ANNUAL REPORT
2016-17



Standard Ceramic Industries Ltd.

Manufacturer of Stoneware Tableware

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Founder Chairman and Managing Director
Late Al-Hajj Ansar Uddin Ahmed
1922-2005

Corporate Directory

BOARD OF DIRECTORS



Mr. A.K.M. Jahangir Khan
Chairman



Mr. Helal Uddin Ahmed
Managing Director



Mr. Lutfur Rahman
Director



Mr. Nasir Uddin Ahmed
Director



Mr. Enamul Maqsud
Director



Mr. A.K.M. Alamgir Khan
Director



Mr. A.K. Mizanur Rahman, FCA
Independent Director



Mr. M. Ismail
Independent Director

Auditors : M/s. FAMES & R,
Chartered Accountants
Hosue No.-424 (4th Floor)
Road # 30 Mohakhali DOHS,
Dhaka-1206.

Company Secretary : Jamal Uddin Bhuiyan.

Head Office: Amin Court (3rd Floor)
62-63 Motijheel C/A, Dhaka- 1000.

Registered Office:
Saydana, K.B Bazar, Joydebpur
Gazipur.

Notice of the 33rd Annual General Meeting

Notice is hereby given that the 33rd Annual General Meeting of Standard Ceramic Industries Ltd. will be held on Wednesday, December 27, 2017 at 10:30 A.M. at the Factory premises of the Company at Saydana, K.B Bazar, Joydebpur, Gazipur to transact the following business:

AGENDA

1. To confirm the proceedings of the 32nd Annual General Meeting held on December 24, 2016.
2. To receive, consider and adopt Audited Financial Statements of the Company for the year ended on June 30, 2017 together with reports of the Auditors and the Directors thereon.
3. To elect Directors in place of those retiring by rotation.
4. To appoint Auditors of the company for the year 2017-2018 and to fix their remuneration
5. To approve the appointment of Independent Director.
6. To transact any other business which may be transacted at an Annual General Meeting with the permission of the Chair

By order of the Board of Directors

Dated: November 19, 2017

(Jamal Uddin Bhuiyan)
Company Secretary.

Notes:

a) November 16, 2017, is the Record Date. Shareholder whose names will appear in the Members Register of the company or in the Depository Register on Record Date will be eligible to attend the Annual General Meeting.

b) A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her behalf. The proxy form, duly stamped, must be deposited at the Head Office of the Company not later than 48 hours before the time fixed for the meeting.

c) Admission to the venue of meeting shall be allowed only on presentation of the attendance slip sent with the Annual Report.

d) Queries on the Annual Report may be sent to the Head Office, 72 hours before the time fixed for the meeting.

e) No gift or benefit in cash or kind shall be paid to the shareholders of the company at the Annual General Meeting as per BSEC notification no. BSEC/SRMI/2000-953/1950 dated October 24, 2000.

STATISTICAL PERFORMANCE
OF LAST FIVE YEARS

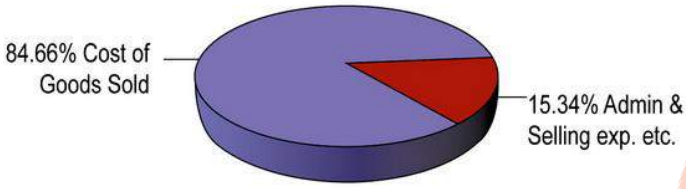
Five Years Key Financial Statistics

Items	As at 30 June Tk./000				
	2017	2016	2015	2014	2013
Fixed Assets	111,902	117,655	109,366	111,355	113,825
Deferred Exp.	0	0	3,910	3,910	8,480
Net Current assets	(14,180)	(9,864)	(5,455)	(9,134)	(13,747)
Total Assets	**97,722**	**107,791**	**107,821**	**106,131**	**108,558**
Paid-up-Capital	64,607	64,607	64,607	64,607	64,607
Share Premium	14,650	14,650	14,650	14,650	14,650
Revenue Reserves and surplus	(19,437)	(10,446)	(10,024)	(574)	1,853
Tax Holiday Reserve	1,064	1,064	1,064	1,064	1,064
Capital reserve	26,384	26,384	26,384	26,384	26,384
Total equity	**87,268**	**96,259**	**96,681**	**106,131**	**108,558**
Deferred Tax Liabilities	10,454	11,532	11,140	0	0
Total debt + equity	**97,722**	**107,791**	**107,821**	**106,131**	**108,558**
Net Asset Value (NAV) per ShareTk.	**13.51**	**14.90**	**14.36**	**15.82**	**15.49**

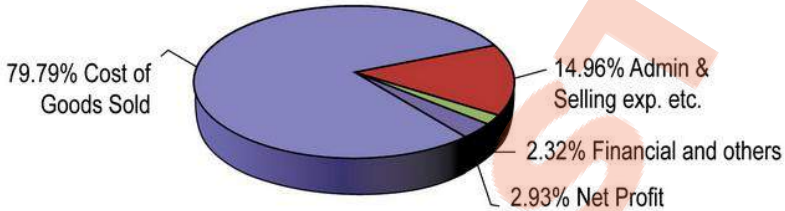
Face value of share Tk.10/=

Items	Tk./000				
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Revenue	263,368	291,867	285,359	235,978	224,983
Less Cost of goods sold Items	(222,973)	(232,882)	(229,167)	(188,397)	(180,076)
Gross profit	**40,395**	**58,985**	**56,192**	**47,581**	**44,907**
Less: Administrative and Selling expenses	(40,606)	(43,665)	(40,253)	(31,834)	(32,405)
Interest charges & write off	(2,814)	(6,758)	(11,830)	(11,447)	(2 630)
Other income	997	2,647	3,101	2,398	782
	(42,423)	**(47,776)**	**(48,982)**	**(40,883)**	**(34,253)**
Net Profit/(Loss)	(2,028)	11,209	7,210	**6,698**	**10,654**
Contribution of WPPF	0	(533)	(344)	(319)	(507)
	(2,028)	**10,676**	**6,866**	**6,379**	**10,147**
Add: Provision for Income Tax & Deferred Tax	(502)	(3,802)	2,822	(2,344)	(2,930)
Retained profit/(Loss)	(2,530)	6,874	9,688	4,035	7,217
Earnings per share(EPS) Tk.	(0.39)	1.06	1.50	0.62	1.12
Cash Dividend	nil	10% only	10%(for Public Shareholder only)	10%(for Public Shareholders only)	10%

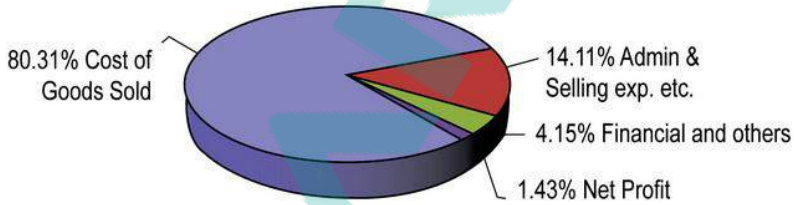
SALES DISTRIBUTION



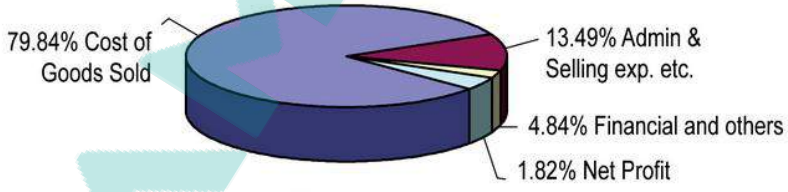
2017



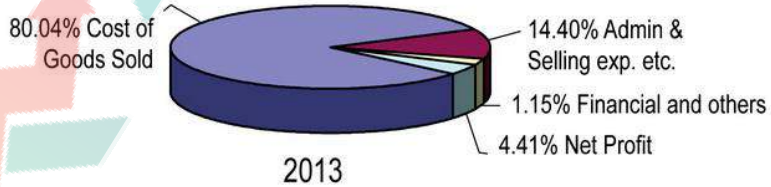
2016



2015



2014



2013

STANDARD CERAMIC INDUSTRIES LTD.

Amin Court (3rd Floor), 62-63, Motijheel C/A,
Dhaka- 1000, Bangladesh.

DIRECTORS' REPORT AT THE 33RD ANNUAL GENERAL MEETING

Dear Shareholders,
We, on behalf of the Board of Directors, feel privileged to welcome you to the 33rd Annual General Meeting of your Company and have the pleasure in presenting before you the Annual Report together with audited financial statements for the year ended on 30th June 2017.

Environmental Situation:
Due to closure of factory for certain period for repairing of Kiln, burden of Gas & electricity bill and other fixed cost on per unit production cost increased. Therefore Sales could not be accelerated which effected net earning.

Industry outlook
Directors are trying hard to expand and explore market not only in our country but also in the other countries.

Possible future development

Production capacity and Quality Improvement
For enhancement of capacity and improvement of quality directors have decided to import following machinaries when fund will be available.
a)Tunnel Kiln
b)Grinding Machine
c)Roller Head Machine
d) Rebuilding the old Glost Kiln

Cost Reduction
For reduction of cost, Directors are trying to set up new machineries in place of old ones.

State of Company's Affairs :
Turnover amounted to Taka 263.37 million in the year 2016-2017 as against taka 291.87 million in the year 2015-2016. The gross profit for the year was Taka 40.39 million as against Taka 58.99 million of the previous year showing decrease of 31.52 %. The gross profit ratio decreased by 4.88%.

Particulars	Figure in Thousand ('000) Tk. 2016-2017	2015-2016
Net Profit/(Loss) before Tax etc.	(2,028)	11,210
Less:WPPF	0	(534)
Less:Provision for tax etc.	(1,580)	(3,410)
Add: Deferred Tax (Exps)/Income	1,078	(392)
Net Profit /(Loss) after Tax etc.	**(2,530)**	**6,874**
Less: Dividend	0	(6,461)
Less:Previous years Accumulated Profit/(Loss)	(16,906)	(17,319)
Accumulated Profit / (Loss)	**(19,436)**	**(16,906)**

Contribution to National Exchequer:
Your company contributed a total amount of Taka 42.51 million to the National Exchequer in the form of Custom duty, AIT, VAT, except gas, electricity bill etc, during the year under report.

Dividend
The Company has a total accumulated loss of Taka 19.436 million, which lowered our reserve position. In this situation, the Board of Directors has recommended no dividend of this year.

Retirement of Directors and their Re-election :

(1) Mr. A.K.M Jahangir Khan (2) Mr.Lutfur Rahman and (3) Mr. A.K.M Alamgir Khan, Directors of the company who retired by rotation as per Article 44 of the Articles of Association of the Company, offered themselves for re-appointment and being eligible may be re-appointment.

