621	255,591,017
	Purchase during the year	549,132,786	419,253,047
	Raw materals available for use	654,023,407	674,844,064
	Closing inventory	(55,313,307)	(104,890,621)
		598,710,100	**569,953,443**
22.02	**Packing Materials Consumed**		
	Opening Balance	566,249	3,645,510
	Purchase during the year	64,205,200	51,478,500
	Packing materials available for use	64,771,449	55,124,010
	Closing Inventory	(3,693,099)	(566,249)
		61,078,350	**54,557,761**

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
22.03	**Consumable Stores Consumed**		
	Opening Balance	21,811,026	9,889,768
	Purchase during the year	26,711,559	11,921,258
	Consumable stores available for use	48,522,585	21,811,026
	Closing Inventory	(37,295,158)	(21,811,026)
		11,227,427	**-**
22.03	**Conversion Cost**		
	Salary & allowances	37,172,468	27,711,450
	Repairs & maintance	3,281,803	4,476,642
	Accommodation expenses	76,064	85,200
	Carrying charges	280,601	1,844,330
	Conveyance & travelling	599,436	204,694
	Electricity charges	84,617,852	81,581,350
	Entertainment	996,144	292,398
	Fooding expenses	1,145,416	1,432,508
	Payloader expenses	3,336,545	1,503,073
	Lab expencess	374,295	148,075
	Labour charges	5,400,740	4,495,523
	Land revenue, rate & insurance	505,000	489
	Legal, renewal & professional fee	164,464	491,227
	Medical expenses	76,227	25,394
	Miscellaneous expencess	379,746	473,265
	Printing & stationary	156,637	137,101
	Paper & periodicals	2,580	2,180
	Gift & presentation	8,000	24,980
	Telephone,moblie & internet	273,347	292,988
	Postage & stamp	3,962	720
	Uniform	115,000	-
	VAT loss	2,661,333	3,303,703
	Depreciation	93,618,997	96,516,690
	Total Conversion Cost	**235,246,657**	**225,043,980**
23.00	**Non-operating income/(loss)**		
	Carrying income	5,764,500	20,552,103
	Rental income from GP	126,000	114,000
	FDR interest income	97,530	437,053
	Other income	4,000	-
	Loss on sales of fixed assets	-	(3,487,980)
		5,992,030	**17,615,176**

AMARSTOCK

Notes to the Statement of Financial Position

For the year ended June 30, 2017

		30 June 2017 Taka	30 June 2016 Taka
24.00	**Administrative expenses**		
	Salary & allowances	8,383,448	5,901,485
	Audit fee	86,250	86,250
	Conveyance & travelling	116,739	249,454
	Entertainment	100,487	15,375
	Fooding expenses(Head Office)	329,203	333,049
	Guest house expense	279,927	429,293
	Legal, renewal fee	1,932,500	958,627
	Misc expenses	608,084	760,316
	Postage & stamp	4,980	5,740
	Printing & stationary	39,845	60,527
	Telephone, mobile, fax & internate	114,967	130,948
	Depreciation	124,216	124,374
		12,120,646	**9,055,438**
25.00	**Selling & distribution expenses**		
	Salary & allowances	8,665,228	6,125,348
	Telephone, mobile, fax & internet	529,398	428,476
	Conveyance & travelling	2,108,992	2,233,060
	Advertisement	-	246,000
	Entertainment	305,000	48,043
	Printing & stationary	72,000	75,730
	Labour charges	3,606,372	4,331,462
	Medical expenses	1,500	80,600
	Promotional expenses	726,135	162,790
	Vehicle licence renewal & insurance	1,374,629	449,465
	Postage & stamp	-	370
	Depreciation	124,216	124,374
		17,513,470	**14,305,718**
26.00	**Financial expenses**		
	Bank charge	285,884	316,213
	Interest on bank loan	51,683,318	76,289,707
		51,969,202	**76,605,920**
27.00	**Income tax expense**		
	Current tax expense (note-20)	15,847,820	5,862,570
	Deferred tax income/expense(note-14)	4,568,493	-
		20,416,313	**5,862,570**

Notes to the Statement of Financial Position

For the year ended June 30, 2017

28.00 Related party disclosure

Name of related party	Relation	Outstanding as on 01 July 2016	Net transaction during the year	Outstanding as on 30 June 2017
Premier cement mills limited	Associate Co.	160,618,360	(62,914,517)	97,703,843

29.00 Net asset value per share (NAVPS)

The computation of NAVPS is given below :

	30 June 2017 Taka	30 June 2016 Taka
Total assets	2,619,930,762	2,387,759,502
Libilities	(2,125,320,834)	(1,918,012,748)
Net asset value (NAV)	**494,609,928**	**469,746,755**
Number of ordinary shares during the year	17,500,000	17,500,000
Net asset value per share	**28.26**	**26.84**
Net asset value per share(resteted)	**-**	**(3.46)**