Brief resume of above Directors:
1. (1) Mr. A.K.M Jahangir Khan- Director
A.K.M Jahanging Khan is a pioneer in the business world of Bangladesh. He is the sponsor Director of the company and also a Director of the Peoples Ceramic Industries Ltd.. His other business ventures include the first dry dock-yard called 'Delta Dockyard & Engineering Works Ltd.', an inland shipping company called 'Khatun Navigation Ltd.' and 'Alamgir Pictures Ltd.' which was a major entity in the entertainment industry in the 70's and 80's. Mr. Khan is also a Sponsor of Heidelberg Cement BD Ltd. Mr. Khan won national award in 1986.

(2) Mr.Lutfur Rahman - Director.
Mr.Luthfur Rahman is an honors graduate of Dhaka University and started his career with Peoples ceramic Industries Ltd (PCI Ltd.) in the 80's.He was also involved with Standard Ceramic Industries Ltd. in the early year of the Company.

Mr. Rahman is the Managing Director of P.C.I Ltd. was general Secretary of Bangladesh Ceramic Wares Manufacturers' Association (BCWMA), life member of IBA of Dhaka University & AOTS, Japan.

(3)A.K.M Alamgir Khan- Director.
A.K.M Alamgir Khan is an M.B.A from IBA, DU. He is the director of the company. He was one of the earliest entries from the private sector in CNG through Delta CNG. Mr. Khan worked for 3 years as Consultant in Heidelberg Cement. He is a registered Professional Fellow with the US State Department. Mr. Khan also a life member of Dhaka Club, MBA Club etc.

Re-appointment of Independent Director
The board of directors in it's meeting held on 28/10/2017 has unanimously re-appointed Mr. Md. Ismail as independent director of the company after completion of first 3(three) years duration., The appointment is placed before the 33rd Annual General Meeting for approval by the shareholders.

Brief resume
Mr. Md.Ismail- Independent Director
Mr. Md.Ismail obtained Post Graduate Degree from Dhaka University and qualified C.A (Int.) Final (law Group) from ICAB. He has over 45 years experience in industrial Project. Mr. Ismail was planning, monitoring & evaluation specialist and financial specialist in many GOs and NGOs. He also designed many industrial projects. Mr. Ismail is the author of two professional books viz (1)Logical Frame Work Approach to the Project Design Monitoring and Evaluation (2) Company meetings and Resolutions for Directors and Secretaries. He is presently Director (Legal, Vat & Company Affairs) of Nitol Niloy Group.

Corporate & Financial Reporting :

The Company has complied the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission.

Accordingly, the Directors are pleased to confirm the following:

(a) The Financial Statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.

(b) Proper books of accounts of the Company have been maintained.

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

(d) The Financial Statement have been prepared in accordance with IAS/BAS/IFRS/BFRS.

(e) The system of internal control is sound and has been effectively implemented and monitored.

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

(g) The key operating and financial data for the last five years are annexed.

(h)Board Meetings and Attendance :

The Board of Directors consisted of 8 members and during the year six Board meetings were held.

The attendance record of the Directors is as follows:

Sl #	Name of the Directors	Position	Meeting attended	
01.	Mr. A.K.M. Jahangir Khan	Chairman	6	
02.	Mr. Helal Uddin Ahmed	Managing Director	6	
03.	Mr. Lutfur Rahman	Director	6	
04.	Mr. Enamul Maqsud	Director	6	
05.	Mr. Nasir Uddin Ahmed	Director	6	
06.	Mr. A.K.M. Alamgir Khan	Director	6	
07.	Mr. A.K Mizanur Rahman, FCA	Independent Director	5	
08.	Mr.M.Ismail	Independent Director	6	

The Directors not attending the meetings were granted leave of absence.

I. Continuity of Extra-ordinary Gain or Loss:

There is no extra- ordinary gain or loss during the year under report.

J. Loss incurred due to closure of Factory for certain period for repairing of Kiln.

k. Utilisation of Proceeds from Public Issue, right issue and through any others instruments

The Company did not raise share capital through Public Issue, right issue and through any other instruments during the year 2016-2017.However, the company raised its capital in 1996, the proceeds of the issue have been utilized in repaying Long Term Loan.

l. Remuneration of Directors and Independent Director
Remuneration of the Directors have been disclosed in the accounts note no.38. On the other hand, Independent Directors did not receive any remuneration except meeting attendance fees.

m. Subsidiary Company
The Company has no subsidiary company.

n. Chairman of the Board and Chief Executive Officer
The position of the Chairman of the Board and Chief Executive Officer stand separated.

o. Duties of CEO and CFO
The provision of BSEC regulations has been complied.

p. Risks and concerns

(a)Interest Rate Risk
The Company has neither borrowed local fund at flexible rate nor borrowed any fund in foreign currency. Hence the increase in interest rate will not increase financial cost.

(b) Exchange rate risk
Company adjusts exchange risk for imported raw materials through increasing products price.

(c)Market Risk
The company is continuously upgrading its quality to minimise the market risks.

(d) Operational Risk (Non-availabilities of Materials /Mechanical Failure of Equipments)
The Company has its scientific inventory management system and equipped with power backup which reduces operational risks.

(e) Trade Policy risk
Trade policy risk refers to the increase competition in the market due to change of trade policy. Increase of duty on imported raw-materials and decrease of duty on imported finished goods will increase risks The Company continuously carries out research and development activities according to the customer choice which reduces industry risk.

(q)The pattern of shareholding is as follows:

Sl #	Name wise details	Shares held
01.	Mr. A.K.M. Jahangir Khan, Chairman	2,25,450
02.	Mr. Helal Uddin Ahmed, Managing Director	3,73,880
03.	Mr. Lutfur Rahman, Director	3,73,880
04.	Mr. Nasir Uddin Ahmed, Director	3,73,880
05.	Mr. Enamul Maqsud, Director	2,03,960
06.	Mr. A.K.M Alamgir Khan, Director	2,59,080
07.	Mr. A.K Mizanur Rahman, FCA (Independent Director)	nil
08	Mr. Md. Ismail (Independent Director)	nil
09.	Mr. Jamal Uddin Bhuiyan, Company Secretary.	nil
10.	Mr. Abdur Rahim, Chief Financial Officer.	nil
11.	Mr. Serajul Islam, Head of Internal Audit.	nil
	Executives:	
12	Mr. Md. Abu Taher, Senior Manager (Import).	10
13	Mr. Mushfiqur Rahman, Manager Export	150
14	Mr. Kazal Or-Rashid, Dy. Manager (Custom)	nil
15.	Mr. Ziaul Hoque, PPO.	nil
16.	Mr. Mustafizur Rahman ,Dy. Manager (Share)	10
17.	ICB, Unit Fund	694,446

Corporate Governance Compliance Report :

In accordance with the requirement of the Bangladesh Securities and Exchange Commission, "Corporate Governance Compliance Report" is annexed.

Appointment of Auditors :

M/s. FAMES & R, Chartered Accountants, , House no-424 (4th Floor) Road # 30 Mohakhali DOHS, Dhaka-1206, Bangladesh is the auditor of the Company whose period of appointment will expire on 33rd AGM as well as they will fulfill conditions of appointment of one year period. They offered themselves for re-appointment as auditors of the Company for the year 2017-18. Accordingly, the Board of Directors recommended that M/s. FAMES & R, Chartered Accountants, be appointed as Auditors for the financial year 2017-2018 subject to the approval of the Shareholders in the AGM with Tk 225,000/= (Taka.Two lacs twenty five thousand) only as their remuneration for audit works only.

Acknowledgement :

We, on behalf of the Board of Directors of the company, express our sincere gratitude and thanks to all the respected Shareholders, Investors, Banks, Financial Institutions, Bangladesh Securities & Exchange Commission, Stock Exchanges, CDBL, ICB, Government Agencies, News & Press Media, Suppliers, Customers and employees of the company for their continued support & co-operation.

Conclusion :

Finally, we, on behalf of the Board of Directors express our deep appreciation to all workers, Staff and Officers, both in the Head Office and Factory for their dedicated hard work rendered during the year and hope that they will continue to maintain spirit of team work in the coming years for the continued growth of the Company.

On behalf of the Board of Directors

Date: 28 October, 2017
Place: Dhaka

Director **Managing Director**

এম, আহমেদ এন্ড কোং
চার্টার্ড একাউন্টেন্টস্
M. AHMED & CO.
CHARTERED ACCOUNTANTS

PHONE: Off : 9123129
Mob : 01817-025963
E-mail : mahmed_co.1961@yahoo.com

Mosjid-E-Baitul Ferdaus (2nd Floor)
32/8 (Ka) Tajmahal Road
Block-C (West), Mohammadpur
Dhaka-1207.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

(As required under the BSEC Corporate Governance Guidelines)

We have examined the compliances of conditions of the Corporate Governance by Standard Ceramic Industries Ltd. for the year ended 30th June, 2017 as per Corporate Governance guidelines issued by the Bangladesh Securities and Exchange Commission vide Notification No. SEC /CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

The Compliance of conditions of the Corporate Governance as stated in the aforesaid Notification is the responsibility of Company's management. Our examination has been limited to the checking of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance.

To the best of our information and according to the explanations given to us, we certify that, Standard Ceramic Industries Ltd. has complied with the conditions of Corporate Governance stipulated in the above mentioned BSEC notification dt.7 August 2012.

Dhaka -1207
Dated: 28 October, 2017

(M. AHMED & CO.)
Chartered Accountants

Standard Ceramic Industries Ltd.

(Manufacturer of Stoneware Tableware)

Amin Court (3rd Floor), 62-63 Motijheel Commercial Area, Dhaka, Bangladesh
Phones: PABX 9561947-8, 9577033, Fax: (880-2)956 1950,
E-mail: info@standardceramic.net **Web:** www.standardceramic.net
Factory: Saydana, K.B. Bazar, Joydebpur, Gazipur-1700, Bangladesh

Certificate under condition 6 of the Notification No. SEC/CMRRCD/2006-158/ 134 / Admin / 44 dated August 7, 2012 of Securities and Exchange Commission (now Bangladesh Securities and Exchange Commission)

We hereby certify to the Board of Directors of Standard Ceramic Industries Ltd. that:

(i) We have reviewed the Financial Statements of Standard Ceramic Industries Ltd. for the year ended June 30, 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) To the best of our knowledge and belief, there were no transactions entered into by the company during the year 2016-17 which were fraudulent, illegal or violation of the company's code of conduct.

Dhaka -1000
Dated: 28/10/2017

(Abdur Rahim)
Chief Financial Officer
Standard Ceramic Industries Ltd.

(Helal Uddin Ahmed)
Managing Director
Standard Ceramic Industries Ltd.

Audit Committee Report

Composition of the Audit Committee

1.	Mr. A.K Mizanur Rahman, FCA	Chairman
2.	Mr. Lutfur Rahman,	Member
3.	Mr. A.K.M Alamgir Khan,	Member

Meeting

During the year, the Audit Committee held four meetings. Proceedings of the Audit Committee Meetings were reported regularly to the Board of Directors.

Summary of Activities & Recommendations

The Audit Committee carried out the following activities and recommendations during the financial year ended June 30, 2017.

1. The Committee reviewed periodic financial statements as well as Annual Financial Statements of Standard Ceramic Industries Ltd. for the year ended 30 June, 2017 and recommended to place it to the Board for consideration and we found those in order.
2. The Committee reviewed the internal audit findings and recommendations, monitoring system and found in order.
3. The Committee also reviewed the related party transactions.
4. The Committee considered and made recommendations to the Board on the appointment of external Auditors for the year 2017-18.
5. The Committee reviewed Policy and guidelines to comply with the rules and regulations of the BSEC as adopted by the company.
6. The Committee did not find any irregularities or any other matter which should be reported to the Board of Directors / Shareholders.
7. Standard Ceramic Industries Ltd. did not raise any money through initial public offering/Reputed Public Offering/Rights Issue during the period.

Acknowledgement

The Audit Committee expressed their sincere thanks to the Chairman and members of the Board, Management and the Auditors for their support in carrying out its duties and responsibilities effectively.

Thanking you,
On behalf of the Audit Committee



A.K.Mizanur Rahman,FCA
Chairman
Audit Committee
Dated: 28 October, 2017

Corporate Governance Compliance Report

Status of compliance with a conditions imposed by the
Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012.
(Report under Condition No. 7.00)

Condition No.	Title	Compliance status (Put in the appropriate column)		Explanation for non-compliance with the condition.
		Complied	Not complied	
1.	Board of Directors			
1.1	Board's Size	✓		
1.2	Independent Directors			
1.2 (i)	At least 1/5th of the total number of Directors of board shall be Independent Directors.	✓		
1.2 (ii) a)	Who holds less than 1% shares of total paid-up shares of the company;	✓		
1.2 (ii) b)	Not a sponsor of the company and is not connected with the company's any sponsor or Director or shareholder who hold 1% or more shares:	✓		
1.2 (ii) c)	Not have any other relationship with the company its subsidiary/associated companies:	✓		
1.2 (ii) d)	Not a member, director or officer of any stock exchange:	✓		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or	✓		
1.2 (ii) f)	Not or was not a partner or executive during the preceding 3 (three) years of the company's statutory audit firm;	✓		
1.2 (ii) g)	Not be an independent director in more than 3 (three) listed companies;	✓		
1.2 (ii) h)	Not been convicted by a court of competent jurisdiction:	✓		
1.2 (ii) i)	Not been convicted for a criminal offence involving moral turpitude:	✓		
1.2 (iii)	Appointed by the board of directors approved by the shareholders in the Annual General Meeting (AGM);	✓		
1.2 (iv)	Independent director's post can't remain vacant for more than 90 days;	✓		
1.2 (v)	The board shall lay down a code of conduct of all board members and annual compliance be recorded;	✓		
1.2 (vi)	The tenure of office for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1.3	Qualification of Independent Director.	✓		
1.3 (i)	A knowledgeable individual with integrity and able to ensure compliance with financial regulatory and corporate laws and can make meaningful;	✓		
1.3 (ii)	Independent directors will be business leader/corporate leader with economics or business studies or law background and	✓		
1.3 (iii)	In special cases the above qualification may be relaxed subject to prior approval of the commission;	✓		
1.4	Chairman of the Board and Chief Executive Officer be different person	✓		
1.5	Director's Report include declarations on:	✓		
	(i) Industry outlook and possible future developments in the industry	✓		
	(ii) Segment-wise or product-wise performance		✓	Not possible
	(iii) Risks and Concerns	✓		
	(iv) A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		

	(v) Discussion on continuity of any Extra-Ordinary gain or loss.	✓		
	(vi) Related party transactions			Not applicable
	(vii) Utilization of proceeds	✓		
	(viii) Explanation if the financial results deteriorate after the company goes for IPO,RPO, Rights Offer, Direct Listing.			Not applicable
	(ix) Significant variance			DO
	(x) Remuneration to directors	✓		
	(xi) Fairness of state of the affairs	✓		
	(xii) Keeping proper books of accounts	✓		
	(xiii) Consistent application of Accounting Policies and preparation of financial statements	✓		
	(xiv) Observance of Bangladesh Accounting Standards (BAS)	✓		
	(xv) Soundness and efficiency of internal control	✓		
	(xvi) Ability of Standard Ceramic Industries Ltd. to continue as a going concern	✓		
	(xvii) Significant deviations from last year in operation results	✓		
	(xviii) Presentation of key operation and financial data for last five years	✓		
	xix) Declaration of dividend	✓		
	(xx) Number of Board Meeting held during the year and attendance by each other	✓		
	(xxi) Shareholding pattern	✓		
	(xxii) Appointment / re-appointment of a Director	✓		
2.1	Appointment of Chief Financial Officer (CFO) and Company Secretary	✓		
2.2	Requirement as to attendance of CFO and Company Secretary in the Board Meeting	✓		
3.00	Formation of Audit Committee	✓		
3 (i)	Sub-committee of the Board of Directors.	✓		
3 (ii)	Assisting the Board of Directors for ensuring true and fair view of the state of affairs;			
3 (iii)	Duties of the audit committee clearly set forth in writing.	✓		
3.1	(i) Numbers of members of audit committee	✓		
	(ii) Inclusion of Independent Director in the Audit Committee	✓		
	(iii) Financially literate & Financial management expertise member	✓		
	(iv) Fill the casual vacancy in Audit Committee	✓		
	(v) Company Secretary as the Secretary of the committee	✓		
	(vi) inclusion of Independent Director in the quorum of the Audit Committee	✓		
3.2	(i) Selection of the Chairman of Audit Committee	✓		
	(ii) Attendance of the Chairman of the audit committee shall remain present in the AGM.	✓		
3.3	(i) Investigate financial reporting process	✓		
	(ii) Monitoring accounting policies and principles	✓		
	(iii) Monitoring Internal Control Risk management process	✓		
	(iv) Investigate hiring and performance of external auditors.	✓		
	(v) Review of annual financial statements.	✓		
	(vi) Review of quarterly and half yearly financial statements	✓		
	(vii) Review of adequacy of internal audit function.	✓		
	(viii) Related party transaction			Not applicable
	(ix) Management Letters/ Letter of Internal Control weakness	✓		
	(x) Purposes of fund utilized	✓		

3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1	(i) Report by the Audit Committee on its activities to the Board of Directors	✓		
	(ii) Report to the Board by the Audit Committee on :	✓		
	(a) Conflicts of interest	✓		
	(b) suspected or presumed fraud or irregularity or material defect in the internal control system	✓		
	(c) suspected infringement of laws, including securities related laws, rules and regulations	✓		
	(d) Any other matter	✓		
3.4.2	Reporting to the BSEC by the Audit Committee			No such incidence
3.5	Reporting to the shareholders and general investors			No such incidence
4	Statutory Auditors not to engage in:			
	(i) Appraisal or valuation services	✓		
	(ii) Financial information systems design and implementation.	✓		
	(iii) Book-keeping or other services related to the accounting records or financial statements	✓		
	(iv) Broker-dealer services.	✓		
	(v) Actuarial services.	✓		
	(vi) Internal audit services.	✓		
	(vii) Any other service that the Audit Committee determines	✓		
	viii) Shares of partners or employees of the external audit firm	✓		
	ix) Audit Certification services.	✓		
5	Subsidiary company:			Not existence
	(i) Composition of the Board of Directors of the subsidiary company.			do
	(ii) Independent director on the Board of Directors of the holding company			do
	(iii) Subsidiary company shall be placed for review at the following Board meeting of the holding company			do
	(iv) Reviewed the affairs of the subsidiary company			do
	(v) Financial statement is reviewed by the Audit Committee			do
	(vi) Review the financial statements by holding company's audit committee.			do
6.	(i) Review financial statements to the best of their knowledge	✓		
	a. Materially	✓		
	b. True and fair view of the company's affairs	✓		
	(ii) No transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7.	Reporting and Compliance of Corporate Governance.	✓		
7. (i)	Compliance certificate from a Professional Accountant / Secretary.	✓		
7. (ii)	Statement of Directors in accordance with the annexure attached whether the company has complied with.	✓		

স্ট্যান্ডার্ড সিরামিক ইন্ডাস্ট্রিজ লিঃ

৬২-৬৩ মতিঝিল বা/এ, ঢাকা- ১০০০

৩৩তম বার্ষিক সাধারণ সভায় পরিচালক মন্ডলীর প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ ঃ

আস্‌সালামু আলাইকুম। প্রথমে পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ৩৩তম বার্ষিক সাধারন সভায় আপনাদেরকে সাদর আমন্ত্রন জানাচ্ছি। এই সভায় ৩০শে জুন, ২০১৭ইং তারিখে সমাপ্ত বৎসরের নিরীক্ষিত আর্থিক প্রতিবেদন আমি আনন্দের সহিত উপস্থাপন করছি।

সামগ্রিক পরিস্থিতি পর্যালোচনাঃ

কারখানার কিল্‌ন (চুল্লি) মেরামতের জন্য উৎপাদন কিছুদিন বন্ধ থাকায় গ্যাস, বিদ্যুৎ বিলসহ অন্যান্য স্থায়ী খরচের জন্য উৎপাদিত প্রতি একক পণ্যের দাম বৃদ্ধি পেয়েছে, ফলে পণ্যের বিক্রয় বাড়ানো যায়নি- যা প্রকৃত আয়ের উপর প্রভাব ফেলেছে।

ভবিষ্যৎ উন্নয়ন পরিকল্পনাঃ

পরিচালক পর্ষদ দেশে ও বিদেশে বিক্রয় বৃদ্ধির জন্য প্রচেষ্টা অব্যাহত রেখেছেন। উৎপাদন ক্ষমতা বৃদ্ধি এবং পণ্যের মান উন্নয়নের জন্য পরিচালক পর্ষদ নিম্নলিখিত মেশিনারি সমূহ আমদানীর সিদ্ধান্ত নিয়েছেন।

(ক) টানেল কিল্‌ন।
(খ) গ্রাইন্ডিং মেশিন।
(গ) রোলার হেড মেশিন।

এছাড়াও পুরাতন গ্রস্ট কিল্‌ন পুনঃনির্মানের বিষয় ও পরিচালনা পর্ষদ সিদ্ধান্ত নিয়েছেন।

ব্যবসায়িক কার্যক্রম ঃ

গত বৎসরে (২০১৫-২০১৬) ২৯ কোটি ১৯লক্ষ টাকা বিক্রয়ের বিপরীতে আলোচ্য বৎসরে (২০১৬-২০১৭) বিক্রয় দাঁড়ায় ২৬ কোটি ৩৪ লক্ষ টাকা। গত বৎসরের ৫ কোটি ৯০ লক্ষ টাকার মোট লাভের বিপরীতে আলোচ্য বৎসরে মোট লাভ দাঁড়ায় ৪ কোটি ৪ লক্ষ টাকা। আলোচ্য বৎসরে মোট লাভ হ্রাস পেয়েছে ৪.৮৮%।