30.00 Earning per shares (EPS)

Earning attributable to the ordinary shareholders (NPAT)	24,863,174	8,224,018
Weighted average number of shares outstanding during the year	17,500,000	17,500,000
Basic earnings per share (par value of Taka 10)	**1.42**	**0.47**

31.00 Net operating cash flows per share

Net operating cash flows	244,416,843	173,688,262
Number of ordinary shares during the year	17,500,000	17,500,000
Net operating cash flows per share	**13.97**	**9.93**

32.00 Capacity utilization

Actual average monthly production is 15,254 MT against average monthly capacity of 20,000MT i.e capacity utilizationis 76 % during the year under review where 68.06 % was in 2016-2017.

33.00 Contingent liabilities

Dutch bangla bank limited	28,350,000	205,829,611
Pubali bank limited	168,573,000	37,155,000
City bank Limited	45,908,881	-
	242,831,881	**242,984,611**

34.00 Number of empoloyees

Management	13	10
Staff	350	325
Total number of empoloyees	**363**	**335**

35.00 Others

Directors' remuneration

There is no remuneration paid to the directors during the period.

Directors' fees for attending board meeting

There is no fees paid to the directors for attending board meeting.

Receivable from director

No amount is lying as receivable from the directors

Managing Director **Director** **Company's Secretary**

Statement of property, plant and equipment

For the year ended June 30, 2017

Annexure-1

A. Freehold property, plant and equipment-at cost model

Category of Assets	Cost				Rate	Depreciation				Written Down Value as on June 30, 2017
	Balance as on July 01, 2016	Addition During the period	Dispoal During the period	Balance as on June 30, 2017		Balance as on July 01, 2016	Charged During the period	Dispoal During the period	Balance as on June 30, 2017	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7+8-9)	11=(5-10)
Land & land development	91,061,013	109,800,555	-	200,861,568	0%	-	-	-	-	200,861,568
Factory building	360,033,024	1,504,982	-	361,538,006	5%	17,819,872	17,148,282	-	34,968,154.00	326,569,852
Office building	31,496,151	490,600	-	31,986,751	5%	1,520,108	1,511,067	-	3,031,175.00	28,955,576
Plant & machinery	804,368,956	31,267,282	-	835,636,238	7.5%	57,918,216	57,156,329	-	115,074,545.00	720,561,693
Wheel loader	13,416,831	6,185,804	-	19,602,635	7.5%	1,006,262	1,162,760	-	2,169,022.00	17,433,613
Loose tools	3,568,781	136,842	-	3,705,623	10%	346,028	329,117	-	675,145.00	3,030,478
Furniture & fixtures	751,345	27,090	-	778,435	10%	72,835	69,206	-	142,041.00	636,394
Office equipment	3,207,529	254,350	-	3,461,879	10%	300,288	303,442	-	603,730.00	2,858,149
Jetty construction	79,777,442	3,442,293	-	83,219,735	10%	7,562,648	7,393,594	-	14,956,242.00	68,263,493
Grinding media	16,052,608	-	-	16,052,608	25%	4,013,152	3,009,864	-	7,023,016.00	9,029,592
Motor vehicles	23,510,005	429,000	-	23,939,005	10%	2,351,001	2,137,350	-	4,488,351.00	19,450,654
Sub Total 2016-2017	**1,427,243,685**	**153,538,798**	**-**	**1,580,782,483**		**92,910,410**	**90,221,011**	**-**	**183,131,421**	**1,397,651,062**
Sub Total 2015-2016	**1,555,123,197**	**85,770,362**	**213,649,874**	**1,427,243,685**		**-**	**92,910,410**	**-**	**92,910,410**	**1,334,333,275**

B. Leasehold Property, plant and equipment-at cost model

Category of Assets	Cost				Rate	Depreciation				Written Down Value as on June 30, 2017
	Balance as on July 01, 2016	Addition During the period	Dispoal During the period	Balance as on June 30, 2017		Balance as on July 01, 2016	Charged During the period	Dispoal During the period	Balance as on June 30, 2017	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
1	2	3	4	5=(2+3-4)	6	7	8	9	10=(7+8-9)	11=(5-10)
Motor vehicles	56,294,494	-	-	56,294,494	10%	3,772,929	5,252,157	-	9,025,086.00	47,269,408
Sub Total as at 30 June 2017	**56,294,494**	**-**	**-**	**56,294,494**		**3,772,929**	**5,252,157**	**-**	**9,025,086**	**47,269,408**
Sub Total as at 30 June 2017	**31,540,891**	**24,753,603**	**-**	**56,294,494**		**-**	**3,772,929**	**-**	**3,772,929**	**52,521,565**
Grand Total as at 30 June 17 (A+B)	**1,483,538,179**	**153,538,798**	**-**	**1,637,076,977**		**96,683,339**	**95,473,168**	**-**	**192,156,507**	**1,444,920,470**
Grand Total 30 June 2017 (A+B)	**1,586,664,087**	**110,523,965**	**213,649,874**	**1,483,538,179**		**-**	**96,683,339**	**-**	**96,683,339**	**1,386,854,840**