আর্থিক প্রতিবেদন ও মুনাফা বন্টন ঃ

নিচে কোম্পানীর সামগ্রিক চিত্র দেওয়া হলো ঃ

	উপাত্তগুলি ('০০০) হাজারে প্রকাশিত	
বিবরন	**২০১৬-২০১৭**	**২০১৫-২০১৬**
আয়কর পূর্ব নিট মুনাফা/(ক্ষতি)	(২,০২৮)	১১,২১০
বিয়োগঃ আয়কর বাবদ সঞ্চিতি	(১,৫৮০)	(৩,৪১০)
বিয়োগঃ WPPF বাবদ সঞ্চিতি	০	(৫৩৪)
যোগ/(বিয়োগ)ঃ বিলম্বিত কর (আয়)	১০৭৮	(৩৯২)
আয়কর ইত্যাদি উত্তর নিট মুনাফা	(২,৫৩০)	৬,৮৭৪
বিয়োগঃ লভ্যাংশ	০	(৬,৪৬১)
বিয়োগঃ পূর্ববর্তী বৎসরের পুঞ্জিভূত লাভ/(লোকসান)	(১৬,৯০৬)	(17,319)
	(১৬,৯০৬)	(১৭,৩১৯)
পুঞ্জিভূত লাভ/(লোকসান)	(১৯,৪৩৬)	(১৬,৯০৬)

রাষ্ট্রীয় কোষাগারে অবদান ঃ

কোম্পানী আলোচ্য আর্থিক বৎসরে (২০১৬-২০১৭) রাষ্ট্রীয় কোষাগারে গ্যাস ও বিদ্যুৎ বাদে কাষ্টম ডিউটি, এ.আই.টি, ভ্যাট ইত্যাদি খাতে ৪ কোটি ২৫ লক্ষ টাকা প্রদান করে।

লভ্যাংশ ঘোষনা ঃ

আলোচ্য বৎসরে কোম্পানী ১.৯৪ কোটি টাকা পুঞ্জিভূত ক্ষতি, যা প্রতিষ্ঠানের সঞ্চিতির পরিমাণকে নিম্নমুখী করেছে। এমতাবস্থায় পরিচালক মন্ডলি আলোচ্য বৎসরের জন্য কোন লভ্যাংশ সুপারিশ করেননি।

পরিচালকদের অবসর গ্রহন ও নিয়োগ ঃ

পরিচালক (১) জানাব এ.কে.এম জাহাঙ্গীর খান (২) জনাব লুৎফর রহমান এবং (৩) জনাব এ.কে.এম আলমগীর খান কোম্পানীর সংঘবিধির ৪৪ ধারা অনুযায়ী অবসর গ্রহন করেছেন এবং যোগ্য বিধায়, পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

স্বতন্ত্র পরিচালকের নিয়োগ ঃ

পরিচালনা পর্ষদের ২৮/১০/২০১৭ইং তারিখের অনুষ্ঠিত সভায় সর্ব সম্মতিক্রমে জনাব এমডি. ইসমাইল-কে প্রথম তিন বৎসর অতিক্রান্ত হওয়ায় স্বতন্ত্র পরিচালক হিসাবে পুনঃনিয়োগ প্রদান করেন যাহা ৩৩তম বার্ষিক সভায় সম্মানিত শেয়ার হোল্ডারদের অনুমোদনের অপেক্ষায় আছে।

কোম্পানীর বিষয়াবলী ও আর্থিক প্রতিবেদন ঃ

কোম্পানী কর্পোরেট গভর্নেন্স প্রতিষ্ঠান বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের প্রয়োজনীয় দিক নির্দেশনার সাথে একাত্ব হয়েছে এবং তদানুযায়ী পরিচালকমন্ডলী আনন্দের সাথে নিশ্চিত করছেন যে:

ক. আর্থিক বিবরণী ও তদসংক্রান্ত টীকাসমূহ কোম্পানী আইন ১৯৯৪ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নীতিমালা ১৯৮৭ এর আলোকে প্রস্তুত করা হয়েছে। এই সকল বিবরণীসমূহে কোম্পানী সংক্রান্ত বিষয়াবলী, এর পরিচালন নীতিমালা, অর্থ প্রবাহ এবং তারল্যের পরিবর্তন সঠিকভাবে উপস্থাপিত হয়েছে।

খ. কোম্পানীর হিসাব বহি যথাযথভাবে রক্ষিত হয়েছে।

গ. আর্থিক বিবরণীসমূহ প্রস্তুততকালে হিসাব সংক্রান্ত নীতিমালা যথাযথভাবে প্রয়োগ করা হয়েছে এবং হিসাব সংক্রান্ত প্রাক্কলনসমূহ যৌক্তিকতা ও বিচক্ষণতার আলোকে করা হয়েছে।

ঘ. আর্থিক বিবরণী প্রস্তুতকালে বাংলাদেশে প্রযোজ্যতার ভিত্তিতে আন্তর্জাতিক হিসাব মানসমূহ অনুসরণ করা হয়েছে।

ঙ. আভ্যন্তরীন নিয়ন্ত্রণ ব্যবস্থা ছিল যথাযথ এবং এর কার্যকর প্রয়োগ নিশ্চিত করা হয়েছে।

চ. চলমান প্রতিষ্ঠান হিসাবে কোম্পানীর সক্ষমতা নিঃসন্দেহে প্রমাণিত।

ছ.. পরিচালনা পর্ষদের সভা ও উপস্থিতি

কোম্পানীর পরিচালনা পর্ষদ ৮ জন সদস্য দ্বারা গঠিত। আলোচ্য বছরে পরিচালনা পর্ষদের ৬টি সভা অনুষ্ঠিত হয়। উক্ত সভা সমূহে পরিচালকদের উপস্থিতি নিম্নরূপঃ

ক্রঃ নং	পরিচালকদের নাম	পদবী	সভায় উপস্থিতি
০১.	জনাব এ.কে.এম. জাহাঙ্গীর খান	চেয়ারম্যান	৬
০২.	জনাব হেলাল উদ্দিন আহমেদ	ব্যবস্থাপনা পরিচালক	৬
০৩.	জনাব লুৎফর রহমান	পরিচালক	৬
০৪.	জনাব এনামুল মাকছুদ	পরিচালক	৬
০৫.	জনাব নাসির উদ্দিন আহমেদ	পরিচালক	৬
০৬.	জনাব এ.কে.এম. আলমগীর খান	পরিচালক	৬
০৭.	জনাব এ.কে মিজানুর রহমান, এফ.সি.এ	স্বতন্ত্র পরিচালক	৫
০৮.	জনাব এমডি. ইসমাইল	স্বতন্ত্র পরিচালক	৬

যে সকল পরিচালক সভায় উপস্থিত হতে পারেননি তাঁদের ছুটি মঞ্জুর করা হয়েছে।

ঋ. বিগত পাঁচ বছরের পরিচালন ও আর্থিক ফলাফলসমূহ সংযুক্ত করা হয়েছে।

ঞ. কোম্পানীর শেয়ার হোল্ডিং প্যাটার্ণ ছিল নিম্নরূপ

ক্রম নং	নামানুসারে বিবরন	শেয়ারের পরিমান
০১.	জনাব এ.কে.এম. জাহাঙ্গীর খান, (চেয়ারম্যান)	২২৫,৪৫০
০২.	জনাব হেলাল উদ্দিন আহমেদ, (ব্যবস্থাপনা পরিচালক)	৩৭৩,৮৮০
০৩.	জনাব শুখের রহমান, (পরিচালক)	৩৭৩,৮৮০
০৪.	জনাব নাসির উদ্দিন আহমেদ, (পরিচালক)	৩৭৩,৮৮০
০৫.	জনাব এনামুল মাকসুদ, (পরিচালক)	২০৩,৯৬০
০৬.	জনাব এ.কে.এম. আলমগীর খান, (পরিচালক)	২,৫৯,৫৮০
০৭.	জনাব এমডি. ইসমাইল, (স্বতন্ত্র পরিচালক)	নাই
০৮.	জনাব এ.কে. মিজানুর রহমান এফ.সি.এ. (স্বতন্ত্র পরিচালক)	নাই
০৯.	জনাব জামাল উদ্দিন ভূঁইয়া, (কোম্পানী সেক্রেটারী)	নাই
১০.	জনাব আব্দুর রহিম, (সি.এফ.ও)	নাই
১১.	জনাব সিরাজুল ইসলাম, (প্রধান আভ্যন্তরীন নিরীক্ষক)	নাই
১২.	জনাব মোঃ আবু তাহের, সিনিয়র ম্যানেজার (আমদানী)	১০
১৩.	জনাব মুশফিকুর রহমান, ম্যানেজার (রপ্তানী)	১৫০
১৪.	জনাব কাজল আর রশিদ, ডিপুটি ম্যানেজার	নাই
১৫.	জনাব জিয়াউল হক, পি.পি.ও	নাই
১৬.	জনাব মোঃ মোস্তাফিজুর রহমান, ডিপুটি ম্যানেজার	১০
১৭.	আইসিবি (ইউনিট ফান্ড)	৬৯৪,৪৪৬

কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট ঃ

বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশনের দিক নির্দেশনা অনুযায়ী "কর্পোরেট গভর্নেন্স কমপ্লায়েন্স রিপোর্ট" সংযুক্ত করা হল।

নিরীক্ষক বৃন্দ ঃ

M/s. FAMES & R, Chartered Accountant, বাড়ি নং-৪২৪ (৫ম তলা), রোড নং-৩০, মহাখালী ডিওএইচএস, ঢাকা-১২০৬, বাংলাদেশ, কোম্পানীর নিরীক্ষক, যার মেয়াদ ৩৩তম বার্ষিক সাধারণ সভায় ১ বছর পূর্ণ হবে। যোগ্য বিধায় ২০১৭-১৮ অর্থবৎসরের নিরীক্ষক হিসাবে পুনঃ নিয়োগের প্রস্তাব করেছেন। পরিচালক মন্ডলী ২,২৫,০০০/- টাকা পারিশ্রমিকের বিনিময়ে M/s. FAMES & R, Chartered Accountant এর প্রস্তাবের প্রেক্ষিতে ২০১৭-১৮ সালের নিরীক্ষক হিসাবে নিয়োগের জন্য শেয়ার হোল্ডারদের অনুমোদনের সুপারিশ করছেন।

কৃতজ্ঞতা স্বীকার ও উপসংহার ঃ

কোম্পানীর পরিচালক মন্ডলী, সম্মানিত শেয়ার হোল্ডার, বিনিয়োগকারী, ব্যাংক এবং আর্থিক প্রতিষ্ঠান, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, স্টক এক্সচেঞ্জ, আই.সি.বি, সরকারী প্রতিষ্ঠান, সংবাদ সংস্থা, সরবরাহকারী এবং ক্রেতা সাধারন এর সাহায্য সহযোগিতার জন্য আন্তরিক ধন্যবাদ এবং কৃতজ্ঞতা জ্ঞাপন করছে। পরিচালকমন্ডলী কোম্পানীর শ্রমিক, কর্মচারী ও কর্মকর্তাবৃন্দের আনুগত্য, একনিষ্ঠতা ও শ্রমের কথা কৃতজ্ঞতা সহকারে স্মরন করছে এবং আন্তার সাথে আশা করে যে তাদের এই আন্তরিকতা কোম্পানীর ভবিষ্যত প্রবৃদ্ধি আনয়ন করবে।

পরিচালক পর্ষদের পক্ষে-

ঢাকা -১০০০
২৮.১০.২০১৭ইং

এনামুল মাকসুদ
পরিচালক

হেলাল উদ্দিন আহমেদ
ব্যবস্থাপনা পরিচাল

FAMES & R
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT TO THE SHAREHOLDERS OF STANDARD CERAMIC INDUSTRIES LTD.