Statement of property, plant and equipment

For the year ended June 30, 2017

C. Freehold Property, plant and equipment-at Revaluation model

Annexure-1

Category of Assets	Cost				Rate	Depreciation				Written Down Value as on June 30, 2017
	Balance as on July 01, 2016	Revaluation During the period	Dispoal During the period	Balance as on June 30, 2017		Balance as on July 01, 2016	Charged During the period	Dispoal During the period	Balance as on June 30, 2017	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
1	2	3		4	5	6	7		8=6+7	9=(4-8)
Land & land development	299,400,488	-	-	299,400,488	0%	-	-	-	-	299,400,488
Factory building	41,508,037	-	-	41,508,037	5%	2,075,402	1,971,632	-	4,047,034	37,461,003
Plant & machinery	49,706,911	-	-	49,706,911	7.5%	3,728,018	3,448,417	-	7,176,435	42,530,476
Wheel loader	731,141	-	-	731,141	7.5%	54,836	50,723	-	105,559	625,582
Jetty construction	3,477,734	-	-	3,477,734	10%	347,773	312,996	-	660,769	2,816,965
Sub Total as at 30 June 2017	**394,824,311**	**-**	**-**	**394,824,311**		**6,206,029**	**5,783,768**	**-**	**11,989,797**	**382,834,514**
Sub Total as at 30 June 2016	**-**	**394,824,311**	**-**	**394,824,311**		**-**	**6,206,029**	**-**	**6,206,029**	**388,618,282**
Total(A+B+C) as at 30 June 17	**1,878,362,490**	**153,538,798**	**-**	**2,031,901,288**		**102,889,368**	**101,256,936**	**-**	**204,146,304**	**1,827,754,984**
Total(A+B+C) as at 30 June 16	**1,586,664,087**	**505,348,276**	**213,649,874**	**1,878,362,490**		**-**	**102,889,368**	**-**	**102,889,368**	**1,775,473,122**

Allocation of Depreciation:	**2016-2017**	**2015-2016**
	Taka	**Taka**
Conversion cost	93,618,997	96,516,690
Administrative expenses	124,216	124,374
Selling & distribution expenses:	124,216	124,374
Carrying Income/ (Loss)-Net	7,389,507	6,123,930
	101,256,936	**102,889,368**

Notes:

a) Name of valuer:S F Ahmed & Co, Chartered Accountants.

b) Valuation method:Asset based approach following Depreciated Replacement cost method.

c) Date of Capitalization:Revaluation Surplus Capitalized on July 01,2015

Credit Rating report:

CRISL
Setting global standard at national level

Credit Rating Report

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

CREDIT RATING REPORT
On
PREMIER CEMENT MILLS LIMITED

REPORT: RR/15031/17

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

Address:
CRISL
Nakshi Homes
(4th & 5th Floor)
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Tel: 9530991-4
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Rating Contact:
Md. Asiful Huq
Chief Rating Officer
asif@crisibd.com

Analysts:
Habibur Rahman Khan
habibur@crisibd.com

Ehmed Kushal Imtiaz
imtiaz@crisibd.com

Entity Rating
Long Term: AA
Short Term: ST-2

Outlook: Stable

PREMIER CEMENT MILLS LIMITED

ACTIVITY
Cement Manufacturing

DATE OF INCORPORATION
October 14, 2001

CHAIRMAN
Mohammad Mustafa Haider

MANAGING DIRECTOR
Mohammed Amirul Haque

EQUITY
Tk. 4,258.86 million

TOTAL ASSETS
Tk. 10,843.74 million

Date of Rating: July 17, 2017		**Valid up to:** July 16, 2018
	Long Term	**Short Term**
Entity Rating	AA	ST-2
Outlook	**Stable**	