Report on the Financial Statements

We have audited the accompanying Financial Statements of Standard Ceramic Industries Ltd. which comprise the Statement of Financial Position as at 30th June, 2017, 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 Notes and all related Financial Statements of Standard Ceramic Industries Limited.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, The Securities and Exchange Rules, 1987 and the other applicable laws and regulations. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an independent 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Standard Ceramic Industries Ltd. as at 30th June, 2017 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities & Exchange Rules, 1987, and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;

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

(d) The expenditure incurred was for the purposes of the Company's business.

Dated: 28 October 2017
Place: Dhaka

FAMES & R
Chartered Accountants

STANDARD CERAMIC INDUSTRIES LTD.

"AMIN COURT", 62-63 MOTIJHEEL C/A, DHAKA-1000.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE, 2017

Particulars	Notes	Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
ASSETS			
Non Current Assets			
Property, Plant & Equipment	3	111,902,469	117,655,369
Current Asset			
Inventories	4	41,280,394	48,228,704
Advances, deposits & pre-payments	5	15,258,683	10,878,081
Accounts Receivable	6	624,789	494,379
Short Term Investment	7	20,123,737	26,889,516
Cash & Cash Equivalents	8	7,127,096	5,782,758
		84,414,699	**92,273,438**
Total Assets		**196,317,168**	**209,928,807**
EQUITY & LIABILITIES			
Shareholder's equity:			
Share Capital	9	64,606,500	64,606,500
Revaluation Reserve	10	26,383,861	26,383,861
Tax Holiday Reserve	11	1,063,500	1,063,500
Share Premium	12	14,650,000	14,650,000
Retained Earnings	13	(19,436,206)	(10,444,668)
Total Shareholder's Equity		**87,267,655**	**96,259,193**
Non Current Liabilities			
Deferred Liabilities	14	**10,454,190**	**11,532,153**
Current Liabilities			
Cash Credit (Secured)	15	13,999,523	9,453,924
Bank Overdraft	16	388,677	1,563,460
Unclaimed Dividend	17	9,216,247	8,036,643
Creditors, Accrued exps and Others	18	35,019,445	34,245,993
Liabilities for other finance	19	39,971,431	48,837,441
Total Current liabilities		**98,595,323**	**102,137,461**
Total liabilities		**109,049,513**	**113,669,614**
Total Shareholders' Equity & liabilities		**196,317,168**	**209,928,807**
Net Asset Value per share		13.51	14.90

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on October 28, 2017 and were signed on its behalf by:

(Jamal Uddin Bhuiyan)	(Helal Uddin Ahmed)	(Lutfur Rahman)
Company Secretary	Managing Director	Director

This the Statement of Financial Position referred to in our separate report of even date.

Date:28 October, 2017
Place: Dhaka-1000.

FAMES & R
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

"AMIN COURT", 62-63 MOTIJHEEL C/A,

DHAKA-1000.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Notes	Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
Revenue	20	263,367,777	291,867,354
Less: Cost of Goods Sold	21	222,973,204	232,881,710
Gross Profit		**40,394,573**	**58,985,644**
Operating Expenses:		**40,605,569**	**43,664,775**
Administrative Expenses	22	31,484,905	32,433,417
Selling & Distribution Expenses	23	9,120,664	11,231,358
Operating Profit/(Loss)		**(210,996)**	**15,320,869**
Less:Finance cost	24	2,814,209	2,407,346
Add: Other Income	25	996,561	2,646,849
Less:Write off	26	-	4,350,454
Net Profit / (Loss) before WPPF		**(2,028,644)**	**11,209,918**
Less: Workers Profit Participation Fund @ 5%		-	533,806
Net Profit / (Loss) before Tax		**(2,028,644)**	**10,676,112**
Provision for Tax		(502,244)	(3,802,172)
Current Tax	27	(1,580,207)	(3,410,035)
Deferred Tax (Expenses)/Income	28	1,077,963	(392,137)
Net Profit / (Loss) after Tax		**(2,530,888)**	**6,873,940**
Earning per share(EPS)	**36**	(0.39)	1.06

The annexed notes form an integral part of these financial statements. These Financial Statement were approved by the Board of Directors on October 28, 2017 and were signed on its behalf by:

(Jamal Uddin Bhuiyan)	**(Helal Uddin Ahmed)**	**(Lutfur Rahman)**
Company Secretary	Managing Director	Director

This is the Statement of Comprehensive Income referred to in our separate report of even date.

Date: 28 October, 2017
Place: Dhaka-1000.

FAMES & R
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.

"AMIN COURT", 62-63 MOTIJHEEL C/A,

DHAKA-1000.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE, 2017

Amount in Taka

PARTICULARS	SHARE CAPITAL	REVALUATION & TAX HOLIDAY RESERVE	TAX HOLIDAY RESERVE	SHARE PREMIUM	RETAINED EARNINGS	TOTAL
As at July 1, 2016	**64,606,500**	**26,383,861**	**1,063,500**	**14,650,000**	**(10,444,668)**	**96,259,193**
Changes during the year:						
Cash dividend (2015-16)					(6,460,650)	(6,460,650)
Profit /(Loss) after tax					(2,530,888)	(2,530,888)
As at June 30, 2017	**64,606,500**	**26,383,861**	**1,063,500**	**14,650,000**	**(19,436,206)**	**87,267,655**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2016

Amount in Taka

PARTICULARS	SHARE CAPITAL	REVALUATION & TAX HOLIDAY RESERVE	TAX HOLIDAY RESERVE	SHARE PREMIUM	RETAINED EARNINGS	TOTAL
As at July 1, 2015	**64,606,500**	**26,383,861**	**1,063,500**	**14,650,000**	**(10,023,078)**	**96,680,783**
Prior year's adjustment					(3,910,400)	(3,910,400)
Restated	**64,606,500**	**26,383,861**	**1,063,500**	**14,650,000**	**(13,933,478)**	**92,770,383**
Changes during the year:						
Cash dividend (2014-15)					(3,385,130)	(3,385,130)
Profit /(Loss) after tax					6,873,940	6,873,940
As at June 30, 2016	**64,606,500**	**26,383,861**	**1,063,500**	**14,650,000**	**(10,444,668)**	**96,259,193**

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on October 28, 2017 and were signed on its behalf by:

(Jamal Uddin Bhuiyan)
Company Secretary

(Helal Uddin Ahmed)
Managing Director

(Lutfur Rahman)
Director

This is the Statement of Changes in Equity referred to in our separate report of even date.

FAMES & R
(Chartered Accountants)

Date: 28 October, 2017
Place: Dhaka-1000.

STANDARD CERAMIC INDUSTRIES LTD.

"AMIN COURT", 62-63 MOTIJHEEL C/A,
DHAKA-1000.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
CASH-FLOW FROM OPERATING ACTIVITIES		
Receipts from customers and others	289,404,957	323,286,000
Paid to suppliers, employees & others	(286,150,630)	(315,660,608)
Finance cost paid	(2,814,209)	(2,407,346)
Income Tax paid and/or deducted at source etc.	(2,320,025)	(3,466,555)
Net cash inflow from operating activities	(1,879,907)	1,751,491
CASH FLOW FROM INVESTING ACTIVITIES.		
Acquisition of Property, Plant & Equipment.	(2,627,865)	(16,615,296)
Interest Received	996,561	2,646,849
Short Term Investment	6,765,779	9,589,930
Net cash outflow from investing activities	5,134,475	(4,378,517)
CASH FLOW FROM FINANCING ACTIVITIES		
Cash Credit Loan (Paid)/Received	4,545,599	1,341,485
Dividend Paid	(5,281,046)	(2,650,481)
Bank Overdraft (Paid)/Received	(1,174,783)	230,791
Net cash outflow from financing activities	(1,910,230)	(1,078,205)
Net increase/(decrease) in Cash & Cash Equivalents	1,344,338	(3,705,231)
Cash and Cash equivalents at beginning of the year	5,782,758	9,487,989
Cash and Cash equivalents at end of the year	**7,127,096**	**5,782,758**
Net Operating Cash Flow Per Share	**(0.29)**	**0.27**

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 28 October 2017 and were signed on its behalf by:

(Jamal Uddin Bhuiyan)
Company Secretary

(Helal Uddin Ahmed)
Managing Director

(Lutfur Rahman)
Director

This is the Statement of Cash Flows referred to in our separate report of even date.

Date: 28 October, 2017
Place: Dhaka-1000.

FAMES & R
(Chartered Accountants)

STANDARD CERAMIC INDUSTRIES LTD.
Notes to the financial statements
For the year ended 30 June, 2017

1.0 Structure and Objects:

The company is a public limited company registered on 13-08-84 with authorized Share capital of Tk. 10 crores divided into 1 crore ordinary shares of Tk.10.00 each for manufacture of Ceramic Stone wares & Table wares. In addition to sponsors, the project was initially funded by BSB, IPDC & SABINCO. Production started in the later part of 1993. Approval of prospectus from Securities & Exchange Commission had been obtained on 14th September, 1996. The company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on 7th December, 1996 and on 4th December 1996 respectively.

1.01 Nature of Business:

The company is a ceramic industry for manufacture of ceramic stone wares and table wares for local and foreign markets.

2.00 Significant Accounting Policies:

2.01 Basis of Preparation, Presentation and Disclosure of the Financial Statements:

The financial statements have been prepared and the disclosures of information are made in accordance with the requirements of the Companies Act, 1994, International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS). The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to BAS-I "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and Statement of Cash Flows according to BAS-7 "Statement of Cash Flows".

2.02 Legal Compliance:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited (DSE) and other laws and regulations applicable in Bangladesh. On the basis of these regulations, Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS) were applied with the applicable standards.

2.03 Accounting Estimates, Assumptions & Judgments:

The preparation of the financial statements is in conformity with BFRS that requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

2.04 Going Concern:

The Company has adequate resources to continue its operation for the foreseeable future. For this reason going concern basis has been adopted in preparing the financial statements.

2.05 Components of the Financial Statements:

According to the Bangladesh Accounting Standards (BAS)-I "Presentation of Financial Statements" the complete set of Financial Statements includes the following components";

Statement of Financial Position as at 30 June, 2017;
Statement of Comprehensive Income for the year ended 30 June, 2017;
Statement of Changes in Equity for the year ended 30 June, 2017;
Statement of Cash Flows for the year ended 30 June, 2017 and
Notes, comprising a summary of significant Accounting Policies and Other Explanatory Information.

2.06 Recognition of Property, Plant and Equipment and Depreciation:

Property, Plant and Equipment are stated at cost less accumulated depreciation in accordance with IAS 16 "Property, Plant & Equipment". Cost represents cost of acquisition of construction and include purchase price and other directly attributable cost of bringing the assets to working conditions for its intended use, but do not include any capitalized borrowing cost. No. depreciation is charged on land and land development. Depreciation on all other fixed assets are computed using the reducing balance method in amount sufficient to write off depreciable assets over their estimated useful life. Expenditure for maintenance and repairs are expenses; major replacements, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss or such disposal is reflected in operations for the year.

The annual depreciation rates applicable to the principal categories are

i) Building & Civil Construction 7.5%	vi) Car and Vehicles 20%
ii) Plant& Machinery 10%	vii) Tools 25%
iii) Deep Tube well 5%	viii) Furniture & Fittings 10%
iv) Electric Equipment 10%	ix) Office Equipment 15%
v) Other Asset 20%	

Depreciation is charged on fixed assets for full year on opening written down value and on addition during the year from the date of use. Depreciation has been charged to cost of goods sold & administrative expenses consistently.

Impairment of Assets

The company reviews the recoverable amount of its assets at each reporting date. If there exists any indication that the carrying amount of assets exceeds the recoverable amount, the company recognise such impairment loss in accordance with BAS-36 "Impairment of Assets"

2.07 Inventories:

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of BAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned to inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale.

2.08 Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand and cash at banks of the Company. There is an insignificant risk of change in value of the same.

2.09 Creditors & Accrued Expenses:

2.09.1 Trade & Other Payables:

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company. These include Advance against Sales, Security and Other Deposits and Other Current Liabilities.

2.09.2 Provisions:

Necessary provision for the current assets which are seems to be doubtful of recovery are made in the financial statements in conformity with Bangladesh Accounting Standards.

2.1 Employee Benefits:

The Company maintains defined contribution plan (provident fund) and Retirement benefits (Gratuity) for its eligible permanent employees.

2.10.1 Defined contribution plan (Provident fund):

The Company operates a contributory Provident fund for its eligible permanent employees. The fund is approved by the National Board of Revenue (NBR). The fund is administered by a Board of Trustee and is funded by contribution partly from the employee and partly from the Company as predetermined rates. The contribution is invested separately from the Company's assets.

2.10.2 Gratuity benefits:

Gratuity benefits are incorporated when an employee is entitled to the benefits depending on the length of services and last drawn basic salary.

2.11 Income Tax:

2.11.1 Current Tax:

Provision for taxation has been made as per rates prescribed in the Finance Act, 2017, the Income Tax Ordinance, 1984 and as per BAS-12 Income Tax.

2.11.2 Deferred Tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

2.12 Related Party Transactions:

Company is not connected to any related party transaction except as mentioned in note -38. Benefit of key management personnel includes officials in the ranks of Managing Director, Director, General Manager, Deputy General Manager, Company Secretary, CFO, Manager and Deputy Manager. The yearly salary involvement is Tk.18, 006,140 as sort-term employee's benefit. No post-employment benefits, other long term benefits and termination benefits were paid during the year.

2.13 Contingent Liabilities &Contingent Assets:

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with BAS-37 Provision, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

2.14 Revenue Recognition:

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of V A T as per BAS-18. Revenue is recognised when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoices to customers.

2.15 Statements of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with BAS-7: Statement of Cash Flows and the cash flows from operating activities have been presented under direct method.

2.16 Earnings per Share:

The Company calculates Earning per Share (EPS) in accordance with BAS-33: "Earning per Share", which has been shown on the face of Statement of Comprehensive Income, and the computation of EPS is stated in the note. Earnings per Share has been calculated by dividing the profit attributable to ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the period.

2.17 Segment Reporting:

No segmental reporting is applicable for the company as required by BAS-14: "Segment Reporting" as the company operates in a single industry segment. Though the company has some export but this is very insignificant as such the geographical territory has also been considered single.

2.18 Comparative:

Financial statements are presented as BAS-I "Presentation of Financial Statements" and previous year's figures have been reclassified, re-arranged where found necessary to provide information that is reliable and more relevant and to conform to the current year's presentation.

2.19 Reporting Period:

The financial statements cover one year from 01 July, 2016 to 30 June, 2017

	Amount in Taka	Amount in Taka
3.00 Property, Plant & Equipment; Tk.111,902,469.	**30 June 2017**	**30 June 2016**
Details are as under:		
Opening Balance	346,482,920	327,867,464
Capital Work In Progress on 01/07/2016	-	2,000,160
	346,482,920	329,867,624
Addition during the year	2,627,865	16,615,296
	349,110,785	**346,482,920**
Less: Accumulated Depreciation	(237,208,316)	(228,827,551)
Net written down value as on 30 June, 2017.	**111,902,469**	**117,655,369**

Details of Property, Plant and Equipment has been shown in schedule-1.

	30 June 2017		30 June 2016	
	Qty in M.T	Value (Tk)	Qty in M.T	Value (Tk)
4.00 Inventories: Tk.41,280,394.				
Details are as follows:				
Raw Materials (4.01)		17,287,121		11,703,210
Work-in process	126 M.T	6,264,966	209 M.T	10,357,554
Finished products	170 M.T	13,452,482	220 M.T	20,070,920
Stores & spares		3,807,050		5,863,270
Packing Materials	2400 pcs	468,775	7105 pcs	233,750
		41,280,394		**48,228,704**

The inventories on 30 June 2017 were physically verified and certified. Raw materials have been valued at weighted average cost. Work-in-process have been valued at cost of raw materials with proportion of electricity, gas and factory overhead absorbed in production. Finished products have been valued at cost and realizable price which is lower and spare parts have been valued at cost. Inventories were mortgaged to Rupali Bank Ltd,, Ramna Corporate Branch as security of working capital loan.

4.01 Raw Materials:

	30 June 2017		30 June 2016	
	Body, Glaze and Auxiliary M.T	Decorative Sheet	Body, Glaze and Auxiliary M.T	Decorative Sheet
Opening Balance	162	44,340	395	9,100
Add: Purchase during the year	4,494	269,000	4,480	271,974
Available for use	**4,656**	**313,340**	**4,875**	**281,074**
Less: Issue for Production	4,267	209,192	4,713	236,734
Closing Balance	**389**	**104,148**	**162**	**44,340**

		Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
5.00	**Advance Deposits & Pre-payment:Tk.15,258,683.**		
	I) Advances	2,270,874	483,302
	ii) Security deposits	3,419,852	2,826,901
	iii) Advance Income Tax	4,691,029	5,173,484
	iv) Bank Margins	3,280,350	531,000
	v) VAT(Value Added Tax)	1,596,578	1,863,394
		15,258,683	**10,878,081**
	I) Advances: Tk.2,270,874.		
	a) Advance against works	2,243,471	455,899
	b) Other Advance	27,403	27,403
		2,270,874	**483,302**
	ii) Security deposits: Tk.3,419,852.		
	T&T Board	145,025	145,025
	PDB	253,800	253,800
	Bangladesh Oxygen Ltd.	8,000	8,000
	Amin Mohiuddin Foundation	811,800	811,800
	Titas Gas Transmission & Distribution Co. Ltd.	2,001,227	1,408,276
	CDBL	200,000	200,000
		3,419,852	**2,826,901**
	iii) Advance Income-Tax: Tk.4,691,029 .		
	a) Opening balance	5,173,484	4,116,871
	b) Addition during the year	2,320,025	3,466,555
		7,493,509	7,583,426
	Less: Adjustment against assessment year 2016-2017	(2,802,480)	(2,409,942)
	Total	**4,691,029**	**5,173,484**
	iv) Bank Margins:TK.3,280,350.		
	L/C Margin	2,489,050	531,000
	Bank Gurantee Margin	791,300	-
		3,280,350	531,000
	v) VAT (Value Added Tax):Tk.1,596,578.		
	Opening Balance	1,863,394	901,435
	Add:Cash Deposit and Vat on Raw materials etc.	37,954,960	42,369,940
		39,818,354	43,271,375
	Less:Adjustment on local sales	(38,221,776)	(41,407,981)
	Closing Balance	**1,596,578**	**1,863,394**

a) The Company has no advances which may be classified as doubtfull/bad.
b) No amount was due by the Directors (including Managing Director) and officers of the Company or any of them severally or jointly with any other person.
c) No amount was due by the Associated under-taking.

6.00	**Accounts Receivable Tk.624,789**		
	The amount represents receivable against duty draw back. Age wise breakup is		
	Exceeding six months	479,707	160,361
	Below six months	145,082	334,018
	Total	**624,789**	**494,379**

		Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
7.00	**Short Term Investment:Tk.20,123,737.**	**20,123,737**	**26,889,516**
	This represents investment in Fixed Deposit. Such fund has been accumulated for payment of expenses required for heavy repair and replacement of depreciated assets especially Kiln. Out of above balance fixed deposit of Tk.1364013 has given to the Bank as security.		
8.00	**Cash & Cash Equivalents:Tk.7,127,096.**		
	Cash in hand	1,556,544	926,164
	Cash at Bank		
	NCC Bank CD A/C No. 0800210010025	1,246,229	-
	Al-Arafah Islami Bank CD A/C No-11866	9,253	-
	Rupali Bank Ltd. CD A/C No.-1650	45,923	1,060,942
	Rupali Bank Ltd. CD A/C No.-1595	3,780	3,780
	Rupali Bank Ltd. CD A/C No.-7662	28,240	625,143
	United Commercial Bank CD A/C No.-330	451	451
	City Bank Ltd. CD A/C No.1402077	1,079,187	1,110,687
	City Bank Ltd. CD A/C No.1102075735001	-	2,350
	Agrani Bank Ltd. CD A/C No.-33005504	9,732	9,732
	Agrani Bank Ltd. CD A/C No.-562	1,000	1,000
	Agrani Bank Ltd. CD A/C No.-22303	1,444	1,444
	Bangladesh Development Bank Ltd. CD A/C No.-113303653	1,743	1,743
	Sonali Bank Ltd. CD A/C No.15609	240	240
	Southeast Bank Ltd. CD A/C No.-47598	65,926	-
	Mutual Trust Bank CD A/C No.- 0210027324	273,639	41,808
	Rupali Bank Ltd. CD A/C No.-158-7474	3,552	3,552
	IFIC Bank CD A/C No.-00083325016	950	950
	City Bank Ltd. STD A/C No.31000453/7001	2,906	299,326
	City Bank Ltd. STD A/C No.31000490/7002	13,572	13,966
	City Bank Ltd. STD A/C No.31000536/7003	15,085	15,448
	City Bank Ltd. STD A/C No.3102075735001	76,254	76,055
	City Bank Ltd. STD A/C No.7004	447,032	103,520
	IFIC Bank Ltd. STD A/C No.000836000701	6,657	6,657
	Rupali Bank Ltd. F/C A/C No.-95/05	2,237,757	1,477,800
		7,127,096	**5,782,758**

Cash -in-hand has been verified and certified.Balances with Banks are confirmed by the certificates.