Bank Facilities Rating	Mode of Exposures (Figures in million)	Ratings
Bank/FI		
The City Bank Ltd.	Working Capital Limit of Tk. 1,300.00 Term Loan Outstanding of Tk. 232.60	blr AA
Dutch-Bangla Bank Ltd.	Working Capital Limit of Tk. 1,950.00 Working Capital Limit of Tk. 600.00	
HSBC	Term Loan Outstanding of Tk. 135.44	
NCC Bank Ltd.	Working Capital Limit of Tk. 480.00	
Prime Bank Ltd.	Working Capital Limit of Tk. 770.00	
Standard Bank Ltd.	Working Capital Limit of Tk. 660.00	
Standard Chartered Bank	Working Capital Limit of Tk. 1,530.00	
Social Islami Bank Ltd.	Working Capital Limit of Tk. 700.00	
Jamuna bank Ltd.	Working Capital Limit of Tk. 680.00 Term Loan Outstanding of Tk. 31.35	
BRAC Bank Ltd.	Working Capital Limit of Tk. 500.00 Term Loan Outstanding of Tk. 157.63	
Midland Bank Ltd.	Working Capital Limit of Tk. 40.50	
Pubali Bank Ltd.	Working Capital Limit of Tk. 950.00 Working Capital Outstanding of Tk. 60.01	
Trust Bank Ltd.	Working Capital Limit of Tk. 630.00	
United Finance Ltd.	Term Loan Outstanding of Tk. 81.18	
IDLC Finance Ltd.	Term Loan Outstanding of Tk. 271.11	

1.0 RATIONALE

CRISL has upgraded the Long Term Rating of Premier Cement Mills Limited (PCML) to 'AA' (pronounced as double A) and the Short Term Rating to 'ST-2' on the basis of its audited financial up to June 30, 2016 as well as unaudited financial up to March 31, 2017 and other relevant quantitative and qualitative information up to the date of rating. The above ratings have been upgraded after due consideration to its fundamentals such as good business performance, sufficient operating cash flow, good infrastructural facilities, regular debt repayment history, experienced top management, good brand image etc. While assigning the rating CRISL also took into consideration PCML's production facility expansion through establishing new infrastructure. However, the above ratings are constrained, to some extent, by debt base of the company, exposure to market competition risk etc.

The long term rating indicates that entities rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The short term rating indicates high certainty of timely repayment. Liquidity factors are strong and supported by good fundamental protection factors along with very small risk factors.

CRISL also views the company with 'Stable Outlook' in consideration of its good fundamentals and steady business growth.

Muzaffar Ahmed, FCMA, FCS
President and CEO
Credit Rating Information and Services Ltd.

Page 1 of 18

Shareholders' Corner



AGM HELPLINE

You are most welcome to contact with us, if you have any query or comment regarding Annual General Meeting (AGM) of FY 2016-2017. You may contact in the following numbers:



- 8801755-639090
- 8801777-764006
- 8802-9144788
- 8802-9127610
- 8802-9129826
- 8802-9126220

Premier Cement Mills Limited

Proxy Form

I/We_____(Name)
of_____(Address) being
a Shareholder of Premier Cement Mills Limited (the "Company") hereby appoint, Mr. /Ms. _____
_____(Name)
of_____(Address) as my/our proxy,
to attend on my/our behalf at the 15th Annual General Meeting of the Company to be held on 14 October, 2017 at 11:00 a.m. at auditorium of Chittagong Club Limited, S.S. Khaled Road, Lalkhan Bazar, Chittagong.

Signed this _____ day of _____2017

.....
Signature of the Shareholder(s)

.....
Signature of the proxy

Folio/BO ID NO.:

Folio/BO ID NO.:

No. of Shares held: .....

No. of Shares held: .....

Note: a shareholder entitled to attend and vote at the Annual General Meeting and also may appoint proxy to attend and vote in his/her stead. The proxy form should reach the registered/corporate office of their company not less than 48 hours before the time fixed for the meeting.

Revenue Stamp Tk. 20.00

_____
Signature verified
(Authorized signatory)
Premier Cement Mills Limited

Shareholders' Attendance Slip

I hereby record my presence at the 15th Annual General Meeting of Premier Cement Mills Limited on Saturday, 14th October 2017, at 11:00 a.m. at auditorium of Chittagong Club Limited, S.S. Khaled Road, Lalkhan Bazar, Chittagong.

Name of the Shareholder/Proxy (In Block Letter)	
Folio No.	
Mobile Number	
E-mail address (if any)	

Signature verified

.....
Signature of the Shareholder/Proxy

.....
Authorized signatory of the Company

Note: You are requested to fill up this attendance slip and to deposit at the registration counter on the day of annual general meeting (AGM).

প্রিমিয়ার সিমেন্ট এ নির্মিত উল্লেখযোগ্য স্থাপনা সমূহ


৪ লেন ভুলতা ফ্লাইওভার প্রকল্প, ভুলতা


মেরিন ড্রাইভ, কক্সবাজার, চট্টগ্রাম


আখতারউজ্জামান ফ্লাইওভার, চট্টগ্রাম


মগবাজার-মৌচাক ফ্লাইওভার, ঢাকা


সড়ক ভবন, সড়ক ও জনপথ বিভাগ

প্রিমিয়ার সিমেন্ট


ইউনাইটেড হাসপাতাল, ঢাকা


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মা ও শিশু হাসপাতাল, চট্টগ্রাম


শিপিং কর্পোরেশন -
বি এস সি টাওয়ার, ঢাকা

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