9.00	**Share Capital: Tk. 64,606,500.**		
	(a) Authorized Capital: Tk. 100,000,000		
	10,000,000 Ordinary share of Taka 10.00 each	**100,000,000**	**100,000,000**
	(b) Issued, Subscribed & Paid-up Capital:		
	6,460,650 Ordinary shares of Tk. 10/= each fully paid up:		
	5,860,000 ordinary shares of Tk.10 each fully paid up in cash	58,600,000	58,600,000
	600,650 ordinary shares of Tk.10 each issued as **fully paid Bonus shares**	6,006,500	6,006,500
		64,606,500	**64,606,500**

(c) The position of Shareholders as on 30th June, 2017 is as follows :

Description	30 June 2017			30 June 2016		
	No. of Share holders	No. of Shares	Share holding %	No. of Share holders	No. of Shares	Share holding %
Sponsors and directors	7	1,838,140	28.45	40	3,075,020	47.60
Financial Institutions(bank & Insurance)	7	26,900	0.42	7	44,550	0.69
Financial Institutions(others)	48	133,153	2.06	57	172,151	2.66
BSRS 1st Mutual Fund	1	1,000	0.02	1	1,000	0.02
ICB investor's A/c	193	13,190	0.20	193	13,690	0.21
IFIC investor's A/c	11	890	0.01	12	930	0.01
Other Investor's A/c	-	-	0.00	1	20	0.00
Foreign investor (company)	1	1,000	0.02	1	1,000	0.02
ICB Mutual Fund	2	2,020	0.02	9	48,290	0.75
ICB Capital Management	4	440	0.01	4	440	0.01
ICB Unit Fund	1	694,446	10.76	1	1,063,630	16.46
Others Mutual Fund and Unit Fund	1	270	0.00	1	270	0.00
General Public	7407	3,749,201	58.03	7448	2,039,659	31.57
	7,683	6,460,650	100	7,775	6,460,650	100

(d) The Shareholding pattern is as below :

Description	30 June 2017		
	No. of Share holders	No. of Shares	Share holding %
Upto 500 Shares	6671	409,741	6.34
501 to 5000Shares	910	943,184	14.60
5001 to 10000 Shares	39	278,657	4.31
10001 to 20000 Shares	20	278,370	4.31
20001 to 30000 Shares	14	355,515	5.50
30001 to 40000 Shares	4	148,530	2.30
40001 to 50000 Shares	1	44,123	0.68
50001 to 100000 Shares	13	1,032,951	15.99
100001 to above Shares	11	2,969,579	45.97
	7,683	6,460,650	100

(e) There was no preference share issued by the company.

(f) Market Price:

The shares of the company are listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.Quoted market price was TK. 97.90 at Dhaka Stock Exchange Limited and TK. 97.10 at Chittagong Stock Exchange Limited.

10.00 Revaluation Reserve : Tk. 26,383,861.

Revaluation Reserve represents revaluation surplus arising out of revaluation of land & land development of the company as of 29 Feb, 1996 by M/s. Golam Mostafa & Associates (professional valuers) following market rate.

		Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
11.00	**Tax holiday Reserve: Tk.1,063,500.**	**1,063,500**	**1,063,500**
	The above amount represents balance carried forward since 1994-95.		
12.00	**Share Premium: Tk.14,650,000**	**14,650,000**	**14,650,000**
13.00	**Retained Earnings: Tk.(19,436,206)**		
	Opening Balance	(10,444,668)	(10,023,078)
	Prior Year Adjustment	-	(3,910,400)
		(10,444,668)	(13,933,478)
	Cash Dividend (2015-16)	(6,460,650)	(3,385,130)
	Profit/ (Loss) after tax for the year	(2,530,888)	6,873,940
	Closing Balance	**(19,436,206)**	**(10,444,668)**
14.00	**Defferd Liabilities: TK.10,454,190**		
	Deferred Tax Liabilities	10,454,190	11,532,153
			-
		10,454,190	**11,532,153**
14.01	**Deferred Tax Liabilities Calculation:**		
	Book Value of Depreciated Assets	81,346,868	87,099,768
	Tax Base of Depreciated Assets	(35,119,660)	(40,971,157)
		46,227,208	46,128,611
	Provision for Retirement benefit (Gratuity) (Note-19.01).	(4,410,449)	-
		41,816,759	46,128,611
	Net Taxable Temporary Difference		
	Effective Rate	25%	25%
	Deferred Tax Liability closing	10,454,190	11,532,153
	Deferred Tax Liability opening	(11,532,153)	(11,140,016)
	Deferred Tax Expenses / (Income)	**(1,077,963)**	**392,137**
15.00	**Cash Credit (secured): Tk.13,999,523 .**		
	Details are as under:		
	Cash Credit (Hypo)	1,790,019	836,637
	Cash Credit (Pledge)	11,551,029	6,335,508
	Loan Against Imported Marchandise (LIM)	658,475	1,331,779
	Packing Credit (PC)	-	950,000
		13,999,523	**9,453,924**

The Company is enjoying cash credit facilities from Rupali Bank Ltd., Ramna Corporate Branch,Dhaka. Interest charged on all credit @ 13.00% to 14.00% . All the Property, Plant and Equipment(both present and future) furnished as collateral and floating assets and book debts (both present and future) charged out as primary securities.

16.00	**Bank Overdraft: Tk.388,677**		
	This represents temporary overdrawn from current accout	**388,677**	**1,563,460**

		Amount in Taka	
		30 June 2017	30 June 2016
17.00	**Unclaimed Dividend : Tk.9,216,247**		
	Year wise break up of the above is as follows:		
	Year		
	1996-97 To 2003-04	2,075,859	2,077,464
	2004-05	254,699	254,699
	2005-06	590,552	591,002
	2006-07	586,667	587,118
	2007-08	132,756	132,981
	2008-09	418,582	418,738
	2009-10	561,080	561,080
	2010-11	405,731	405,834
	2011-12	721,316	721,352
	2012-13	762,267	762,267
	2013-14	692,293	692,293
	2014-15	819,097	831,815
	2015-16	1,195,348	-
	Total Amount Tk.	**9,216,247**	**8,036,643**
18.00	**Creditors ,Accrued Exps and Others:Tk.35,019,445.**		
	Details are as under:		
	Directors' remuneration	745,000	1,090,000
	Salary & O.T	7,469,348	7,007,762
	Gas bill	6,823,243	7,554,423
	Electric bill	928,795	1,682,634
	Audit fees	225,000	100,000
	Workers Profit Participation Fund	533,806	877,118
	Providend Fund	14,138,936	12,457,945
	Others payable	4,155,317	3,476,111
		35,019,445	**34,245,993**
19.00	**Liabilities for other finance:Tk.39,971,431**		
	Security money employees	880,520	679,400
	Security money (Agency) and advances etc.	32,996,935	45,248,126
	Provision for Income Tax	1,580,207	2,802,480
	Provision for Retirement Benefits (Gratuity) (Note-19.01).	4,410,449	-
	Other Provision	103,320	107,435
		39,971,431	**48,837,441**

Income Tax finalised upto Assessment year 2014-15. Assessmet of tax for the year 2015-2016 and 2016-2017 remain under process of finalisation.

19.01	**Provision for Retirement benefits (Gratuity).**		
	Opening balance	-	-
	Provision during the year	7,221,986	4,099,910
	Less: Payment during the year	2,811,537	4,099,910
	Closing balance	**4,410,449**	-

20.00 Revenue:Tk.263,367,777

Break-up as follows

	30 June 2017		30 June 2016	
	Quantity	Value Taka	Quantity	Value Taka
Net Local Sales	2,308.50 M.T	254,811,826	2,421.3 M.T	276,053,183
Export Sales	51.50 M.T	8,300,709	70.70 M.T	15,480,153
Duty Draw Back		255,242		334,018
Total		**263,367,777**		**291,867,354**

	Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
21.00 Cost of Goods Sold: Tk.222,973,204.		
Materials Consumed:		
Openinng Stock	11,703,210	8,170,317
Purchased during the year	77,513,210	94,189,672
	89,216,420	102,359,989
Less: Closing stock	17,287,121	11,703,210
	71,929,299	90,656,779
Add: Openinng Work-in -process	10,357,554	3,346,637
	82,286,853	94,003,416
Less: Closing Work-in-process	6,264,966	10,357,554
	76,021,887	**83,645,862**
Factory Overhead:		
Wages, Salaries, O.T & Bonus	62,241,969	64,874,526
P.F Contribution.	1,096,225	1,347,542
Gratuity	6,601,905	1,580,393
Packing Materials	13,339,102	15,057,691
Power, Water & Gas	28,661,211	31,746,080
Insurance	127,396	212,362
Consumable stores	8,517,768	6,899,414
Miscellaneous factory expenses	2,234,732	2,084,465
Repairs & Maintenance	9,215,614	11,839,097
Depreciation	8,296,957	8,242,909
	140,332,879	143,884,479
	216,354,766	**227,530,341**
Add: Opening Stock of finished	20,070,920	25,422,289
	236,425,686	252,952,630
Less: Closing Stock of finished	13,452,482	20,070,920
	222,973,204	**232,881,710**
Total production	**2,310 M.T**	**2,465 M.T**

Repairs & Maintenance includes all factory building repairs and maintainence Tk. 606,487 factory machineries repairs and maintainence Tk. 931,134 and Fuel Tk. 4,676,775 etc.

	Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
22.00 Administrative expenses: TK.31,484,905.		
Director's Emolument	10,290,800	8,675,000
Rent, Rates & Taxes	1,859,722	1,618,650
Postage, Telegram & Telephone	541,195	624,718
Gratuity	410,200	2,519,517
Office Salaries	13,887,558	13,030,693
Printing & Stationery	156,077	184,190
Religious & Festival Expenses	155,650	231,695
Legal & Professional and Other fees	262,000	63,000
Audit fees	225,000	100,000
Forms & Fees	936,666	2,160,234
Utility bill	307,601	244,272
Motor Vehicles maintenance	183,549	657,944
Petrol, Oil & Lubricant	361,620	367,958
Office Maintenance etc.	71,150	73,745
AGM & Other meeting Expenses etc	965,610	1,032,540
Entertainment expenses	385,162	383,219
Miscellaneous expenses	401,537	382,780
Depreciation	83,808	83,262
	31,484,905	**32,433,417**
23.00 Selling and Distribution Expenses: Tk.9,120,664.		
Office Salaries	3,790,180	3,410,894
P.F. Contribution.	225,534	249,859
Gratuity	209,881	-
Travelling & Conveyance	605,446	743,245
Business Promotional expenses	932,186	1,934,105
Trade Fair expenses	1,574,244	3,135,282
Selling exps	1,783,193	1,757,973
	9,120,664	**11,231,358**
24.00 Finance cost: Tk.2,814,209.		
Bank interest	1,798,967	1,856,470
Bank charges	1,015,242	550,876
	2,814,209	**2,407,346**
25.00 Other Income:Tk.996,561		
Interest on STD Account	15,783	37,183
Interest on FDR	980,778	2,609,666
	996,561	**2,646,849**

Interest income is recognized on accrual basis.

		Amount in Taka 30 June 2017	Amount in Taka 30 June 2016
26.00	**Write Off:Tk. Nil**		
	The write off amount consists of as follows:		
	Claim Receivable	-	4,350,454
		-	4,350,454
27.00	**Income Tax Expenses:Tk.1,580,207**		
	Current year tax	1,580,207	2,802,480
	Prior year tax	-	607,555
		1,580,207	3,410,035
28.00	**Deferred Tax Expenses/ Income Tk.(1,077,963)**		
	Deferred Tax Expenses/(Income) (note-14.01)	(1,077,963)	392,137

29.00 Credit facilities:

There was no credit facilities that has not been availed of at the date of Statement 'of Financial Position.

30.00 Trade Debtors Statement:

The company does not have credit sales. As such usual classification of debtors (good, bad, doubtful, secured/unsecured etc) was not needed.

31.00 Aggregate amount due by Directors & Officers:

There was no such amount in the Statement of Financial Position.

32.00 Sales - Item-wise:

The company sells Stonewares approx. 121 different items with different shapes and different prices under the brand name Classic Stone.

33.00 Number of employees drawing more than Tk. 3000 & less than Tk. 3000 per month:

The factory is labour intensive. There are permanent labours as well as daily labours.'The daily labour frequently changes and as such it is not possible to keep correct track by name to count the number annually. However on an average the following is number of workers/employees (permanent, daily).

i) Workers/Employees drawings Tk. 3000.00 or more per month 633 Nos.

ii) Workers & Employees drawing less than Tk. 3000.00 per month nil.

34.00 Claims against the company not acknowledgement as debt:

There was no contractual claim against the company not acknowledged as debt.

35.00 Aggregate amount of contracts for capital expenditure:

There was no contractor & contract for capital expenditure on 30-06-17.

	Amount in Taka 30 June 2017	Amount in Taka 30 June 2016

36.00 Basic Earnings per Share (EPS) :

Basic earnings per shares has been calculated as follows:

Earnings attributable to the Ordinary Shareholders Net Profit/(Loss) after tax	(2,530,888)	6,873,940
Number of Ordinary Shares outstading during the year	6,460,650	6,460,650
Basic EPS	**(0.39)**	**1.06**

37.00 During the year under review 6 (six) board meeting and four audit committee meeting were held and each Director present was paid Tk. 8,000/= per meeting as Board Meeting. Fee.

38.00 Related party transactions

a)Key management personnel compansation

Short term employee benefits (Salary and allowances etc.)

	30.06.2017		30.06.2016	
	Directors	All managers	Directors	All managers
Board Meeting Fee	96,000	-	96,000	-
Remunaration & allowances	9,220,800	7,116,240	7,470,000	5,895,390
Bonus	1,070,000	503,100	1,205,000	512,000
	10,386,800	**7,619,340**	**8,771,000**	**6,407,390**

STANDARD CERAMIC INDUSTRIES LTD.

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT AS AT 30TH JUNE, 2017

(Refer to Note No.3.00)

Schedule No- 1

Amount in Taka

Particulars	COST				Rate of Depreciation	DEPRECIATION				Written down value on 30-06-17
	Balance as at 01-07-16	Addition during the year	Sales/ Adjustment	Total as at 30-06-17		Balance as at 01-07-16	Addition during the year	Sales/ Adjustment	Total as at 30-06-17	
Land and Land development	30,555,601	-	-	30,555,601	0%	-	-	-	-	30,555,601
Building & Civil constructions	87,056,344	1,938,138	-	88,994,482	7.5%	54,310,733	2,473,773	-	56,784,506	32,209,976
Plant & Machineries	199,536,106	661,027	-	200,197,133	10%	155,379,298	4,446,249	-	159,825,547	40,371,586
Deep Tube Well	1,105,519		-	1,105,519	5%	519,963	29,277	-	549,240	556,279
Electric & Security Equipment	8,208,716		-	8,208,716	10%	4,001,463	420,726	-	4,422,189	3,786,527
Car & other vehicles	15,617,549		-	15,617,549	20%	11,216,285	880,253	-	12,096,538	3,521,011
Tools	338,065		-	338,065	25%	337,791	68	-	337,859	206
Office Equipment	2,161,427	28,700	-	2,190,127	15%	1,627,521	83,427	-	1,710,948	479,179
Furniture & Fixture	1,859,121		-	1,859,121	10%	1,390,531	46,859	-	1,437,390	421,731
Other Assets	44,472		-	44,472	20%	43,966	133	-	44,099	373
Total as on 30 June 2017	**346,482,920**	**2,627,865**	**-**	**349,110,785**		**228,827,551**	**8,380,765**	**-**	**237,208,316**	**111,902,469**
Total as on 30 June 2016	**329,867,624**	**16,615,296**	**-**	**346,482,920**		**220,501,380**	**8,326,171**	**-**	**228,827,551**	**117,655,369**

Notes:

Depreciation is charged on fixed assets for full year on opening written down value and on addition during the year from the date of use . Depreciation is charged Tk.8,296,957 /= & Tk.83,808/= to Mfg A/C & P/L A/C respectively.

ANNEXURE-1

Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

A. Disclosure as per requirement of Schedule XI, Part II, Para-3, Note 4 (i) and (ii)
Employees position of the company as at 30 June, 2017:
Complied -Disclosed in Note No-33

Disclosure as per requirement of Schedule XI, Part II, Para 3:

Para		Compliance status of disclosure of Schedule XI, Part II, Para 3
3(i)(a)	The turnover	Complied -Disclosed in Note No- 20
3 (i)(b) t	Commission paid to the selling agent	Not Applicable
3(i)(c)	Brokerage and discount on sales, other than the usual trade discount	Not Applicable
3(i)(d)(i)	The value of the raw materials consumed, giving item wise breakup as possible.	Complied -Disclosed in Note No-4.01 and 21
3(i)(d)(ii)	The opening and closing stocks of goods produced.	Complied - Disclosed in Note No-21
3(i)(e)	In the case of trading companies, the purchase made and the opening and closing stocks.	Not applicable
3(i)(f)	In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied.	Not Applicable
3(i)(g)	Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading.	Complied -Disclosed in Note No- 4.01 and 21
3(i)(h)	In the case of other companies, the gross income derived under different heads.	Not Applicable
3(i)(i)	Work-in-progress, which have been completed at the commencement and at the end of the accounting period.	Complied- Disclosed in Note No-21
3(i)(j)	Provision for depreciation, renewals or diminution in value of fixed assets.	Complied -Disclosed in Schedule No- 1
3(i)(k)	Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager.	Not Applicable
3(i)(l)	Charge of income tax and other taxation on profits.	Complied -Disclosed in Note No-27 & 28.
3(i)(m)	Revised for repayment of share capital and repayment of loans	Not Applicable
3(i)(n)(i)	Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	Not Applicable
3(i)(n)(ii)	Amount withdrawn from above mentioned reserve	Not Applicable
3(i)(o)(i)	Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Not Applicable

3(i)(o)(ii)	Amount withdrawn from above mentioned provisions, as no longer required.	Not Applicable
3(i)(p)	Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonous (2) Contribution to provident and other funds (3) Worksmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	Complied -Disclosed in Note From 21, 22, 23 and in Income Statement

B. Disclosure as per requirement of Schedule XI, Part II, Para 4:
Payment/Perquisites to Directors & Managers
Complied and Disclosed in Note- 38

C. Disclosure as per requirement of Schedule XI, Part II, Para 7:
Details of production capacity utilization:

2016-2017

Particulars	Installed Capacity (In MT)	Actual Production (In MT)	Capacity Utilization
Annual Production capacity	4,500	2,310	51.33%

2015-2016

Particulars	Installed Capacity (In MT)	Actual Production (In MT)	Capacity Utilization
Annual Production capacity	4,500	2,465	54.78%

The Production of the Company has reduced due to kiln failure for 36 days from 22 September, 2016 which resulted net operating loss of the Company for the year.

D. Disclosure as per requirement of Schedule XI, Part II, Para 8 (C) :
Raw materials:

Items	Total Purchase (TK.)		Consumption (TK.)		% of consumption of total purchase	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
Raw materials	77,513,210	94,189,672	71,929,299	90,656,779	93%	96%
Spare parts	6,461,548	6,689,564	8,517,768	6,899,414	132%	103%
Packing materials	13,574,127	15,056,447	13,339,102	15,057,691	98%	100%
Total	**97,548,885**	**115,935,683**	**93,786,169**	**112,613,884**		

Value of export:

Particulars	In foreign currencies (US$)	In TK.
Export	105,050	8,300,709

i) The company has not incurred any expenditure in foreign currencies for the period from 01 July, 2016 to 30 June, 2017 on account of royalty, know-how, professional fees, consultancy fees and interest;
ii) The company has not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees and interest;
iii) The Company has not remitted any foreign currencies on account of dividend.

STANDARD CERAMIC INDUSTRIES LTD.
Amin Court (3rd Floor), 62-63 Motijheel C/A, Dhaka-1000.

PROXY FORM

I .....
of..... being a member hereby appoint
Mr. /Mrs. /Ms. .....
of .....
as my proxy to attend and vote for me and on my behalf at the 33rd Annual General Meeting of the Company to held on December 27, 2017 at 10.30 A.M and at any adjournment thereof. As witness my hand this .....
..... day of 2017.

(Signature of the Proxy)

Date :

Revenue Stamp Tk. 20.00

(Signature of the Shareholder)

Holder of _____ Share(s)
Dated : _____

(Signature of the witness)

Register Folio/BO ID No. | | | | | | | | | | | | | | | |

Note: A member entitles to attend and vote at the general meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Head Office of the Company not less than 48 hours before the time fixed for holding the meeting.

SIGNATURE VERIFIED

(AUTHORISED SIGNATURE)

.....

STANDARD CERAMIC INDUSTRIES LTD.
Amin Court (3rd Floor), 62-63 Motijheel C/A, Dhaka-1000.

Identification card to attend 33rd AGM on 27.12.2017.

I, the under signed ..... or my Proxy or Mr./Mrs./Ms.....
hereby record(s) presence at the 33rd Annual General Meeting - 2017.

Name of Shareholder: .....
Address : .....
Numbers of Share: .....

Register Folio/BO ID No. | | | | | | | | | | | | | | | |

(Signature of the Proxy)

Signature of the Shareholder

Note: Please fill-in the blanks & present the card at the entrance.













AMAR STOCK

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(Manufacturer of Stoneware Tableware)
Amin Court (3rd Floor), 62-63 Motijheel Commercial Area, Dhaka, Bangladesh.
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Saydana, Gazipur City Corporation, Gazipur-1700